ONIDA
OWNER'S PRIDE

August 03, 2019

To,	To,
BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	**The Manager - Corporate Compliance** **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051

Dear Sir/Madam,

Sub: Compliance under Regulation 30(2), 34(1), 42 and 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Script Code: BSE - 500279, NSE – MIRCELECTR

This is to inform you that 38th Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, August 28, 2019 at 3.00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai:-400018. In this regard and in compliance with the requirement of Regulation 30(2) and 34(1) read with Schedule III and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice of AGM dated May 29, 2019 and Annual Report for the financial year 2018-2019.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Register of Members and Share Transfer Book of the Company will remain closed as detail below:

Symbol	Type of security	Book Closure Both days inclusive		Record Date	Purpose
		From	To		
NSE: MIRCELECTR BSE: 500279	Equity	August 23, 2019	August 28, 2019	N.A.	Annual General Meeting

MIRC ELECTRONICS LTD. MUMBAI 93.

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The Notice of the AGM along with the Explanatory Statement, Directors Report, Auditors Report and Audited Financial Statements of the Company for the year ended March 31, 2019 is being sent to the Members at the postal address or emailed to email address, registered with the Company / Depository participant (DP) as the case may be on August 03, 2019.

Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, the Company is providing remote e-voting facility to its members holding shares as on Wednesday, August 21, 2019 being the cut-off date to exercise their rights to vote by electronic means on all resolutions set out in the Notice of the AGM through e-voting facilitated by Central Depository Services (India) Ltd. Remote e-voting shall commence on Sunday, August 25, 2019 (9.00 am) and ends on Tuesday, August 27, 2019 (5.00 pm).

The notice of the AGM alongwith Annual Report is also available on the Company's website www.onida.com.

You are requested to take the same on record and oblige.

Thanking You,

Yours truly,
For MIRC Electronics Limited

MIRC ELECTRONICS LTD. MUMBAI 93.

Lalit Chendvankar
Head - Corporate Affairs,
Legal & Company Secretary

Encl: A/a.

ONIDA
OWNER'S PRIDE

MIRC ELECTRONICS LIMITED
Regd. Office: Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai:-400 093
CIN : L32300MH1981PLC023637
Website:- www.onida.com

NOTICE

NOTICE is hereby given that the **Thirty Eighth Annual General Meeting** of the members of **MIRC Electronics Limited** will be held on Wednesday, August 28, 2019 at 3.00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Gulu Mirchandani (DIN: 00026664) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To approve the re-appointment of Mr. Kaval Mirchandani (DIN: 01179978) as a Whole Time Director of the Company and remuneration payable to him and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on February 12, 2019, the approval of members of the Company be and is hereby accorded to the re-appointment and remuneration of Mr. Kaval Mirchandani (DIN: 01179978), as Whole Time Director of the Company for a period of 3 (Three) years effective from May 26, 2019 to May 25, 2022 on such terms and conditions including remuneration as set out in Item No. 3 of the explanatory statement annexed to the Notice convening this Meeting.

4. To approve the appointment of Mr. Sanjay Munshi, (DIN: 08355427) as a Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152(2) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of the Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on February 12, 2019, the approval of members of the Company be and is hereby accorded to the appointment of Mr. Sanjay Munshi (DIN: 08355427), who was appointed as an additional director of the Company under the provisions of the Section 161 of the Companies Act, 2013 and whose term of appointment expires at the ensuing Annual General Meeting be and is hereby appointed as a Director of the Company."

5. To approve the appointment of Mr. Sanjay Munshi (DIN: 08355427) as a Whole Time Director of the Company and remuneration payable to him and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on February 12, 2019, the approval of members of the Company be and is hereby accorded to the appointment and remuneration of Mr. Sanjay Munshi (DIN: 08355427), as Whole Time Director of the Company for a period of 3 (Three) years effective from February 12, 2019 to February 11, 2022 on such terms and conditions including remuneration as set out in Item No. 5 of the explanatory statement annexed to the Notice convening this Meeting."

6. To approve the re-appointment of Mr. Gulu Mirchandani (DIN: 00026664), as a Chairman and Managing Director of the Company and remuneration payable to him and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 29, 2019, the approval of members of the Company be and is hereby accorded to the re-appointment and remuneration of Mr. Gulu Mirchandani (DIN: 00026664), as Chairman and Managing Director of the Company for a period of 3 (Three) years effective from December 01, 2019 to November 30, 2022 on such terms and conditions including remuneration as set out in Item No. 6 of the explanatory statement annexed to the Notice convening this Meeting."

7. To approve the re-appointment of Mr. Carlton Pereira (DIN: 00106962) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Carlton Pereira (DIN: 00106962), who was appointed as an Independent Director and who holds office as an Independent Director up to September 2, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to September 2, 2024 on such terms and conditions as set out in Item No. 7 of the explanatory statement annexed to the Notice convening this Meeting."

8. To approve the re-appointment of Mr. Rafique Malik (DIN: 00521563) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rafique Malik (DIN: 00521563), who was appointed as an Independent Director and who holds office as an Independent Director up to September 2, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to September 2, 2024 on such terms and conditions as set out in Item No. 8 of the explanatory statement annexed to the Notice convening this Meeting."

9. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors), Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Suresh D. Shenoy, Cost Accountant (Membership No.8318), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid remuneration of Rs. 2,50,000/-p.a. plus GST thereon and reimbursement of out of pocket expenses.

   RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby authorized to do all acts, deeds, matters and things as may be deemed proper, necessary or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

By order of the Board of Directors
For MIRC Electronics Limited

Place: Mumbai
Date: May 29, 2019

Gulu Mirchandani,
Chairman & Managing Director

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IS ENCLOSED ALONGWITH THIS NOTICE.

2. The Proxy form, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 (Fort-Eight) hours before the commencement of the Annual General Meeting.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10% (Ten percent) of the total share capital of the Company

carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. During the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the Annual General Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. For the convenience of the members, Attendance Slip is annexed to this Notice. The members/proxy holders are requested to fill in and affix their signatures at the space provided therein and present the same at the venue.

6. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted at the Annual General Meeting is annexed to this Notice.

7. Relevant documents referred to in accompanying Notice and statement are open for the inspection by the members at the Registered Office of the Company on all working days (except Saturday) during business hours up to date of the Annual General Meeting.

8. The Register of Members and Share Transfer Register of the Company will remain closed from Friday, August 23, 2019 to Wednesday, August 28, 2019 (both days inclusive).

9. Corporate members intending to send their authorized representatives at the Annual General Meeting are requested to send a certified true copy of the board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

10. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. Members are hereby informed that there is no unpaid dividend of earlier years which is due to be transferred to the Investor Education and Protection Fund (IEPF) under the provisions of Section 124 and Section 125 of the Companies Act, 2013.

12. During the year under review, pursuant to the provisions of Section 124 and Section 125 of the Companies Act, 2013, dividend for the financial year ended March 31, 2011 (final dividend), which remain unpaid and unclaimed for a period of seven years, has been transferred by the Company to IEPF.

13. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, have been transferred to IEPF.

    The claimant of shares transferred as mentioned above shall be entitled to claim the shares from IEPF by submitting an online application in Form IEPF-5 available on the website www.iepf.gov.in. The claimant shall after making an application in Form IEPF-5, send the same duly signed by him along with the requisite documents as enumerated in Form IEPF-5 to the Company at its registered office for verification of his claim.

14. Members who hold shares in the dematerialized form and want to change/correct the bank account details, should send the same immediately to their concerned depository participant and not to the Company. Members are also requested to give the MICR Code of their bank to their depository participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demat shares. The members who hold shares in physical form are requested to immediately notify any change of address to the Registrar and Share Transfer Agent of the Company in respect of their holding in physical form.

15. Securities and Exchange Board of India (SEBI), vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to which after December 5, 2018 transfer of securities could not be processed unless the securities are held in the dematerialized form with a depository. Therefore, the members who are holding physical shares are requested to dematerialized their holdings at the earliest.

16. As a measure of economy, copies of the Annual Report will not be distributed at the venue of Annual General Meeting of the Company. The members are requested to bring their copies of Annual Report.

17. All the members are requested to register their e-mail id with the Registrar and Share Transfer Agent of the Company for the purpose of service of documents under Section 20 of the Companies Act, 2013 by e-mode instead of physical service of documents.

18. The members holding the shares in physical form can avail of the nomination facility in terms of Section 72 of the Companies Act, 2013, by furnishing Form SH. 13 (in duplicate) to the Company or the Registrar and Share Transfer Agent of the Company. The said form will be made available on request. In case of shares held in dematerialized form, a nomination form will have to be lodged by the members with their Depository Participants.

19. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The members holding shares in electronic form are, therefore, requested to submit their PAN to the depository participants with whom they maintain their demat accounts. The members holding shares in physical form should submit their PAN to the Secretarial Department of the Company or the Registrar and Share Transfer Agent of the Company.

20. As per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details in respect of a director seeking appointment/re-appointment at the Annual General Meeting are separately annexed to this Notice.

21. The members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company Secretary of the Company at least 7 (seven) days before the date of Annual General Meeting.

22. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with rules made there under, electronic copy of the Annual Report and Notice of the Thirty Eighth Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting is being sent to all the members whose email ids are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their email address, physical copies of the Abridged Financial Statements and Notice of the Thirty Eighth Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

23. The members may also note that the Notice of the Thirty Eighth Annual General Meeting and the Annual Report for the financial year ending on March 31, 2019 will also be available on the website of the Company i.e. www.onida.com. For any communication, the shareholders may also send requests to the designated email id of the Company i.e. investors@onida.com.

24. The Statement containing the salient features of the balance sheet, the statement of profit and loss and auditors' report on the Abridged Financial Statement, is sent to the members. Any member interested in obtaining hard copy of the Annual Report, may write to the Registrar and Share Transfer Agent of the Company.

25. Information and other instructions relating to e-voting are as under:

    In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members with facility of 'remote e-voting' (e-voting from a place other than venue of the Annual General Meeting) to exercise their right to vote at the Thirty Eighth Annual General Meeting of the Company (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the members to cast their vote electronically.

    The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the Thirty Eighth AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

    The Company has appointed CS Mahesh Darji, Practicing Company Secretary, (Membership No. F7175, CP No. 7809 with the Institute of Company Secretaries of India) or failing him CS Nilesh Shah or failing him CS Hetal Shah of M/s. Nilesh Shah & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner.

    The instructions for members for voting electronically are as under: -

    (i) The voting period begins on Sunday, August 25, 2019 (9.00 a.m.) and ends on Tuesday, August 27, 2019 (5.00 p.m.). During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, August 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;

    (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue;

    (iii) The members should log on to the e-voting website www.evotingindia.com;

    (iv) Click on Shareholders;

    (v) Now Enter your User ID

        a. For CDSL: 16 digits beneficiary ID,

        b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

        c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login;

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used;

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/depository participant are requested to use sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details Or Date of Birth (DOB)	Enter the dividend bank details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the dividend bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab;

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;

(xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;

(xii) Click on the EVSN for the relevant MIRC Electronics Limited on which you choose to vote;

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution;

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details;

(xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote;

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote;

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page;

(xviii) If Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system;

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
- The list of accounts should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the board resolution and power of attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.

evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

26. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Wednesday, August 21, 2019;

27. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Wednesday, August 21, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting in the AGM. The person who is not a member as on the cut-off date should treat this Notice for information purpose only; and

28. The scrutinizer, after scrutinising the votes cast at the AGM and through remote e-voting, will, not later than 3 (three) days of conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.onida.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 3:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on February 12, 2019, approved the re-appointment and remuneration of Mr. Kaval Mirchandani (DIN: 01179978), Whole-Time Director of the Company, for a period of 3 (three) years w.e.f. May 26, 2019, subject to the approval of members of the Company. The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Kaval Mirchandani (DIN: 01179978) and the Company are as follows:

I] The Whole Time Director shall continue to be subject to the supervision and control of the Board of Directors, and carry out such duties as may be entrusted to him by the Board of Directors, Managing Directors of the Company and shall exercise such powers as are delegated to him by the Board of Directors from time to time.

II] PERIOD OF RE-APPOINTMENT: -

The tenure of re-appointment shall be for a period of three years effective from May 26, 2019 to May 25, 2022.

III[A] REMUNERATION: -

Subject to the ceiling limits laid down in Section 197 read with Schedule V of the Companies Act, 2013, remuneration by way of salary and perquisites permissible to the Whole Time Director shall be as under:-

i] Salary:- Rs. 1,20,000 per month

ii] Accommodation: Rent free furnished accommodation or upto 50% of salary as House rent allowance in lieu of accommodation.

iii] Other allowances and Perquisites (Special Allowance, Education Allowance, LTA, Bonus etc.) upto 100% of the salary and as determined by the Board of Directors from time to time.

iv] Performance/Variable pay: As per his performance evaluated by Nomination & Remuneration Committee.

The above remuneration and perquisites shall not exceed Rs. 45,00,000/- per annum and as revised annually.

In addition to the above he would be entitled to following perquisites and benefits as per the policy of the Company in force. This will be exempt perquisites and will not be considered in above limits.

a. Company maintained car with driver

b. Telephone and other communication facilities

c. Mediclaim for self and family

d. Company's contribution to Provident Fund

e. Payment of Gratuity and other retirement benefits

f. Encashment of leave

[B] ANNUAL INCREMENTS: -

The remuneration payable to Mr. Kaval Mirchandani would be on a time scale basis to be revised annually on the 1st of April every year, for the term of his re-appointment, at the discretion of the Nomination and Remuneration Committee and Board of Directors of the Company and subject to the performance of Mr. Kaval Mirchandani.

(C) MINIMUM REMUNERATION:-

In the event of inadequacy or absence of net profits in any financial year, the above remuneration as permissible under Schedule V to the Companies Act, 2013 shall be the minimum remuneration payable to the Whole-time Director.

For the purpose of calculating the value of Perquisites herein above, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

The Whole-time Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

A copy of the agreement executed between the Company Mr. Kaval Mirchandani (DIN: 01179978), is available for inspection by the members of the Company at its registered office of the Company is situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai - 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

Mr. Kaval Mirchandani (DIN: 01179978) is relative of Mr. Gulu Mirchandani (DIN: 00026664), Chairman and Managing Director of the Company and both of them and their respective relatives are deemed to be directly or indirectly concerned or interested in the re-appointment and remuneration of Mr. Kaval Mirchandani (DIN: 01179978), as stated in the resolution and are not entitled to vote on this resolution. Further no member of the Company shall vote on above special resolution, if such member is a related party.

The Board recommends the above resolution to be passed as Special Resolution.

None of the Directors other than of Mr. Kaval Mirchandani (DIN: 01179978) himself and Mr. Gulu Mirchandani (DIN: 00026664), being relative and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 3 of the Notice.

Item No. 4:

The Board of Directors in their Board meeting held on February 12, 2019, approved the appointment of Mr. Sanjay Munshi (DIN: 08355427), as an Additional Director pursuant to Section 161 of the Companies Act, 2013 and Article 127(a) of the Articles of Association of the Company with effect from February 12, 2019 to share his rich experience and expertise for the benefit of the Company. His term of appointment as an Additional Director expires at ensuing Annual General Meeting. The Company has received necessary notice along with deposit as required under Section 160 of the Companies Act, 2013 proposing his candidature as a Director.

Mr. Sanjay Munshi (DIN: 08355427), has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Mr. Sanjay Munshi (DIN: 08355427), is a M.B.A. (International Business) from Indian Institute of Foreign Trade, New Delhi and Bachelor of Technology (Electronics & Communication) from National Institute of Technology, Warangal. Brief information of Mr. Sanjay Munshi (DIN: 08355427), is given in the Annexure annexed to the Notice.

The Board of Directors consider that the appointment of Mr. Sanjay Munshi (DIN: 08355427), as a Director will be of advantage to the Company and accordingly, the Board recommends the above resolution to be passed as Ordinary Resolution.

None of the Directors, except Mr. Sanjay Munshi (DIN: 08355427) himself, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

Item No. 5:

Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board meeting held on February 12, 2019, approved the appointment and remuneration of Mr. Sanjay Munshi (DIN: 08355427), as Whole Time Director of the Company for a period of 3 (Three) years with effect from February 12, 2019, subject to the approval of members of the Company. The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Sanjay Munshi (DIN: 08355427), and the Company are as follows:

I] The Whole Time Director shall continue to be subject to the supervision and control of the Board of Directors and carry out such duties as may be entrusted to him by the Board of Directors, Managing Directors & Chief Executive Officer of the Company and shall exercise such powers as are delegated to him by the Board of Directors from time to time.

II] PERIOD OF APPOINTMENT:

The tenure of appointment shall be for a period of three years effective from February 12, 2019 to February 11, 2022.

III [A] REMUNERATION:

Subject to the ceiling limits laid down in Section 197 read with Schedule V to the Companies Act, 2013, remuneration by way of salary and perquisites permissible to the Whole Time Director shall be as under:-

a) Basic Salary

Basic: Rs. 25,80,000/- (Rupees Twenty Five Lakhs Eighty Thousand only) per annum.

b) Special Allowance

Special Allowance: Rs. 10,67,568/- (Rupees Ten Lakhs Sixty Seven Thousand Five Hundred and Sixty Eight only) per annum.

c) Performance Pay

Performance Pay: Rs. 9,00,000/- (Rupees Nine Lakhs only) per annum (The performance pay will be as per the performance rating for the financial year. The performance pay will be linked to individual and Company performance).

d) Education Allowance

Education Allowance: Rs. 4,800/- (Rupees Four Thousand Eight Hundred only) per annum.

e) Lunch Allowance

Lunch Allowance: Rs. 13,200/- (Rupees Thirteen Thousand Two Hundred only) per annum.

f) Bonus/ Ex-Gratia

Bonus/Ex-Gratia: Rs. 5,16,000/- (Rupees Five Lakhs Sixteen Thousand only) per annum.

g) Perquisites

In addition to the above, the Whole Time Director shall be entitled to the following perquisites. Unless the context otherwise requires, the perquisites are classified into three categories 'A', 'B' and 'C' as follows:

Category 'A'

This will comprise of House Rent Allowance, Leave Travel Concession and Medical re-imbursement. This will be provided as under:

(1) Housing

i) The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of basic salary.

ii) In case Company owns the accommodation, the Company shall deduct 10% of the basic salary of the Whole-time Director.

iii) In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to a House Rent Allowance subject to ceiling of 50% of his basic salary.

(2) Leave Travel Allowance:

Rs. 48,000/- (Rupees Forty Eight Thousand only) per annum for self and family, once in a year, in accordance with the rules of the Company.

(3) Medical Reimbursement:

Medical expenses incurred by Mr. Sanjay Munshi and his family, subject to a ceiling of Rs. 15,000/- (Rupees Fifteen Thousand only) per annum (For the purpose, 'Family' means spouse and children of Mr. Sanjay Munshi).

(4) Hospitalisation benefit:

Hospitalisation benefit as per the mediclaim policy of the Company.

(5) Benevolent Fund:

Benevolent Fund as per the policy of the Company.

Category 'B'

1) Provident Fund/ Superannuation / Annuity Fund:

Contribution to Provident Fund/Superannuation/ Annuity Fund shall be in accordance with the approved scheme/ fund of the Company as in force from time to time and not included in computation of ceiling on perquisites to the extent that these either singly or put together are not taxable, under the Income Tax Act.

2) Gratuity:

Gratuity payable shall not exceed half a month's salary for each completed year of service.

3) Encashment of Leave not availed of:

As per the rules of the Company, it shall not be included in the computation of ceiling on Perquisites.

Category 'C'

1) The whole time director will be entitled to claim following expenses:-

a) Vehicle Maintenance Rs. 8,40,000/- (Rupees Eight Lakhs Forty Thousand only) per annum.

b) Car Perks Rs. 3,60,000/- (Rupees Three Lakhs Sixty Thousand only) per annum.

c) Driver's salary Rs. 3,00,000/- (Rupees Three Lakhs only) per annum.

d) Fuel charges Rs. 2,40,000/- (Rupees Two Lakhs Forty Thousand only) per annum.

2) Mobile reimbursements as per the Company's policy.

[B] ANNUAL INCREMENTS:

The Whole-Time Director will be entitled to an annual increment not exceeding Rs. 10,00,000/- (Rupees Ten Lakhs only) every year, as may be recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors.

[C] MINIMUM REMUNERATION:

In the event of inadequacy or absence of net profits in any financial year, the above remuneration as permissible under Schedule V to the Companies Act, 2013 shall be the minimum Remuneration payable to the Whole-Time Director.

For the purpose of calculating the value of perquisites herein above, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

The Whole-Time Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

A copy of the agreement executed between the Company and Mr. Sanjay Munshi (DIN: 08355427), is available for inspection by the members of the Company at its registered office of the Company situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai - 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

The Board recommends the above resolution to be passed as special resolution.

None of the Directors, except Mr. Sanjay Munshi (DIN: 08355427) himself, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

Item No. 6:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 29, 2019, approved the re-appointment and remuneration to Mr. Gulu Mirchandani (DIN: 00026664), as Chairman and Managing Director of the Company for a period of 3 (Three) years with effect from December 01, 2019, subject to the approval of members of the Company. The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Gulu Mirchandani and the Company are as follows:

I] A) The Chairman & Managing Director shall perform his duties and exercise substantial powers of management within the applicable provisions of law. He will be subject to the overall supervision and control of the Board of Directors of the Company.

B) The Chairman & Managing Director shall maintain secrecy during the continuance of his employment.

II] PERIOD OF RE-APPOINTMENT: -

The tenure of re-appointment shall be for a period of three years effective from December 01, 2019 to November 30, 2022.

III [A] REMUNERATION: -

Subject to the ceiling limits laid down in Section 197 read with Schedule V to the Companies Act, 2013, remuneration by way of salary and perquisites permissible to the Chairman & Managing Director shall be as under:-

a) Basic Salary

Basic: Rs. 6,80,000/- per month.

b) Commission

In case of Company having profit in a financial year, in addition to Salary and Perquisites, Commission shall be paid to Mr. Gulu Mirchandani, Chairman & Managing Director, which shall not exceed the limits specified in Section 197 of the Companies Act 2013.

c) Perquisites

In addition to the above, the Chairman & Managing Director shall be entitled to the following perquisites:

This will comprise inter-alia of House Rent Allowance, Leave Travel Concession, Medical re-imbursement and Personal Accident Insurance. This will be provided as under:

(1) Housing

i) The Company shall provide a rent free furnished accommodation to the Chairman & Managing Director according to his choice of location and preference of premises.

ii) In case Company owns the accommodation, the Company shall deduct 10% of the basic Salary of the Chairman & Managing Director.

iii) In case no accommodation is provided by the Company, the Chairman & Managing Director shall be entitled to a House Rent Allowance subject to ceiling of 60% of his basic salary.

(2) Leave Travel Allowance:

For self and family, once in each year, in accordance with the Rules of the Company.

(3) Medical and Personal Accident Insurance

Personal Accident Insurance and reimbursement of Medical expenses incurred by Mr. Gulu Mirchandani and his family, subject to a ceiling of Rs. 24,000 p.a. (For the purpose, 'Family' means spouse, dependent children and dependent parents of Mr. Gulu Mirchandani). In the event medical bills are not submitted, Mr. Gulu Mirchandani will be entitled to medical allowance upto the above ceiling.

The total remuneration by way of salary and perquisites shall not be exceeding Rs 120 lacs p.a. as per effective capital of the Company computed as per Schedule V to the Companies Act, 2013.

[B] PERQUISITES NOT INCLUDED IN MANAGERIAL REMUNERATION:

The following perquisites shall not be included in the computation of above ceiling as per Schedule V to the Companies Act, 2013.

(1) Provident Fund/ Superannuation / Annuity Fund:

Contribution to Provident Fund/Superannuation/ Annuity Fund shall be in accordance with the approved scheme/ fund of the Company as in force from time to time and not included in computation of ceiling on perquisites to the extent that these either singly or put together are not taxable, under the Income Tax Act.

(2) Gratuity

Gratuity payable shall not exceed half a month's Salary for each completed year of service.

(3) Encashment of Leave:

At the end of the tenure and it shall not be included in the computation of above ceiling.

[C] OTHER BENEFITS:

Fully maintained Cars for use on Company's business, telephone, mobile, internet, facsimile and other communication facilities. Personal long distance calls on telephone and use of car for private purpose shall be reimbursed to the Company.

(D) ANNUAL INCREMENTS:

In case of Company making profits, the Chairman and Managing Director will be entitled to an annual increment as may be decided by the Nomination and Remuneration Committee however the total remuneration payable to the Chairman and Managing Director in any financial year shall not exceed 5% of the Net Profits of the Company as computed under Section 198 of the Companies Act, 2013.

(E) MINIMUM REMUNERATION

In the event of inadequacy or absence of net profits in any financial year, the above remuneration as permissible under Schedule V to the Companies Act, 2013 shall be the minimum Remuneration payable to the Chairman & Managing Director.

For the purpose of calculating the value of Perquisites herein above, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

The Chairman & Managing Director shall not be entitled to receive any fees for attending meetings of the Board / Committee.

A copy of the agreement executed between the Company and Mr. Gulu Mirchandani (DIN: 00026664) is available for inspection by the members of the Company at its registered office of the Company situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

Mr. Gulu Mirchandani (DIN: 00026664) is relative of Mr. Kaval Mirchandani (DIN: 01179978), Whole Time Director and both of them and their respective relatives are deemed to be directly or indirectly concerned or interested in the re-appointment and remuneration of Mr. Gulu Mirchandani (DIN: 00026664), as stated in the resolution and are not entitled to vote on this resolution. Further no member of the Company shall vote on above special resolution, if such member is a related party.

The Board recommends the above resolution to be passed as Special Resolution.

None of the Directors other than Mr. Gulu Mirchandani (DIN: 00026664) himself and Mr. Kaval Mirchandani (DIN: 01179978), being relative, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of the Notice.

Item No. 7:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May, 29, 2019, approved the re-appointment of Mr. Carlton Pereira (DIN: 00106962), Independent Director of the Company, for a second term of 5 (five) consecutive years i.e. up to September 2, 2024, subject to the approval of members of the Company.

Mr. Carlton Pereira (DIN: 00106962), is fellow member of the Institute of Chartered Accountants of India and Bachelor of Commerce from Bombay University. Mr. Carlton Pereira is co-founder and Managing Director of Tano Capital in India, which manages two Private Equity Funds aggregating US$ 211 million, for investments in India. Brief information of Mr. Carlton Pereira (DIN: 00106962) is annexed to the Notice.

Mr. Carlton Pereira (DIN: 00106962) has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. He has also given a declaration that he meets with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board of Directors of the Company, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by Mr. Carlton Pereira (DIN: 00106962) during his tenure, his continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Carlton Pereira (DIN: 00106962) as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

As per Section 149(10) of the Companies Act, 2013 an Independent Director shall hold office for a term of upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a company and accordingly, the Board recommends the above resolution to be passed as special resolution.

A copy of the draft letter of re-appointment of Mr. Carlton Pereira (DIN: 00106962) as an Independent Director stating the terms and conditions is available for inspection by the members of the Company at the registered office of the Company situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai - 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

None of the Directors except Mr. Carlton Pereira (DIN: 00106962) himself, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 7 of the Notice.

Item No. 8:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 29, 2019, approved the re-appointment of Mr. Rafique Malik (DIN: 00521563), Independent Director of the Company, for a second term of 5 (five) consecutive years i.e. up to September 2, 2024, subject to the approval of members of the Company.

Mr. Rafique Malik (DIN: 00521563), is an Alumni of Owner/ President Management of Programme of Harvard Business School, U.S.A. He has a Bachelor's Degree from Sydenham College and has vast experience about 45 years in business. Brief information of Mr. Rafique Malik (DIN: 00521563) is annexed to the Notice.

Mr. Rafique Malik (DIN: 00521563) has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. He has also given a declaration that he meets with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board of Directors of the Company, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by Mr. Rafique Malik (DIN: 00521563) during his tenure, his continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Rafique Malik (DIN: 00521563) as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

As per Section 149(10) of the Companies Act, 2013 an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company and accordingly, the Board recommends the above resolution to be passed as special resolution.

A copy of the draft letter of re-appointment of Mr. Rafique Malik (DIN: 00521563) as an Independent Director stating the terms and conditions is available for inspection by the members of the Company at the registered office of the Company situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai - 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

None of the Directors except Mr. Rafique Malik (DIN: 00521563), himself and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 8 of the Notice.

Item No. 9:

On the recommendation of the Audit Committee, the Board of Directors in their meeting held on May 29, 2019 has approved the re-appointment and remuneration of Cost Auditor, Mr. Suresh D. Shenoy, Cost Accountant, (Registration No. 8318 with the Institute of Cost Accountants of India) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 on an audit fees of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand only) p.a. plus GST thereon, as applicable, besides travelling and other out of pocket expenses to be incurred by them for the purpose of such audit.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

The Board recommends the Ordinary Resolution for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 9 of the Notice.

STATEMENT OF DISCLOSURE PURSUANT TO SCHEDULE V TO THE COMPANIES ACT, 2013 IN RELATION TO ITEM NO. 3, 5 AND 6 OF THE NOTICE:

I. General Information

- Nature of Industry:

  The Company is engaged in the business of manufacture and marketing of electronics goods primarily under the brand named 'Onida' and 'IGO'. The Company has four manufacturing plants viz, Wada (Maharashtra), Lote-Parshuram, Chiplun (Maharashtra), Roorkee-I (Uttarakhand) and Roorkee-II (Uttarakhand).

- Date of commencement of commercial production:

  The commercial production started at Wada plant in July, 1994 and at Roorkee Plant-I in December, 2006 and Roorkee Plant -II in October, 2009 respectively.

- Financial performance of the Company

Amount (in Cr.)

Particulars	Financial Year		
	2018-2019	2017-2018	2016-2017
Total Revenue	642.41	735.20	765.69
Profit/(Loss) before Tax	(4.40)	23.49	(19.24)
Profit/(Loss) after Tax	(4.40)	23.49	(19.24)
Dividend	---	---	---

- Export performance and net foreign exchange collaborations:

  Export performance and total foreign exchange earnings for the financial year 2018-2019 is Rs. 903.43 Lacs.

- Foreign investment or collaborators : NIL

  However as on March 31, 2019 the total Foreign Shareholding is 44,25,189 equity shares constituting 1.92% of the paid-up share capital which includes Foreign portfolio investor (Corporate) holding of 34,15,446 equity shares and NRI holding of 10,09,743 equity shares.

II. Information about the appointees:

A. Mr. Kaval Mirchandani:

- Back ground details: Mr. Kaval Mirchandani is a M.B.A. in International Management from Thunderbird American Graduate School of International Management, U.S.A. and is associated with the Company since the year 2005 in the Management Cadre and was promoted as a Vice- President-Corporate Strategy during the financial year 2010-2011. He was appointed as a Whole Time Director of the Company w.e.f. May 26, 2016.

- Past Remuneration: As stated below

(Amount in Rs.)

Particulars	Financial Year		
	2018-2019	2017-2018	2016-2017
Salary, Allowance & Perquisites	4,208,772	4,208,772	4,208,772
Provident Fund & Superannuation / Gratuity	172,800	172,800	172,800
Total	**4,381,572**	**4,381,572**	**4,381,572**

- Recognition or awards: He has vast experience in electronics industry.

- Job profile and suitability: He is a Whole-time Director of the Company. He has been influential in devising and implementing the various corporate strategies for the Company.

- Remuneration proposed: As stated in agenda item no. 3.

- Comparative remuneration profile with respect to Industry, size of company, profile of the position and person: The remuneration for the similar position in the Industry, having regard to the size of the companies and profile of persons is not less than the proposed remuneration of Mr. Kaval Mirchandani.

- Pecuniary relationship or relationship with managerial person: Mr. Kaval Mirchandani is son of Mr. Gulu Mirchandani, Chairman and Managing Director of the Company.

B. Mr. Sanjay Munshi:

- Back ground details: Mr. Sanjay Munshi is a M.B.A. (International Business) from Indian Institute of Foreign Trade, New Delhi and Bachelor of Technology (Electronics & Communication) from National Institute of Technology, Warangal.

- Past Remuneration: N.A.

- Recognition or awards: He has vast experience in electronics industry..

- Job profile and suitability: He is a Whole-time Director of the Company. He has been influential in devising and implementing the various corporate strategies for the Company.

- Remuneration proposed: As stated in agenda item no. 5.

- Comparative remuneration profile with respect to Industry, size of company, profile of the position and person: The remuneration for the similar position in the Industry, having regard to the size of the companies and profile of persons is not less than the proposed remuneration of Mr. Sanjay Munshi.

- Pecuniary relationship or relationship with managerial person: Mr. Sanjay Munshi has no interest in the capital or any relation with the managerial personnel of the Company.

C. Mr. Gulu Mirchandani:

- Back ground details: Mr. Gulu Mirchandani is one of the main promoters of the Company and is associated with the Company since its inception. Mr. Gulu Mirchandani is an alumnus of BITS, Pilani and holds a degree in BE (Mechanical).
- Past Remuneration: As stated below

(Amount in Rs.)

Particulars	Financial Year		
	2018-2019	2017-2018	2016-2017
Salary, Allowance & Perquisites	11,223,600	11,223,600	11,223,600
Provident Fund & Superannuation /Gratuity	9,79,200	9,79,200	9,79,200
Total	**12,202,800**	**12,202,800**	**12,202,800**

- Recognition or awards: The Company has won the award for excellence in electronics under the leadership of Mr. Gulu Mirchandani in the year 1999 from the Ministry of Information Technology, Government of India. Mr. Gulu Mirchandani has held several key positions in the industry. He was appointed as the President of Consumer Electronics and TV Manufacturers Association (CETMA) for two consecutive years in 1992 and 1994. He has vast experience in electronic industry and proven expertise in driving the organizational growth through the enhancement of existing growth areas and developing potential opportunities.
- Job profile and suitability: Mr. Gulu Mirchandani is a Chairman & Managing Director of the Company. He is a key member in devising and implementing corporate growth strategy of the Company.
- Remuneration proposed: As stated in agenda item no. 6.
- Comparative remuneration profile with respect to Industry, size of company, profile of the position and person: The remuneration for the similar position in the industry, having regard to the size of the companies and profile of persons is not less than the proposed remuneration of Mr. Gulu Mirchandani.

  Pecuniary relationship or relationship with managerial person: Mr. Gulu Mirchandani is brother in law of Mr. Vijay Mansukhani, Managing Director of the Company and father of Mr. Kaval Mirchandani, Whole Time Director of the Company.

III. Other Information:

- Reasons of loss or inadequate profit:

  Financial Year 2018-2019 was a year of challenges for most of the businesses in India including consumer durables segment. The contraction in demand and severe liquidity crisis affected most of the companies including the Company thus impacting the top line and bottom line of the Company.

- Steps taken/ proposed to be taken for improvement and expected increase in productivity and in profit in measurable terms:

  The Company has plans towards brand building through advertising in the print and non-print medium/media to keep up the brand visibility. The Company has embarked on a series of strategic and operational measures that is expected to result in improvement in the present position. The inherent strengths of the Company, especially its reputation, powerful brands and deep distribution network are also expected to enable the Company to position itself during adversities. The Company has strategically planned to address the issue of productivity and service and increase profits and has put in place measures to reduce cost and improve the bottom line.

By order of the Board
For MIRC Electronics Limited
Gulu Mirchandani,
Chairman & Managing Director

Place: Mumbai
Date: May 29, 2019

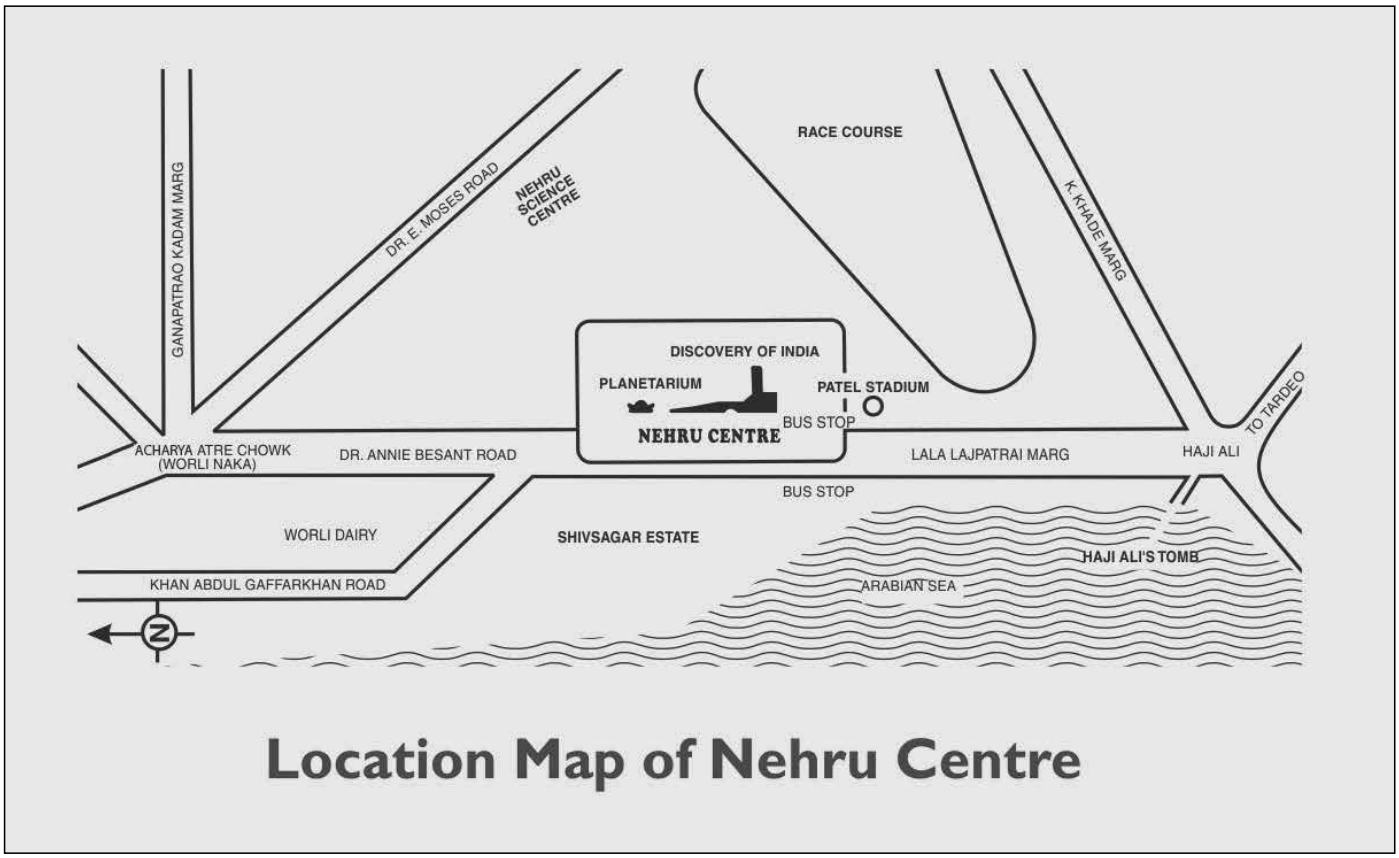
Details of directors seeking appointment/re-appointment in the Thirty Eighth Annual General Meeting

As per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Gulu Mirchandani	Mr. Kaval Mirchandani	Mr. Sanjay Munshi	Mr. Carlton Pereira	Mr. Rafique Malik
Date of Birth	June 12, 1943	June 11, 1975	September 9, 1970	October 17, 1967	October 30, 1950
Date of Appointment	January 1, 1981	May 26, 2016	February 12, 2019	May 15, 2014	January 28, 2014
Qualification	BE (Mechanical) and alumnus of BITS, Pilani	M.B.A. in International Management from Thunderbird American Graduate School of International Management, U.S.A.	M.B.A. (International Business) from Indian Institute of Foreign Trade, New Delhi and Bachelor of Technology (Electronics & Communication) from National Institute of Technology, Warangal	Chartered Accountant	Graduate from Harvard Business School, U.S.A
Expertise in specific functional areas	Development of corporate strategy and formulating, incubating and delivering emerging technologies and services in the area of televisions and other electronic products.	Implementing various corporate strategies for the Company.	Implementing various corporate strategies for the Company.	Financial Services	Experience about 45 years in the footwear business
Directorship held in other listed entities.	a) KEC International Ltd. b) VIP Industries Limited	None	None	a) Sanghvi Brands Limited b) Shilpa Medicare Limited	Ador Fontech Limited.
Membership of Committees of the Board of other listed entities.	VIP Industries Limited i) Member–Audit Committee ii) Chairman–Stakeholders Relationship Committee	None	None	Sanghvi Brands Limited i) Chairman–Audit Committee ii) Chairman–Stakeholders Relationship Committee iii) Chairman–Nomination & Remuneration Committee	Ador Fontech Limited i) Member–Audit Committee ii) Member–Stakeholders Relationship Committee iii) Chairman–Nomination & Remuneration Committee
Relationship, if any between Directors inter-se.	Mr. Gulu Mirchandani is brother in law of Mr. Vijay Mansukhani, Managing Director and father of Mr. Kaval Mirchandani, Whole Time Director of the Company.	Mr. Kaval Mirchandani is son of Mr. Gulu Mirchandani, Chairman & Managing Director of the Company.	None	None	None

Note: None of the Non-Executive Directors holds any equity shares in the Company.

Route Map to AGM Venue



Location Map of Nehru Centre

MIRC ELECTRONICS LIMITED

Regd. Office: Onida House, G-1, M.I.D.C, Mahakali Caves Road, Andheri (East), Mumbai – 400 093,
CIN: L32300MH1981PLC023637 Website: www.onida.com

ATTENDANCE SLIP

THIRTY EIGHTH ANNUAL GENERAL MEETING

Name of the Member(s):

Registered address:

E-mail ID:

Folio No./DP ID-Client ID: _____ No. of Shares: _____

I/We hereby record my/our presence at the Thirty Eighth Annual General Meeting of the Company held on Wednesday, August 28, 2019 at 3.00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

Note: Please complete this slip and hand it over at the entrance of the venue of the Annual General Meeting.

_____

Member's/Proxy's Signature

EVSN (Electronic Voting Sequence Number)	*Default PAN
190725009	

* Only Members who have not updated their PAN with Company/Depositary Participant shall use default PAN in the PAN field.

Note: Please read the instructions printed under the Note No. 25 to the Notice of Thirty Eighth Annual General Meeting dated May 29, 2019. The Voting period starts from Sunday, August 25, 2019 (9.00 a.m.) and ends on Tuesday, August 27, 2019 (5.00 p.m.). The voting module shall be disabled by CDSL for voting thereafter.

Annual Report
2018-19

ONIDA
OWNER'S PRIDE

INVESTING IN INDIA'S FUTURE

MIRC
MIRC ELECTRONICS LIMITED

VISION

Our aim is to make Indians proud of the "Made in India" Label by providing highly innovative products, which are better than the competition, which simplify lives and provide an unmatched customer experience.

BOARD OF DIRECTORS

Mr. Gulu Mirchandani
Chairman and Managing Director (DIN 00026664)

Mr. Vijay Mansukhani
Managing Director (DIN 01041809)

Mr. Kaval Mirchandani
Whole Time Director (DIN 01179978)

Mr. Sanjay Munshi
Whole Time Director (DIN 08355427)

Mr. Rafique Malik
Independent Director (DIN 00521563)

Mr. Carlton Pereira
Independent Director ((DIN 00106962)

Mr. Arvind Sharma
Independent Director (DIN 01229072)

Ms. Sujata Deshmukh
Independent Director (DIN 07624836)

Chief Executive Officer (CEO)
Mr. G. Sundar

Company Secretary and Compliance Officer
Mr. Lalit Chendvankar

Statutory Auditors
M/s. S R B C & CO. LLP, Chartered Accountants

Bankers
- State Bank of India
- HDFC Bank
- IDBI Bank
- Canara Bank
- IndusInd Bank

Registered office
Onida House, G-1, M.I.D.C., Mahakali Caves Road, Andheri (East), Mumbai:- 400 093.
Tel.: +91 22 6697 5777, Fax: +91 22 2820 2002,
Email ID: investors@onida.com, Website: www.onida.com,
CIN: L32300MH1981PLC023637.

Factory Premises
- Village Kudus, Bhiwandi Wada Road, Taluka Wada, Dist. Palghar, Maharashtra-421 312.
- Khasra No.158, Village - Raipur, Pargana - Bhagwanpur, Roorkee, Dist - Haridwar, Uttarakhand-247 661.
- Khasra No.399 to 401 & 405 to 410, 158 KMS Milestone, Delhi - Roorkee Highway – NH 58, Village – Mundiyaki, Pargana – Manglour, Tehsil - Roorkee, District – Haridwar, Uttarakhand – 247670.
- Chiplun - Plot No. G-1, Lote Parshuram Industrial Area, Village Dhamandevi, Taluka Khed, Dist. Ratnagiri, Maharashtra-415 639.

Registrar & Share Transfer Agent:
M/s. Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai:– 400 083,
Tel.: +91 22 2594 6970-78, Fax: +91 22 2594 6969,
Email ID: rnt.helpdesk@linkintime.co.in.

Dear Stakeholders

The world is a changing landscape with new opportunities, albeit with new road blocks (US-China Trade war). Trade war will compel the manufacturers in China to look for an alternative base like India. India may easily become the next manufacturing hub. When large scale manufacturing takes place, the price of components and finished products comes down. The new innovations will also help in driving the cost down. This will solve the job problem of India's burgeoning youth to some extent. This will also be in line with government's Make in India policy. In the past, government had given a booster (tax incentive) to IT industry which hadchanged the dynamics of the entire industry.

Similarly, Government may also have to introduce flexible policies such as land acquisition or disposal, as well as power at par with global rate for industries, and suitable labor policies such as those applicable in Thailand and Vietnam. GST rates may also be reduced for consumer electronics industry which may boost consumer demand. Some of the FTA rules with other countries may have to be changed as it puts the domestic manufacturers at a great disadvantage. It is important for India to have a giant manufacturing consumer electronic hub.

Onida for many years has been ahead of the curve. In fact, the new mantra is to jump the curve and make your competitors irrelevant. Next phase of industry is the integration of AI into best-in-class hardware, powered with voice assistance feature. ONIDA continues with its vision to make India proud with Made in India labels. We are also progressively moving towards local manufacturing at all levels, which means doing away with most of the part of customs duty. This in turn leads to cost reduction.

Smartness in products has been in our DNA, proved by new launches in our AC and LED category of products. We have continued our focus on bringing consumer at the center of our innovation and product development, driven by consumer research. We have worked with Amazon to enhance consumer's experience by developing an AC which operates through voice command by using Amazon's Alexa. In TV category, we launched industry's leading smart UIC Series LED TV, powered by Android platform and Google Assistant. Our washing machine line has also witnessed innovations and has grown significantly compared to last year. The ONIDA Devil, which is one of the most iconic character in Indian Advertising history, has been brought back in all our marketing communications.

Finally, I would like to thank all the stakeholders. These are the challenging times but we are committed to change and adapt to the new reality and move forward.

Gulu. L. Mirchandani
Chairman

MIRC
MIRC ELECTRONICS LIMITED

MANAGING DIRECTOR'S NOTE

Dear Stakeholders

Times have changed, and the future, like everything else, is no longer quite what it used to be. Today it is survival of the fittest and only the smartest and agile companies will survive in the future. With international trade wars happening across the globe, there are going to be mergers & acquisitions. Whilein an interconnected global economy, the tit for tat moves of the trade giants are likely to have a domino effect beyond the targeted countries and sectors,India is in the right crux to benefit from few of these fall-outs. We will be closely keeping a watch on such opportunities and will be open to any strategic alliances that will enhance our shareholder's value.

The consumer electronics sector is on course for a huge transformation in every sphere and we may need to rewrite the playbook.We at the management levelwill be continuing to make tough decisions to strengthen our business growth.We will be increasing our marketing addressability at every channel level in terms of in-shop merchandising. Also, we will be investing in manufacturing our washing machinesat our plants. We will manufacture our products across all segments and at the same time manufacture for non-captive too. We are constantly improving all our business processes and these operating efficiencies will help us gain market share.

At the heart of our company is meritocracy & every employee is being evaluated based on his performance and potential. The best performers are being rewarded and under performers are being mentored and coached under a performance development plan. Budget costs have been evaluated unsparingly and certain cost heads have been eliminated if they no longer add value to the company. Developing extraordinary operating skills at all levels have greatly increased the value of the company by achieving organic growth in the rural market and E-commerce segment. We have enhanced our operating software to reduce delivery time to market and provide better after sales service with a lower turnaround time.

Today, we are the only television company in existence out of many television companies that existed back in 1981. To continue our journey in the future, we are focused to be reliable and profitable consumer durable and electronics player.

Vijay Mansukhani
Managing Director

MIRC
MIRC ELECTRONICS LIMITED

AIR CONDITIONER
ONYX SMART

Multiplier Inverter Technology | PET Engine | IoT & Wi-Fi Enabled | 4D Cooling | Super Energy Saving | 100% Copper Coil | Green Gas | Anti Fungus

Onida Inverter Air Conditioners has been at the forefront of innovations and the product line has been developed keeping the Indian consumers in mind. They are designed to give powerful cooling even in hottest of India summers.

This AC Season witnessed launch of new smart AC series – ONYX SMART and GENIO across all markets.

Along with the smart technology, Onida also introduced Magnified Cooling with Multiplier Cooling Inverter Technology. This means that ONIDA's Inverter air conditioners delivers 120% magnified cooling, cooling beyond the rated capacity of the AC, due to multiplier inverter technology.

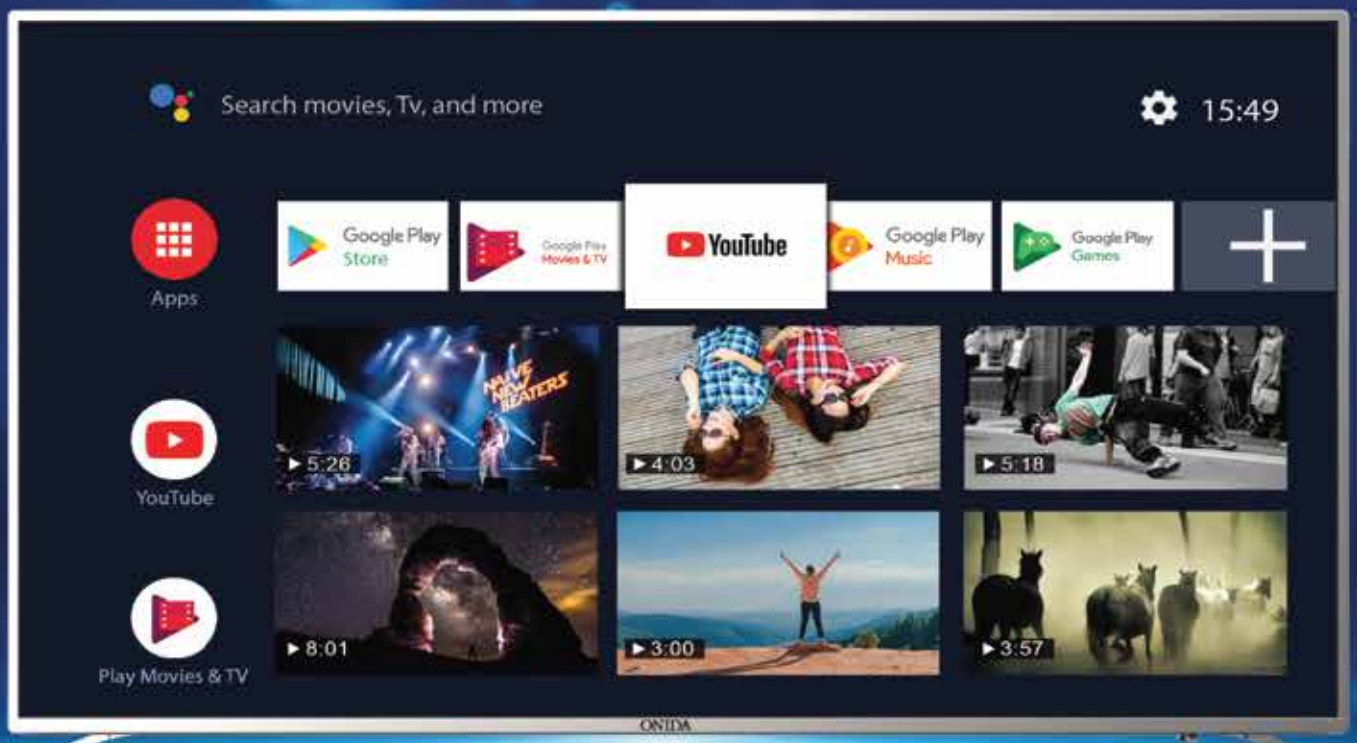
ONYX SMART is a Voice Integrated Smart air conditioner, which is powered by Amazon's Alexa. This technology helps you control the air conditioner with only your voice commands through the Alexa App.

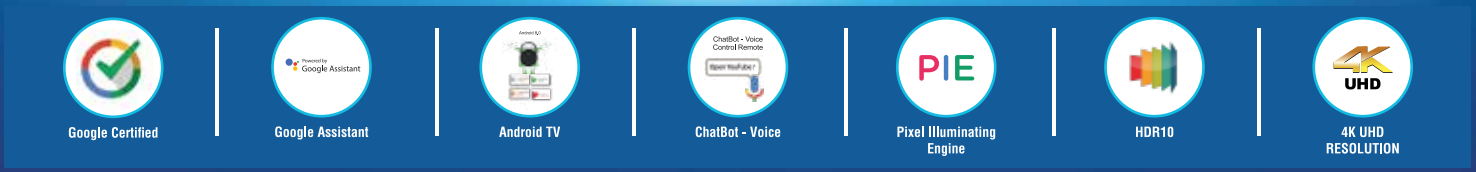
Also, ONIDA has developed a Smart Home App which is compatible with ONYXSMART, available on both Apple and Android devices. This app makes your smartphone a single platform which controls the entire eco-system of remote-operated devices in your home.

GENIO, the other big launch, is powered by Multiplier Technology. GENIO in Spanish means GENIUS, a product with unique and exceptional features. GENIO smart line of air conditioners have an ethereal texture, stylish finish and boasts of market leading innovations of 4D cooling, 100% copper condenser, Blue-fin powerful coating, eco-friendly R-32 refrigerant gas, and smart digital displays.

These smart ACs, along with few other models are available on e-commerce channel along with regular trade channel.

LED TELEVISION UIC





The company has targeted to expand its market share and revenues in the smart LED TV category. Onida raised the mercury in the consumer electronics market with the launch of its smart UIC Series, an Android 4K UHD Smart TV with HDR10. It is powered by Android 8.0 Oreo operating system and is future ready.

This TV is truly smart, powered by Google Assistant. This helps in providing better suggestions, personalized content and delivers best-in-class overall experience with the TV.

The UIC series comes with Pixel Illuminating Engine (PIE) which gives user an accurate picture setting. PIE is ONIDA's technology based on various Picture Enhancing Algorithms giving you the ultimate viewing experience. The 4K UHD in particular comes with 3840 x 2160 pixels which gives four times more detailing than HD which makes the moving images on TV come to life. Its power packed performance comes with quad core processor, 2.5 GB RAM, a huge 16 GB of internal memory and Dolby sound.

In addition to enhance the personal experience of the user, the TV supports audio streaming to external Bluetooth devices like wireless headphones or even Home Theatre.

The TV comes with brush steel finish to add stylish look to your home interiors. The 4K UHD model comes in three sizes to suit your demands. The smart TV has become smarter with ONIDA's One Remote, One Interface HDR10 TV.

In true sense, this TV is Owner's Pride as no other TV brand in India has been able to bring such experience to their users.

Onida being one of the oldest Indian TV brand, understands the specific needs of the highly discerning Indian consumers and manufactures the best-in-class televisions with industry leading sound and picture to delight the customers.

ONIDA LED TVs continue to be driven in E-commerce channel in addition to the off-line channels. UIC Series in particular has been well-accepted in both online, where it has secured 4+ star ratings in Flipkart; and off-line channels too.

WASHING MACHINE

Just Like Hand Wash

F75TSG | 7.5kg

ONIDA, over the years has introduced wide range of washing machines which emulates the degree of care and cleanliness of hand-washed clothes.

One of the leading Onida's Front Loading Washing Machine modelsis its Trendy Washing Machine. It is a masterclass in terms with 7.5 Kg Capacity & aesthetics with a beautiful, but sturdy body.

Both its interiors and exteriors are a combination of beauty and technology. The inner-tub is made of classy looking stainless steel which gives your machine higher spin speeds thus removing more water from clothes and makes your laundry easy to dry.It also comes with a powerful motor which generates powerful water flow action to ensure better cleaning and faster drying of your clothes without any damage to the fabric.Its well-functioning mechanical parts ensures least energy dissipation which enhances the washing performance, ensures minimal noise, vibration and more durability.We also care about the environment and your electricity bill. In Ecologic wash water consumption and wash length is significantly reduced which results into using less energy and saving your electricity and money.

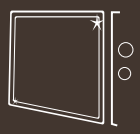
Fully Automatic Top Loading, Semi-automatic and washers have been a prominent part of ONIDA washing machine's growth story and has been in top preferred brands in consumer's consideration set.

Moreover, we have done significantly well in 7 Kg & 7.2 Kg of Semi-Automatic segment.

Few of the washing machine models performs well in e-commerce segment. One of our automatic washing machine model is among the top sellers list in Flipkart,

MICROWAVE OVEN
BLACK BEAUTY

Defrost


Glossy Finish

Jog Dial

Reheat

5X POWER
5 Power Levels

ONIDA has microwaves in solo, grill and convection categories.From defrosting and reheating, to cooking and even grilling and baking, microwaves have played a prominent part of consumer's lifestyle today. But with so many different models on offer with a wide range features, it can be a struggle to decide which one is the right microwave to use. With the consequent rise in demand for feature loaded microwaves, Onida has launched a new series of Convection Microwave Oven – Black Beauty.

This has 237 Easy Cook menu, Convection Temperature Settings, Multistage Cooking, Deodorize and many more in list.

The black color of this oven adds décor to your home, giving it a sophisticated and designer look. The calories meter feature lets one to know exactly how many calories each preparation has, thereby allowing one to be calorie and health conscious all the time. The express cooking mode assists in starting the device without setting the time or power. This works exceptionally well when you are in hurry. With the steam clean feature, say no to greasy and smelly ovens.

With all these features, glossy finish & unique black color, makes it the perfect choice for cooking solutions and fit for one's kitchen.

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MIRC

MIRC ELECTRONICS LIMITED

3 YEAR HIGHLIGHTS

BALANCE SHEET (₹ **in Crores**)

	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
I. Assets			
Non-current assets			
(a) Property, Plant and Equipment	101.01	105.80	113.62
(b) Capital work-in-progress	-	0.61	-
(c) Other Intangible assets	0.35	0.05	0.06
(d) Intangible assets under development	-	0.26	0.26
(e) Financial Assets			
(i) Investments	3.89	2.61	2.21
(ii) Loans	-	-	-
(iii) Others	9.96	11.91	12.93
(f) Income Tax Assets (Net)	1.07	0.93	0.88
(g) Other non-current assets	35.01	14.54	18.46
Total non-current assets	**151.29**	**136.71**	**148.42**
Current assets			
(a) Inventories	214.92	224.74	205.73
(b) Financial Assets			
(i) Trade receivables	119.60	134.10	125.04
(ii) Cash and cash equivalents	7.13	17.96	14.96
(iii) Bank balances	5.86	6.18	4.05
(iv) Others	3.54	2.08	4.99
(c) Income Tax Assets (Net)	-	-	-
(d) Other current assets	10.49	20.79	14.15
Total current assets	**361.54**	**405.85**	**368.92**
		-	-
Total Assets	**512.83**	**542.56**	**517.34**
II. Equity and Liabilities			
Equity			
(a) Equity Share capital	23.11	23.11	21.19
(b) Other Equity	192.44	196.27	103.05
(c) Money received against share warrants	18.01	18.01	-
Total equity	**233.56**	**237.39**	**124.24**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17.57	2.88	5.37
(b) Deferred tax liabilities (Net)	-	-	-
(c) Provisions	5.89	5.67	4.19
Total Non current liabilities	**23.46**	**8.55**	**9.56**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	47.81	45.33	159.79
(ii) Trade payables	179.08	216.19	172.85
(iii) Others	16.39	17.34	21.63
(b) Other current liabilities	6.81	10.54	22.85
(c) Provisions	5.72	7.22	6.42
Total current liabilities	**255.81**	**296.62**	**383.54**
Total Equity and Liabilities	**512.83**	**542.56**	**517.34**

3 YEAR HIGHLIGHTS

STATEMENT OF PROFIT AND LOSS (₹ **in Crores**)

	2018-19	2017-18	2016-17
Income			
Revenue from operations	644.46	736.37	766.91
Other Income	3.63	4.72	1.99
Total Income	**648.09**	**741.09**	**768.90**
Expenses			
Cost of raw materials and components consumed	213.07	279.24	209.08
Purchases of Traded Goods	264.02	269.92	282.18
Changes in inventories of Finished Goods, Work-in-progress and Stock in Trade	(4.21)	(27.93)	42.66
Excise duty on sale of goods	-	8.25	38.12
Employee benefits expense	67.74	70.27	71.81
Freight and forwarding expenses	25.01	26.75	28.49
Advertisement	12.55	7.87	11.16
Other Expenses	49.64	59.67	49.90
Total Expenses	**627.82**	**694.04**	**733.40**
Profit before depreciation, finance cost and tax	**20.27**	**47.05**	**35.50**
Finance Cost	14.80	14.09	20.55
Profit before depreciation and tax	**5.47**	**32.96**	**14.95**
Depreciation and amortisation expense	8.27	9.47	10.46
Profit before exceptional items and tax	**(2.80)**	**23.49**	**4.49**
Exceptional items	1.60	-	23.73
Profit / (Loss) before tax	**(4.40)**	**23.49**	**(19.24)**
Tax Expense			
Current Tax	-	-	-
Deferred Tax	-	-	-
Total tax expense	**-**	**-**	**-**
Profit / (Loss) for the year	**(4.40)**	**23.49**	**(19.24)**
Other Comprehensive Income (net of tax)	-	-	-
Items that will not be reclassified to Profit or Loss	-	-	-
Remeasurement of the defined benefit plans	0.57	(0.41)	(1.03)
Total Other Comprehensive Income (net of tax)	**0.57**	**(0.41)**	**(1.03)**
Total Comprehensive Income for the year (net of tax)	**(3.83)**	**23.08**	**(20.27)**
Equity dividend paid	-	-	-
Year end price (Rs.)	21.95	46.20	14.03
Market capitalisation	506.94	1,067.00	297.09

DIRECTORS' REPORT

Dear Members,

MIRC Electronics Limited

Mumbai.

Your Directors are pleased to present the Thirty Eighth Annual Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2019.

The Financial highlights for the year under review are as under:

Results of Operations

(₹ in Crores)

Particulars	Financial year ended March 31, 2019	Financial year ended March 31, 2018
Gross Turnover	642.41	735.20
Gross Profit (before interest, depreciation, tax and writing off of preliminary expense)	20.26	47.05
Interest	14.80	14.09
Depreciation	8.27	9.47
Net Profit/(Loss) before tax	(4.40)	23.49
Profit/(Loss) After Tax	(4.40)	23.49
Balance in Profit & Loss A/c carried forward from the last year	(14.20)	(37.28)

Financial Performance:

During the year under review, your Company has made gross turnover of ₹ 642.41 crores as against ₹ 735.20 crores for the previous year. The Company has made a loss of ₹ 4.40 crores.

The financial statements are prepared in accordance with Indian Accounting Standards for the financial year ended March 31, 2019 and forms part of this Annual Report.

Dividend and Transfer to General Reserves:

Considering the financial requirement for business growth and debt servicing, your Directors regret and do not propose dividend for the year ended March 31, 2019. There is no appropriation of any amount to General Reserves during the year under review.

Abridged Financial Statements:

The statement containing the salient features of the Balance Sheet, Statement of Profit and Loss and Auditors' Report on the abridged financial statements has been sent to those members who have not registered their email id's with the Company.

Board of Directors:

The Board of Directors of the Company comprises of the following directors:

(i) Mr. Gulu Mirchandani - Chairman & Managing Director*;

(ii) Mr. Vijay Mansukhani - Managing Director;

(iii) Mr. Kaval Mirchandani - Whole Time Director**;

(iv) Mr. Sanjay Munshi - Whole Time Director***;

(v) Mr. Rafique Malik - Independent Director****;

(vi) Mr. Carlton Pereira - Independent Director*****;

(vii) Mr. Arvind Sharma –Independent Director; and

(viii) Ms. Sujata Deshmukh –Independent Director.

Mr. Shyamsunder Dhoot resigned as a Whole Time Director of the Company with effect from February 12, 2019 due to his personal commitments and the Board place on record its appreciation for the valuable inputs, guidance and services rendered by him during his tenure with the Company.

* Mr. Gulu Mirchandani, Chairman & Managing Director, was re-appointed by the Board of Directors of the Company in its Board meeting held on May 29, 2019 as a Chairman & Managing Director for a further period of three (3) years with effect from December 01, 2019, subject to approval of the members of the Company at the ensuing Annual General Meeting.

** Mr. Kaval Mirchandani, Whole Time Director, was re-appointed by the Board of Directors of the Company in the Board meeting held on February 12, 2019 as a Whole Time Director for a further period of three (3) years with effect from May 26, 2019, subject to approval of the members of the Company at the ensuing Annual General Meeting.

*** Mr. Sanjay Munshi was appointed as an Additional Director w.e.f. February 12, 2019 at the Board meeting held on February 12, 2019. The Board has appointed Mr. Sanjay Munshi as a Whole Time Director w.e.f. February 12, 2019 in the Board meeting held on February 12, 2019 for a period of three (3) years with effect from February 12, 2019 subject to approval of the members of the Company at the ensuing Annual General Meeting.

**** Mr. Rafique Malik, Independent Director, was re-appointed by the Board of Directors of the Company in its Board meeting held on May 29, 2019 as an Independent Director for a further period of five (5) years with effect from September 3, 2019, subject to approval of the members of the Company at the ensuing Annual General Meeting.

***** Mr. Carlton Pereira, Independent Director, was re-appointed by the Board of Directors of the Company in the Board meeting held on May 29, 2019 as an Independent Director for a further period of five (5) years with effect from September 3, 2019, subject to approval of the members of the Company at the ensuing Annual General Meeting.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act,

2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to time, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date).

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to time, Mr. Gulu Mirchandani, Chairman & Managing Director of the Company, shall liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible for re-appointment. The Board recommends his re-appointment.

The Company has received notice as required under Section 160 of the Companies Act, 2013 from Mr. Gulu Mirchandani, Chairman & Managing Director of the Company proposing candidature of Mr. Sanjay Munshi (DIN: 08355427) as a Director and Whole Time Director of the Company along with necessary deposit.

The notice convening the Annual General Meeting includes the proposal for appointment/re-appointment of Directors.

Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Directors' Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 amended from time to time, your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed along with proper explanation relating to material departures;

b) the Directors have 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 as at March 31, 2019 and of the profit and loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance:

Your Company believes in adopting best Corporate Governance practices. The Company has also implemented several best Corporate Governance practices as prevalent globally. The report on Corporate Governance as stipulated under Regulation 27 and Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date) forms an integral part of this Annual Report.

The requisite certificate from M/s. Nilesh Shah & Associates, Practicing Company Secretaries (Membership No. FCS – 4554 & C.P. No: 2631), confirming the compliance with the conditions of the Corporate Governance as stipulated under Regulation 34(3) and Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date) is annexed to this Annual Report.

The declaration signed by Mr. G. Sundar, Chief Executive Officer of the Company regarding compliance of the Code of Conduct for Board members and Senior Management personnel forms part of this Annual Report.

Disclosure of Employee Stock Option Scheme (ESOS):

The Board of Directors of the Company in their meeting held on February 13, 2017 approved the employee stock option scheme termed as 'MIRC Electronics Limited – Employee Stock Option Scheme 2017' (MIRC ESOS 2017) under the provisions of Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The aforesaid MIRC ESOS 2017 was approved by the members of the Company at the Extra Ordinary General Meeting held on March 29, 2017. Particulars relating to MIRC ESOS 2017 are mentioned in **Annexure – A.**

Management Discussion and Analysis:

A detailed review of the operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34(2)(e) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), is presented in a separate section forming part of the Annual Report under the head 'Management Discussion and Analysis.'

Contracts and Arrangements with Related Parties:

During the year under review, all contracts/arrangements/ transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of the related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors of the Company may be accessed on the website of the Company at the link http://www.onida.com/policies.

There were no materiality related party transactions which could have potential conflict with interest of the Company at large.

Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of ₹ 500 crores or more or turnover of ₹ 1000 crores or more or net profit of ₹ 5 crores or more during immediately preceding financial year shall ensure that it spends, in every financial year, at least 2 (Two) percent of the average net profits made during three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The aforesaid requirement will not be applicable to the Company for the financial year 2018-2019.

Risk Management:

During the year under review, the Risk Management Committee has been entrusted with the responsibility to assist the Board in: (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Risk Management Policy was reviewed and approved by the Risk Management Committee constituted by the Board of Directors of the Company.

The Risk Management Committee manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has introduced several improvements to integrate Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to the financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operations was observed.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in Form MGT-9 as required under Section 92 and Section 134 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 amended from time to time, are included in this Board Report as **Annexure - B.**

Key Managerial Personnel:

The Company has below mentioned persons as Key Managerial Personnel in terms of the requirement of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, within the meaning of Section 2 (51) of Companies Act, 2013:

Sr. No.	Name of the person	Designation
1.	Mr. Gulu Mirchandani	Chairman & Managing Director
2.	Mr. Vijay Mansukhani	Managing Director
3.	Mr. Kaval Mirchandani	Whole-Time Director
4.	Mr. Shyamsunder Dhoot*	Whole-Time Director
5.	Mr. Sanjay Munshi**	Whole-Time Director
6.	Mr. G. Sundar	Chief Executive Officer
7.	Mr. Lalit Chendvankar	Head - Corporate Affairs, Legal & Company Secretary
8.	Mr. Vishal Barot ***	Chief Financial Officer
9.	Mr. Subrat Nayak ****	Chief Financial Officer

* During the year under review, Mr. Shyamsunder Dhoot, Whole Time Director of the Company has resigned w.e.f. February 12, 2019.

**During the year under review, Mr. Sanjay Munshi was appointed as an Additional and Whole Time Director of the Company w.e.f. February 12, 2019 by the Board of Directors at the Board Meeting held on February 12, 2019.

***During the year under review, Mr. Vishal Barot was appointed as Chief Financial Officer of the Company w.e.f. August 14, 2018 by the Board of Directors at the Board Meeting held on August 14, 2018 and resigned as Chief Financial Officer of the Company w.e.f. March 15, 2019.

*****During the year under review, Mr. Subrat Nayak, Chief Financial Officer of the Company has resigned w.e.f. August 13, 2018.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and as per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), the Company has devised a policy for performance evaluation of Independent Directors, Board of Directors, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. A structured questionnaire was prepared after taking into consideration of the various aspects such as performance of specific duties, obligations, Board's functioning, composition of the Board and its Committees, culture and governance.

The performance evaluation of the Chairman, Executive Director and Independent Directors was carried out by the entire Board of Directors of the Company excluding the directors being evaluated. The Board of Directors expresses their satisfaction with the evaluation process.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

The following policies of the Company are annexed herewith marked as **Annexure - C-I** and **Annexure - C-II:**

a) Policy on remuneration of directors, key managerial personnel and other senior management employees **(Annexure – C-I)**; and

b) Policy on criteria for appointment & evaluation of executive directors and independent directors **(Annexure – C-II)**.

Public Deposits:

During the year under review, the Company has neither invited nor accepted any public deposit within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 amended from time to time.

Statutory Auditors:

The members of the Company at the Thirty Seventh Annual General Meeting of the Company held on August 23, 2018, has appointed M/s. S R B C & CO. LLP, Chartered Accountants, (Firm Registration No. 324982E/E300003 with the Institute of Chartered Accountants of India) as Statutory Auditors of the Company for a further term of five years and shall hold office till the conclusion of Forty-Second Annual General Meeting of the Company.

Auditors Report:

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark except below: -

The below comment is appearing at point no. (vii) (b) in the Annexure 1 to the Auditors Report -

"According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable"

The above comment pertains only to the outstanding amount of Provident Fund contribution of Rs.5.16 Lacs for the period August 2017 to August 2018. Your management would like to clarify that the said Provident Fund dues pertain to the In-shop Demonstrators employed by the Company, for whom the Universal Account Number (UAN) could not be generated due to either non-availability of AADHAR Number or mismatch in the AADHAR & PAN details. Without the generation of UAN Number the Provident Fund contribution cannot be deposited into the individual Provident Fund Accounts of the Employees of the Company. The Company is trying to update the said AADHAR details by coordinating with the concerned employees and the Office of Regional Provident Fund Commissioner.

Cost Auditors:

Pursuant to the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 amended from time to time, the Board of Directors of the Company, on the recommendation of Audit Committee, has appointed Mr. Suresh D. Shenoy, Cost Accountant (Firm Registration No. 102173 with the Institute of Cost Accountants of India) as the Cost Auditor of the Company for the financial year 2019-2020. The remuneration of Cost Auditor needs to be approved by the members of the Company. The Board recommends passing of the resolution for the same.

Secretarial Auditors:

M/s. Ragini Chokshi & Co., Practicing Company Secretaries (Firm Registration No. 92897 with the Institute of Company Secretaries of India), was appointed to conduct the secretarial audit of the Company for the financial year 2018-2019 as required under Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 amended from time to time. The Secretarial Audit Report for financial year ended March 31, 2019 is annexed herewith marked as **Annexure - D** to this Board Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Annual Secretarial Compliance Report:

The Company has undertaken an audit for the financial year 2018-2019 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

Disclosures:

Meetings of the Board

The details of the number of meetings of the Board of Directors of the Company held during the financial year / tenure and the attendance of Directors forms part of the Corporate Governance Report.

Audit Committee

The Audit Committee comprises of Mr. Carlton Pereira, Chairman, Mr. Rafique Malik and Mr. Arvind Sharma as the members.

All the members of the Audit Committee are independent directors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Rafique Malik, Chairman, Mr. Carlton Pereira and Mrs. Sujata Deshmukh as the members.

All the members of the Nomination and Remuneration Committee are independent directors.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. Rafique Malik, Chairman, Mr. Gulu Mirchandani and Mr. Vijay Mansukhani as the members.

Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. Gulu Mirchandani, Chairman, Mr. Vijay Mansukhani and Mr. Rafique Malik as the members.

Whistle Blower Policy/ Vigil Mechanism

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, your Company has adopted a Vigil Mechanism /Whistle Blower Policy. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and is also provided direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

The policy also been posted on the website of Company i.e. www.onida.com/policies.

Code of Conduct for Prevention of Insider Trading:

The Board of Directors of the Company has amended and adopted the 'Code for Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' (**"Code"**) as formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and revoked the erstwhile code adopted on November 29, 2017.

The Insider Trading Policy of the Company laid down the guidelines and procedure to be followed and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of dealings by employees of the Company. The Insider Trading Policy of the Company as amended from time to time, is available on the website of the Company i.e. www.onida.com.

Particulars of Loan given, Investment made, Guarantee given and Securities provided by the Company

Particulars of loans given, investments made and guarantees given along with the purpose for which the loan or guarantee is proposed to be utilized by the recipient under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 amended from time to time, are provided in the respective notes in the financial statement.

Significant and Material order passed by the Regulatory or Courts

There were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operation.

Material changes and commitments affecting financial position between end of the financial year and date of this report

There were no material changes and commitments affecting financial position of the Company during the period between end of the financial year and date of this Board Report.

Listing Fees

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Company has paid the applicable listing fees to the above stock exchanges till date.

Information under Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), the details of the shares lying with the Company in Unclaimed Suspense Account as on March 31, 2019 is as under:

Sr. No.	Description	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the beginning of the financial year	4671	100163
2	Number of shareholders who approached issuer for transfer of shares from unclaimed suspense account during the financial year	2	58
3	Number of shareholders to whom shares were transferred from unclaimed suspense account during the financial year	2	58
4	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the financial year	4669	100105

All the unclaimed shares are credited to a Demat Unclaimed Suspense Account and all the corporate benefits in terms of securities, accruing on these unclaimed shares shall be credited to such account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Transfer of Unpaid and Unclaimed Dividend

Pursuant to provisions of the Section 124 of the Companies Act, 2013, the dividend declared for the financial year 2010-2011 (Final), which remained unpaid or unclaimed for a period of 7 (seven) years has been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to provisions of the Section 125 of the Companies Act, 2013.

Transfer of Shares to the Investor Education and Protection Funds

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, which have come into effect from September 07, 2016, the shares on which dividend has not been paid or claimed for seven consecutive years or more, then such shares have to be transferred to IEPF.

Accordingly, during the year, the Company has transferred 568484 equity shares to IEPF.

Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification and re-enactment thereof till date), the disclosures pertaining to the remuneration and other details as required is appended as **Annexure - E** to this Board Report.

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of ₹ 1.02 crore or more, or employed for part of the year and in receipt of ₹ 8.5 lakh or more per month, under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and re-enactment thereof till date), is available for the inspection at the registered office of the Company.

Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company Secretary of the Company and the same will be furnished to them.

Internal Control System

The Company has adequate internal control system commensurate with its size and business. The Internal Auditors of the Company reviewed that all the financial transactions of the Company are in line with the compliance of laws, policies and procedures and have been correctly recorded and reported. The Internal Audit is conducted on regular basis and the reports are submitted to the Audit Committee at their quarterly meetings. The Audit Committee actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same.

Research and Development

The Company recognizes that a vigorously intelligent research initiative enables not only cost reduction through effective process improvement but also value-addition through sustained innovative and customized products in line with customer requirements.

The Company is proud to have a team of dedicated engineers at the ONIDA Research and Development Centres in Mumbai and Shenzhen (China), who facilitate in making state-of-the-art technology products, satisfying customer expectations.

This team conducts research in the areas of:

- Embedded Software.
- Industrial Design.
- Mechanical Design.

- Electrical Circuit Design.

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and amended from time to time, are set out in the **Annexure - F**.

Environment

The E-Waste (Management) Rules, 2016 (hereinafter referred to as "E-Waste Rules") are in force. As per the E-Waste Rules, all producers have to meet Extended Producer Responsibility (EPR) along with the defined targets. As per E-Waste Rules, all producers have to make EPR Authorisation Application to Central Pollution Control Board (CPCB). The Company has a tie up with authorised recyclers for recycling the electronic waste (E-Waste).

The details of E-Waste along with collection centres and pick up facility have been uploaded on the website of the Company. One of the important aspects of E Waste Rules is creating awareness amongst stakeholders about necessity to dispose `End of Life' (EOL) products through authorised recyclers instead handing over to unauthorised recyclers / kabadiwala. The Company has planned various actions for creating such awareness. The Company appeals to all stakeholders to dispose all EOL products through Company's authorized recyclers. The required details are available on the website of the Company viz. www.onida.com.

The manufacturing plant situated at Wada, Maharashtra has more than 10 acres of Green Cover with more than 1500 plants and trees. The Company makes all out efforts for maintaining such Green cover and supports the prevailing environmental issues.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from any of its subsidiary.

Your Directors further state that during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement:

Your Directors take this opportunity to thank the customers, vendors, investors, members and bankers of the Company for their continued support during the year and also place on record their appreciation to the contribution made by the employees of the Company at all levels.

Your Directors also thank the Government of India particularly the Income Tax Department, Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Reserve Bank of India, the State Governments and other government agencies for the support and look forward for the continued support from them in the future.

For and on behalf of the Board of Directors

Gulu Mirchandani
Chairman and Managing Director
DIN:00026664

Place : Mumbai
Date : May 29, 2019

ANNEXURE TO THE DIRECTORS' REPORT

Annexure-A

Disclosure under Section 62 of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014 for the year ended March 31, 2019

The objective of the MIRC- ESOS 2017 is to provide an incentive to attract, retain and reward employees performing services as well as to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this scheme to attract and retain talent in the Company. The Company views employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come.

The following table sets forth the particulars of the options granted under MIRC- ESOS 2017:

Sr. No.	Particulars	Remarks
1.	Total Number of Options under the plan	Up to 98,11,710
2.	Options Granted (during the year)	Nil
3.	Options Vested (during the year)	Nil
4.	Options exercised (during the year)	Nil
5.	Total number of shares arising as a result of exercise of option	Nil
6.	Options lapsed (during the year)	Nil
7.	The exercise price	The exercise price shall be closing market price of the shares listed on the recognized stock exchanges prior to the Grant Date or as may be determined by the Board. In any event the exercise price shall not be less than the face value of one equity Share of the Company when the options are granted.
8.	Variation of terms of options	None
9.	Money realized by exercise of options	Nil
10.	Total number of options in force (as on end of the year)	Nil
11.	Employee wise details of options granted to:	
	(i) Senior Management (including key managerial personnel)	Nil
	(ii) any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year;	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil
12.	Diluted Earnings per share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	N.A.

ANNEXURE TO THE DIRECTORS' REPORT

13.	Pro Forma Adjusted Net Income and Earning Per Share Net Income Add: Intrinsic Value Compensation Cost Less: Fair Value Compensation Cost Adjusted Pro Forma Net Income Earning Per Share: Basic As Reported Adjusted Pro Forms Earning Per Share: Diluted As Reported Adjusted Pro Forms	N.A.

For and on behalf of the Board of Directors
MIRC Electronics Limited

Gulu Mirchandani
Chairman and Managing Director
DIN: 00026664

Date: May 29, 2019
Place: Mumbai

ANNEXURE TO THE DIRECTORS' REPORT

Annexure-B

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year Ended on March 31, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	REGISTRATION AND OTHER DETAILS:		
	i)	CIN	L32300MH1981PLC023637
	ii)	Registration Date	01.01.1981
	iii)	Name of the Company	MIRC Electronics Limited
	iv)	Category / Sub-Category of the Company	Listed Public Company Limted by Shares
	v)	Address of the Registered office and contact details	Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Mumbai - 400 093. Ph.: 022-6697 5777 Email ID: investors@onida.com
	vi)	Whether listed company	Yes
	vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai:– 400 083 Ph.: 022-25946970-78 Email ID: rnt.helpdesk@linkintime.co.in

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:-

Sr. No.	Name and Description of main products / services	*NIC Code of the Product/ service	**% to total turnover of the company
1	Display Devices	264	39.06
2	Airconditioners	264	43.14
3	Washing Machines	264	16.46

* As per National Industrial Classification-2008, Ministry of Statistics and Programme implementation.

** On the basis of Net Turnover.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - N.A.

Sr. No.	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
N.A.						

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

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	
A. Promoters									
(1) Indian									
a) Individual/HUF	80,316,570	0	80,316,570	34.78	80,316,570	0	80,316,570	34.78	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	27,700,901	0	27,700,901	11.99	27,700,901	0	27,700,901	11.99	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other-(Family Trust)	14,175,167	0	14,175,167	6.14	14,175,167	0	14,175,167	6.14	0.00
Sub-total (A) (1)	**122,192,638**	**0**	**122,192,638**	**52.91**	**122,192,638**	**0**	**122,192,638**	**52.91**	**0.00**

ANNEXURE TO THE DIRECTORS' REPORT

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	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other….	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**122,192,638**	**0**	**122,192,638**	**52.91**	**122,192,638**	**0**	**122,192,638**	**52.91**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	700	1,000	1,700	0.00	700	1,000	1,700	0.00	0.00
b) Banks / FI	453,700	206	453,906	0.20	191,887	145	192,032	0.08	-0.11
c) Central Govt/ State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f) FIIs/FFIs/FPIs	3,530,508	0	3,530,508	1.53	3,415,446	0	3,415,446	1.48	-0.05
g) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	**3,984,908**	**1,206**	**3,986,114**	**1.73**	**3,608,033**	**1,145**	**3,609,178**	**1.56**	**-0.16**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	35,936,056	9,188	35,945,244	15.56	33,328,639	4,080	33,332,719	14.43	-1.13
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	35,843,108	3,674,234	39,517,342	17.11	36,360,731	3,046,941	39,407,672	17.06	-0.05
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	21,670,292	0	21,670,292	9.38	25,167,548	0	25,167,548	10.90	1.51
c) Others (specify)									
Clearing Members	2,194,166	0	2,194,166	0.95	627,925	0	627,925	0.27	-0.68
Non-resident Indians	768,959	8	768,967	0.33	1,009,735	8	1,009,743	0.44	0.10
Trusts	4,010	0	4,010	0.00	7,010	0	7,010	0.00	0.00
Hindu Undivided family	3,429,126	0	3,429,126	1.48	3,746,998	0	3,746,998	1.62	0.14
IEPF	1,244,720	0	1,244,720	0.54	1,813,204	0	1,813,204	0.79	0.25
NBFCs registered with RBI	0	0	0	0.00	37,984	0	37,984	0.02	0.02
Sub-total (B)(2):-	**101,090,437**	**3,683,430**	**104,773,867**	**45.37**	**102,099,774**	**3,051,029**	**105,150,803**	**45.53**	**0.16**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**105,075,345**	**3,684,636**	**108,759,981**	**47.09**	**105,707,807**	**3,052,174**	**108,759,981**	**47.09**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**227,267,983**	**3,684,636**	**230,952,619**	**100.00**	**227,900,445**	**3,052,174**	**230,952,619**	**100.00**	**0.00**

ANNEXURE TO THE DIRECTORS' REPORT

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Mr. Gulu L. Mirchandani	46,395,753	20.09	0.00	46,395,753	20.09	0.00	0.00
2	Mr. Kaval G. Mirchandani	49,300	0.02	0.00	49,300	0.02	0.00	0.00
3	Mr. Sasha G. Mirchandani	6,093	0.00	0.00	6,093	0.00	0.00	0.00
4	Mrs. Gita G. Mirchandani	7,879,650	3.41	0.49	7,879,650	3.41	0.49	0.00
5	Mr. Vijay Mansukhani	25,985,774	11.25	0.00	25,985,774	11.25	0.00	0.00
6	IIFL Investment Adviser & Trustee Services Ltd. (Formerly IIFL Trustee Services Ltd.) :- Trustee for Tamarind Family Private Trust	14,175,167	6.14	6.14	14,175,167	6.14	6.14	0.00
7	Gulita Securities Limited	27,227,372	11.79	11.79	27,227,372	11.79	11.79	0.00
8	Adino Electronics Limited	473,529	0.21	0.00	473,529	0.21	0.00	0.00
Total		**122,192,638**	**52.91**	**18.41**	**122,192,638**	**52.91**	**18.41**	**0.00**

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Gulita Securities Limited**				
	At the beginning of the year	**27,227,372**	**11.79**	27,227,372	11.79
	Transaction during the year:				
	Transfer on 13 Apr 2018	500	0.00	27,227,372	11.79
	Transfer on 20 Apr 2018	(500)	0.00	27,228,372	11.79
	At the End of the year			**27,227,372**	**11.79**

Note:-

There is no change in the shareholding of Promoters and Promoters Group except in Gulita Securities Limited as mentioned above in the F.Y. 2018-19.

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Bennett, Coleman and Company Limited**				
	At the beginning of the year	**15,518,417**	**6.72**	15,518,417	6.72
	Transaction during the year:				
	Transfer on 28 Dec 2018	(36,031)	-0.02	15,482,386	6.70
	Transfer on 31 Dec 2018	(13,176)	-0.01	15,469,210	6.70
	Transfer on 04 Jan 2019	(21,694)	-0.01	15,447,516	6.69
	Transfer on 11 Jan 2019	(15,896)	-0.01	15,431,620	6.68
	Transfer on 18 Jan 2019	(80,397)	-0.03	15,351,223	6.65
	At the End of the year			**15,351,223**	**6.65**

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	**Ashish Kacholia**				
	At the beginning of the year	**8,075,000**	**3.50**	8,075,000	3.50
	Transaction during the year:				
	NIL	8,075,000	3.50	8,075,000	3.50
	At the End of the year			**8,075,000**	**3.50**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**Bengal Finance & Investment Pvt. Ltd.**				
	At the beginning of the year	**8,075,000**	**3.50**	8,075,000	3.50
	Transaction during the year:				
	Transfer on 15 Mar 2019	(113,214)	-0.05	7,961,786	3.45
	Transfer on 22 Mar 2019	(6,933)	0.00	7,954,853	3.44
	At the End of the year			**7,954,853**	**3.44**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	**Adonis Electronics Pvt Ltd**				
	At the beginning of the year	**5,034,379**	**2.18**	5,034,379	2.18
	Transaction during the year:				
	Transfer on 06 Apr 2018	(60,000)	-0.03	4,974,379	2.15
	Transfer on 27 Apr 2018	(15,000)	-0.01	4,959,379	2.15
	Transfer on 04 May 2018	(12,747)	-0.01	4,946,632	2.14
	Transfer on 21 Dec 2018	(20,000)	-0.01	4,926,632	2.13
	Transfer on 28 Dec 2018	(20,000)	-0.01	4,906,632	2.12
	Transfer on 22 Feb 2019	(30,000)	-0.01	4,876,632	2.11
	Transfer on 01 Mar 2019	(37,558)	-0.02	4,839,074	2.10
	Transfer on 08 Mar 2019	(30,450)	-0.01	4,808,624	2.08
	Transfer on 15 Mar 2019	(65,159)	-0.03	4,743,465	2.05
	Transfer on 29 Mar 2019	(45,000)	-0.02	4,698,465	2.03
	At the End of the year			**4,698,465**	**2.03**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**Hypnos Fund Limited**				
	At the beginning of the year	**3,404,541**	**1.47**	3,404,541	1.47
	Transaction during the year:				
	Transfer on 20 Apr 2018	(116,000)	-0.05	3,288,541	1.42
	Transfer on 04 May 2018	(62,548)	-0.03	3,225,993	1.40
	At the End of the year			**3,225,993**	**1.40**

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	**Sankaranarayanan Sangameswaran**				
	At the beginning of the year	**1,123,064**	**0.49**	1,123,064	0.49
	Transaction during the year:				
	Transfer on 06 Apr 2018	253,188	0.11	1,376,252	0.60
	Transfer on 13 Apr 2018	81,500	0.04	1,457,752	0.63
	Transfer on 20 Apr 2018	337,870	0.15	1,795,622	0.78
	Transfer on 27 Apr 2018	48,000	0.02	1,843,622	0.80
	Transfer on 06 Jul 2018	19,733	0.01	1,863,355	0.81
	Transfer on 13 Jul 2018	48,948	0.02	1,912,303	0.83
	Transfer on 27 Jul 2018	42,305	0.02	1,954,608	0.85
	Transfer on 13 Aug 2018	74,150	0.03	2,028,758	0.88
	Transfer on 14 Sep 2018	131,500	0.06	2,160,258	0.94
	Transfer on 21 Sep 2018	55,224	0.02	2,215,482	0.96
	Transfer on 12 Oct 2018	50,000	0.02	2,265,482	0.98
	At the End of the year			**2,265,482**	**0.98**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	**Investor Education and Protection Fund Authority Ministry Of Corporate Affairs**				
	At the beginning of the year	**1,244,720**	**0.54**	1,244,720	0.54
	Transaction during the year:				
	Corporate action on 06 Sep 2018	568,484	0.25	1,813,204	0.79
	At the End of the year			**1,813,204**	**0.79**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	**Mr. Shashank S Khade**				
	At the beginning of the year	**1,179,936**	**0.51**	1,179,936	0.51
	Transaction during the year:				
	Transfer on 24 Aug 2018	173,460	0.08	1,353,396	0.59
	Transfer on 29 Sep 2018	85,000	0.04	1,438,396	0.62
	Transfer on 05 Oct 2018	55,000	0.02	1,493,396	0.65
	Transfer on 12 Oct 2018	101,857	0.04	1,595,253	0.69
	Transfer on 19 Oct 2018	17,000	0.01	1,612,253	0.70
	Transfer on 26 Oct 2018	56,191	0.02	1,668,444	0.72
	Transfer on 02 Nov 2018	48,692	0.02	1,717,136	0.74
	Transfer on 16 Nov 2018	14,000	0.01	1,731,136	0.75
	Transfer on 01 Feb 2019	4,000	0.00	1,735,136	0.75
	At the End of the year			**1,735,136**	**0.75**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	**Mr. Nisarg Ajaykumar Vakharia**				
	At the beginning of the year	**1,000,000**	**0.43**	1,000,000	0.43
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**1,000,000**	**0.43**

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	**Mr. Mohammed Fayazuddin**				
	At the beginning of the year	**756,833**	**0.33**		
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**756,833**	**0.33**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	**Mr. Sachin Kasera**				
	At the beginning of the year	**1,100,000**	**0.48**	1,100,000	0.48
	Transaction during the year:				
	Transfer on 12 Oct 2018	(350,000)	-0.15	750,000	0.32
	At the End of the year			**750,000**	**0.32**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	**IL AND FS SECURITIES SERVICES LIMITED**				
	At the beginning of the year	**1,364,868**	**0.59**	1,364,868	0.59
	Transaction during the year:				
	Transfer 06 Apr 2018	38,159	0.02	1,403,027	0.61
	Transfer 13 Apr 2018	(30,818)	-0.01	1,372,209	0.59
	Transfer 20 Apr 2018	(779,555)	-0.34	592,654	0.26
	Transfer 27 Apr 2018	2,364	0.00	595,018	0.26
	Transfer 04 May 2018	(941)	0.00	594,077	0.26
	Transfer 11 May 2018	31,699	0.01	625,776	0.27
	Transfer 18 May 2018	(102)	0.00	625,674	0.27
	Transfer 25 May 2018	183,426	0.08	809,100	0.35
	Transfer 01 Jun 2018	89,391	0.04	898,491	0.39
	Transfer 08 Jun 2018	(204,971)	-0.09	693,520	0.30
	Transfer 15 Jun 2018	(94,095)	-0.04	599,425	0.26
	Transfer 22 Jun 2018	3,903	0.00	603,328	0.26
	Transfer 30 Jun 2018	22,020	0.01	625,348	0.27
	Transfer 06 Jul 2018	(66,838)	-0.03	558,510	0.24
	Transfer 13 Jul 2018	(5,110)	0.00	553,400	0.24
	Transfer 20 Jul 2018	(214,684)	-0.09	338,716	0.15
	Transfer 27 Jul 2018	(56,700)	-0.02	282,016	0.12
	Transfer 03 Aug 2018	(15,901)	-0.01	266,115	0.12
	Transfer 10 Aug 2018	(5,150)	0.00	260,965	0.11
	Transfer 17 Aug 2018	(880)	0.00	260,085	0.11
	Transfer 24 Aug 2018	(11,030)	0.00	249,055	0.11
	Transfer 31 Aug 2018	(450)	0.00	248,605	0.11
	Transfer 07 Sep 2018	85,738	0.04	334,343	0.14
	Transfer 14 Sep 2018	45,764	0.02	380,107	0.16
	Transfer 21 Sep 2018	948	0.00	381,055	0.16
	Transfer 29 Sep 2018	(6,972)	0.00	374,083	0.16

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Transfer 05 Oct 2018	(2,188)	0.00	371,895	0.16
	Transfer 12 Oct 2018	(3,788)	0.00	368,107	0.16
	Transfer 19 Oct 2018	206,692	0.09	574,799	0.25
	Transfer 26 Oct 2018	1,400	0.00	576,199	0.25
	Transfer 02 Nov 2018	(53,850)	-0.02	522,349	0.23
	Transfer 09 Nov 2018	(34,270)	-0.01	488,079	0.21
	Transfer 16 Nov 2018	(208,508)	-0.09	279,571	0.12
	Transfer 23 Nov 2018	(4,000)	0.00	275,571	0.12
	Transfer 30 Nov 2018	3,261	0.00	278,832	0.12
	Transfer 07 Dec 2018	(13,752)	-0.01	265,080	0.11
	Transfer 14 Dec 2018	57,300	0.02	322,380	0.14
	Transfer 21 Dec 2018	(6,718)	0.00	315,662	0.14
	Transfer 28 Dec 2018	1,000	0.00	316,662	0.14
	Transfer 18 Jan 2019	1,855	0.00	318,517	0.14
	Transfer 25 Jan 2019	(3,905)	0.00	314,612	0.14
	Transfer 01 Feb 2019	(42,557)	-0.02	272,055	0.12
	Transfer 08 Feb 2019	(800)	0.00	271,255	0.12
	Transfer 15 Feb 2019	(5,074)	0.00	266,181	0.12
	Transfer 01 Mar 2019	2,673	0.00	268,854	0.12
	Transfer 08 Mar 2019	38,793	0.02	307,647	0.13
	Transfer 15 Mar 2019	58,535	0.03	366,182	0.16
	Transfer 22 Mar 2019	(491)	0.00	365,691	0.16
	Transfer 29 Mar 2019	21,898	0.01	387,589	0.17
	At the End of the year			**387,589**	**0.17**

v) * Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Mr. Gulu L. Mirchandani - Chairman & Managing Director**				
	At the beginning of the year	**46,395,753**	**20.09**	**46,395,753**	**20.09**
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**46,395,753**	**20.09**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	**Mr. Vijay J. Mansukhani - Managing Director**				
	At the beginning of the year	**25,985,774**	**11.25**	**25,985,774**	**11.25**
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**25,985,774**	**11.25**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**Mr. Kaval G. Mirchandani - Whole Time Director**				
	At the beginning of the year	**49,300**	**0.02**	49,300	0.02
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**49,300**	**0.02**

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	**Mr. G. Sundar - Chief Executive Officer**				
	At the beginning of the year	**413,000**	**0.18**	**413,000**	**0.18**
	Transaction during the year:				
	NIL	0	0.00	0	0.00
	At the End of the year			**413,000**	**0.18**

* Mr. Lalit Chendvankar (Company Secretary) does not hold any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **(Amount in ₹)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	50,972,000	0	0	**50,972,000**
ii) Interest due but not paid	0	0	0	**0**
iii) Interest accrued but not due	3,041,000	0	0	**3,041,000**
Total (i+ii+iii)	**54,013,000**			**54,013,000**
Change in Indebtedness during the financial year				
• Addition	200,000,000	0	0	**200,000,000**
• Reduction	(33,054,000)	0	0	**(33,054,000)**
Net Change	166,946,000	0	0	**166,946,000**
Indebtedness at the end of the financial year				
i) Principal Amount	217,918,000	0	0	**217,918,000**
ii) Interest due but not paid	0	0	0	**0**
iii) Interest accrued but not due	2,421,154	0	0	**2,421,154**
Total (i+ii+iii)	**220,339,154**	**0**	**0**	**220,339,154**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Mr. Gulu Mirchandani (Chairman & Managing Director)	Mr. Vijay Mansukhani (Managing Director)	Mr. Kaval Mirchandani (Whole Time Director)	*Mr. Sanjay Munshi (Whole Time Director) w.e.f. 12.02.19	**Mr. Shyamsunder Dhoot (Whole Time Director) till 12.02.19	
1	Gross salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	8,160,000	11,160,000	3,995,772	714,066	4,625,185	**28,655,023**
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	3,063,600	63,600	213,000	187,397	663,879	**4,191,477**
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961						-
2	Stock Option						-
3	Sweat Equity						-
4	Commission						-
	- as % of profit						-
	- others, specify…						-
5	Others- Provident Fund	979,200	979,200	172,800	41,590	103,858	**2,276,648**
	Total (A)	**12,202,800**	**12,202,800**	**4,381,572**	**943,054**	**5,392,922**	**35,123,148**
	Ceiling as per the Act (excluding retirement benefits)	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	-

ANNEXURE TO THE DIRECTORS' REPORT

B. Remuneration to other directors: **(Amount in ₹)**

Particulars of Remuneration	Name of Directors				Total Amounts
Independent Directors	**Mr. Rafique Malik (Independent Director)**	**Mr. Carlton Pereira (Independent Director)**	**Mr. Arvind Sharma (Independent Director)**	**Ms. Sujata Deshmukh (Independent Director)**	
• Fee for attending board / committee meetings	170,000	180,000	160,000	70,000	580,000
• Commission	-	-	-	-	-
• Others	-	-	-	-	-
Conveyance	5,500	5,000	4,000	2,000	16,500
Total (1)	**175,500**	**185,000**	**164,000**	**72,000**	**596,500**
Other Non-Executive Directors					
• Fee for attending board / committee meetings	-	-	-	-	-
• Commission	-	-	-	-	-
• Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	**175,500**	**185,000**	**164,000**	**72,000**	**596,500**
Total Managerial Remuneration					
Overall Ceiling as per the Act (per Board Meeting)	100,000	100,000	100,000	100,000	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: **(Amount in ₹)**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. G. Sundar (Chief Executive Officer)	*****Mr. Subrat Nayak (Chief Financial Officer) till 13.08.18**	******Mr. Vishal Barot (Chief Financial Officer) w.e.f. 14.08.18 till 15.03.19**	**Mr. Lalit Chendvankar (Company Secretary)**	
1	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	30,903,970	2,098,403	2,694,760	3,545,827	**39,242,960**
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	105,000	312,910	873,995	759,000	**2,050,906**
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961					**0**
2	Stock Option					**0**
3	Sweat Equity					**0**
4	Commission					**0**
	- as % of profit					**0**
	- others, specify…					**0**
5	Others - Provident Fund	705,600	53,115	159,994	95,040	**1,013,749**
	Total	**31,714,570**	**2,464,428**	**3,728,749**	**4,399,867**	**42,307,614**

* Mr. Sanjay Munshi has been appointed as an Additonal and Whole Time Director of the Company with effect from February 12, 2019.

** Mr. Shyamsunder Dhoot has resigned as a Director and Whole Time Director of the Company with effect from February 12, 2019;

*** Mr. Subrat Nayak, has resigned as a Chief Financial Officer of the Company with effect from August 13, 2018;

**** Mr. Vishal Barot has been appointed as Chief Financial Officer of the Company with effect from August 14, 2018 and resigned on March 15, 2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-C-I

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER SENIOR MANAGEMENT EMPLOYEES

1. OBJECTIVES :

(i) The terms of appointment and remuneration of Managing Director ("MD"), Whole Time Director ("WTD"), Key Managerial Personnel ("KMPs") and Senior Management ("SMPs") shall be competitive in order to ensure that the Company can attract and retain competent talent.

(ii) The remuneration Policy shall ensure that :

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / KMPs and SMPs to run the Company successfully.

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(c) Remuneration to Directors, KMP and SMP involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company.

(d) Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

(e) The pay structures are appropriately aligned across levels in the Company.

2. APPLICABILITY:

(i) This Remuneration Policy shall apply to all existing and future appointment agreements with Managing and Whole Time Director, KMPs and SMPs and also with the Non-Executive Directors.

(ii) The Remuneration Policy shall be subject to overall guidance of the Board of Directors.

(iii) Any change or amendment in the Companies Act, 2013 ("Act") or the Listing Agreement will prevail over this policy and will be applicable in so far from the date of its notification or date specified therein.

3. DEFINITIONS:

i) Employees Stock Option mean as defined in section 2 (37) of Companies Act, 2013 as 'the option given to the Directors, officers or employees of a Company or of its holding company or subsidiary company or companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price'

ii) Independent Director means a Director other than a Managing Director or a Whole-time Director or a Nominee Director,—

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company;

(ii) who is not related to promoters or Directors in the Company, its holding, subsidiary or associate Company;

(c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its

holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company; or

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

(vi) who is less than 21 years of age.

(f) who possesses such other qualifications as may be prescribed.

iii) Key Managerial Personnel means and includes:

(i) The Chief Executive Officer or the Managing Director or the Manager;

(ii) The Company secretary;

(ii) The Whole-time Director; and

(iv) The Chief Financial Officer.

iv) Non-Executive Director shall means director not in full time employment of the Company.

v) Nomination and Remuneration Committee means Nomination and Remuneration Committee as defined in Section 178 of the Companies Act, 2013 consisting of three or more non Executive Directors out of which not less than an half shall be Independent Director.

vi) Remuneration means as defined in section 2 (78) of Companies Act, 2013 'Any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.'

vii) Senior Management means and includes a personnel of the Company who are members of its core Management Team excluding the Board of Directors. This would also include all members of the management one level below the Executive Directors including all functional heads.

viii) Whole-Time Director means and includes a director in the whole-time employment of the Company.

2.0 REMUNERATION POLICY:

CRITERIA FOR FIXING THE REMUNERATION TO MD / WTD, NON EXECUTIVE DIRECTOR AND INDEPENDENT DIRECTORS, KMPS & SMPS.

1. Financial position of the Company.
2. Remuneration or commission drawn by him from any other company.
3. Professional qualifications and experience of the individual concerned.
4. Industry's pay standards and pay structure data studies undertaken by consultancy firm.
5. Attract and retaining talent and motivation for KMP/ SMP.
6. Special consideration for attracting top notch hi flier in case of KMP/SMP.
7. Past performance, past remuneration and special accreditation or meritorious performance.
8. Bring a balance between the interest of the Company and the shareholder.

3.0 REMUNERATION TO MANAGING DIRECTOR / WHOLE TIME DIRECTOR:

(i) Remuneration to the MD and WTD shall be proposed by the Nomination and Remuneration Committee ("NRC") and subsequently approved by the Board of Directors and the Shareholders of the Company/Central Government, whenever required.

(ii) Total remuneration for the MD and WTD shall comprise of the following :

(a) Salary (both fixed and variable salary based on Performance hiked incentive).

(b) Perquisites like House Rent Allowance, Leave Travel Allowance, Medical Expenses and Soft Furnishing Allowance, etc.

(c) (i) Retirals, contribution to Provident Fund, Superannuation Fund and Gratuity and other funds

(ii) Encashment of Leave at end of the tenure.

(d) Reimbursement or payment of all expenses incurred in connection and business of the Company.

(e) Other perquisites (as may be recommended by the NRC and approved by the Board).

(f) The variable salary shall be in form of a Performance Bonus linked to their individual performance and also the performance of the Company and the individual, as per criteria set by the NRC or the Company.

(g) The total remuneration to MD and WTD shall be in accordance with the provisions of the Companies Act, 2013 and rules as amended from time to time.

(h) The Company shall enter into contract of service and for remuneration.

(i) If any Directors draws or receives directly or indirectly by way of remuneration any sums in excess of the limits prescribed by the Act or without prior sanction of the Central Government where it is required he/she shall refund such sums to the Company and until such sums are refunded held in trust for the Company.

3.1 REMUNERATION TO NON EXECUTIVE DIRECTORS (NED)

a) Non Independent

i) NEDs shall be entitled to such sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and of the Committee thereof.

ii) NEDs shall also be entitled for payment of profit related or commission, as up to the limits prescribed in Section 197 of the Companies Act, 2013 and approved by the Shareholders from time to time.

b) Independent Directors (ID)

i) an IDs shall not be eligible for any Stock Options and may receive remuneration by way of fee provided under Section 197of the Companies Act, 2013 reimbursement of expenses for participation in the Board and other meetings and profit related commission as approved by the members.

ii) The NED and ID shall be paid all traveling, total and other expenses properly incurred by them on attending and returning from meetings of the Board or any Committee thereof or General Meeting or other connection with business of the Company.

3.2 REMUNERATION TO KEY MANAGERIAL PERSONNEL (KMP) & SENIOR MANAGERIAL PERSONNEL (SMP)

(i) Remuneration packages shall be designed in such manner that :

(a) motivates delivery of key business strategies, creates a strong performance – oriented environment and rewards achievement of the Company's objectives and goals over the short and long term.

(b) attracts talent and high achievers in a competitive global market and remunerate executives fairly and responsibly.

(ii) Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits such as retiral benefits, health care, insurance and hospitalization benefits, telephone reimbursement, etc.

(iii) Remuneration shall be evaluated annually and annual increase shall be decided considering the performance of the individual / and also of the Company. Industry practices / trends companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from recognized compensation service consultancies shall also be given due consideration.

(iv) Remuneration can be reset at any time keeping with the meritious performance or for special work assignment or recognition. Benchmark information shall be obtained from recognized compensation service consultancies and shall also be given due consideration.

(v) The remuneration to be paid to KMP/SMP shall be recommended by the NRC considering relevant qualification and experience of the individual as well as the prevailing market condition.

(vi) The NRC may consider to grant Stock Options to KMP and SMPs pursuant to a Stock Option Plan adopted by the Company, if any.

4.0 DIRECTOR AND OFFICERS LIABILITY INSURANCE:

(i) The Company may introduce and provide an insurance cover to Directors, KMPs and SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust shall not be treated as a part of remuneration paid to them. Provided that if such person is proved to be guilty the premium paid on such insurance shall be treated as part of remuneration.

(ii) The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

5.0. DISCLOSURES:

The Company shall disclose the following in the Board's report and the Financial Statements.

(a) In the Board's Report, such particulars as are prescribed under the Companies Act, 2013 and rules made there under; and

(b) In the Corporate Governance Report, the particulars as prescribed in Clause 49 of the Listing Agreement as amended from time to time.

6.0. DISSEMINATION:

The Company's Remuneration Policy shall be uploaded on its website.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-C-II

CRITERIA FOR APPOINTMENT & EVALUATION OF EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS

Purpose of this Policy

a) Board consists of members with the range of skills and qualities to meet its primary responsibility for promoting the success of the Company in a way which ensures that the interests of shareholders and stakeholders. Performance evaluation of Directors annually will help to know the effectiveness of the Board so as to enable the Board to discharge their functions and duties effectively.

b) To ensure compliance of the applicable provisions of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges as amended from time to time.

   i) As per section 178 of the Companies Act, 2013, it is necessary to have an evaluation of the performance of each director.

   ii) As per Clause 49(5) of the Listing Agreement as amended from time to time, mandates that there has to be Evaluation criteria for performance evaluation of Independent Directors and shall be done by entire Board.

c) To adopt the best practices to manage and to give direction to the Company and achieve good Corporate Governance.

Process for reviews

The Nomination and Remuneration Committee shall adopt a Evaluation criteria for performance evaluation of the Directors. The evaluation of performance of director shall be carried by entire Board of Directors excluding the Director being evaluated. The evaluation will be carried at least once a year. The evaluation will be carried out by a Director or any other persons or professional agencies nominated by the Board.

Criteria and Evaluation of Executive Directors, Independent Directors.

I. Executive Directors

Criteria for Appointment

1) Executive Directors will be appointed based on the qualifications, experience, skills and expertise on related matters.

2) The value addition and the contribution to the Company's vision and growth.

3) Favorable Industry reports and corporate standing and integrity and ability to manage and motivate employees.

The following persons shall be not eligible to be appointed as Executive Director if:

1) He/She is disqualified to act as a Director under the provisions of Section 164(1) and other applicable provisions, if any, of the Companies Act 2013. If the disqualification is subsequently removed, then the said person shall be eligible to be appointed as Executive Director.

2) He/She does not satisfy to requirements as prescribed in Part I of Schedule V of the Companies Act, 2013. But the person who does not meet the criteria prescribed in Part I of Schedule V to the Companies Act, 2013 can be appointed as Executive Director if the approval of Central Government is taken.

Evaluation

An annual appraisal/ evaluation of Executive Directors namely Managing Director and Whole Time Director shall be carried out by all the other Directors of the Company. The Company shall consider appropriate industry benchmarks and standards. The annual evaluation shall be carried out in the form of questionnaire as mentioned herein below, to be circulated among other Directors except the Executive Director being evaluated.

II Independent Directors

Criteria For Appointment

I. The Committee shall consider the following factors while appointing a person as an Independent Director on the Board:

   1. Integrity and relevant expertise and experience.

   2. Requisite qualification so that he/she will exercise his/her role effectively.

   3. Have an expert knowledge in field of the Company where the Company operates and shall provide his/her suggestions to the Board members of the Company to arrive at final decision which is in the best interest of the Company.

   4. Not be a promoter or related to promoter of the Company or its holding, subsidiary or associate company;

   5. Must not have any material pecuniary relationship during the two immediately preceding financial years or during the current financial year with the Company, its holding, subsidiary or associate company or their promoters or directors.

ANNEXURE TO THE DIRECTORS' REPORT

6. The relatives of such person should not have had any pecuniary relationship or transaction with the Company or its subsidiaries or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or ₹ 50 lacs or such higher amount as may be prescribed, whichever is less, during the two immediately preceding financial years or in the current financial year;

7. He or his relatives must not:

   (i) hold or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceeding the financial year in which he is proposed to be appointed.

   (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

      (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

      (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

   (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

   (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds 2% or more of the total voting power of the Company; or

   (v) is not a material supplier, service provider or customer or a lessor or lessee of the Company; or

   (vi) is not less than 21 years of age.

8. Such person who is proposed to be appointed as Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

9. Other important factors to be considered while appointment of Independent Directors are as follows:

   1. He/She understands the financial statements like balance sheet, Statement of Profit and Loss and Cash flows.

   2. He/She shall not be disqualified under Section 164, sub-section (1) and (2) of the Companies Act, 2013.

   3. He/She shall give his/her declaration as provided in Section 149(7) of the Companies Act, 2013.

Evaluation

An annual performance evaluation of an Independent Director shall be carried out by all other Directors at the end of the financial year in the form of questionnaire.

III Non Executive and Non Independent Directors.

Evaluation

An annual performance evaluation of an Non Executive Non Independent Director shall be carried out by all other Directors at the end of the financial year in the form of questionnaire.

IV Board of Directors

Evaluation

Evaluation of Board of Directors shall be carried out in the form of questionnaire.

Separate meetings of the Independent Directors

The independent directors of the Company shall hold at least one meeting in a year:

The independent directors in the meeting shall, inter-alia:

1. review the performance of non-independent directors and the Board as a whole;

2. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

3. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for the Independent Director

The Company shall familiarize the Independent Directors with their roles, responsibilities, rights, nature of the business in which the Company operates, etc. through various programmes. The details of such familiarization programmes shall be disclosed on the website of the Company and a web link thereto shall also be given in the Annual Report.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-D

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 THE FINANCIAL YEAR ENDED MARCH 31, 2019.

To,

The Members,

MIRC ELECTRONICS LIMITED

(CIN-L32300MH1981PLC023637)

Onida House, G-1, MIDC, Mahakali Caves Road,

Andheri (East), Mumbai – 400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MIRC ELECTRONICS LIMITED** ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 has generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The Company did not receive any foreign investments during the financial year nor has the Company made any investments outside India during the financial year.

(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, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable during the audit period)**

(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; **(Not applicable during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**

(vi) Based on the certificates obtained by the Company from the Functional Heads and on the basis of the representation made by the Company and its officer for systems and mechanisms formed for compliance, the following laws are specifically applicable to the Company;

1. Factories Act, 1948
2. MIDC and other local municipal Authorities & Act framed thereunder
3. The Legal Metrology Act, 2009
4. The Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971.

ANNEXURE TO THE DIRECTORS' REPORT

5. The Negotiable Instruments Act, 1881
6. The Industrial Disputes Act, 1947
7. The Employees' State Insurance Act, 1948.
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
9. The Environment (Protection) Act, 1986
10. The Water (Prevention and Control of Pollution) Act, 1981
11. The Air (Prevention and Control of Pollution) Act, 1974
12. The Hazardous Waste (Management and Handling) Rules, 1989
13. The Minimum Wages Act, 1948
14. The Payment of Bonus Act, 1965.
15. The Payment of Gratuity Act, 1972.
16. The Industrial Employment (Standing Orders) Act, 1946.
17. The Workmen Compensation Act, 1923.
18. The Contract Labour (Regulation and Abolition) Act, 1970.
19. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.
20. The Payment of Wages Act, 1936.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, the changes in the composition of the Board of Directors that took place during the period under review was in accordance with the provisions of the Act and rules made thereunder.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

We further report that during the audit period there were following specific events /action reported having major bearing on company's operations.

1) Re-appointment of M/s S.R.B.C & Co, LLP, Chartered Accountants as statutory auditor of the Company for a further period of 5 years from conclusion of 37th AGM to conclusion of 42nd AGM.
2) Adoption of new set of Articles of Association.
3) Re-Appointment of Mr. Kaval Mirchandani as a Whole Time Director of the Company for period of 3 year w.e.f May 26, 2019 to May 25, 2022 and payment of remuneration in accordance with Schedule V and other applicable provisions of the Act.
4) Appointment of Mr. Sanjay Munshi as a Whole Time Director of the Company for period of 3 year w.e.f February 12, 2019 to February 11, 2022 and payment of remuneration in accordance with Schedule V and other applicable provisions of the Act.
5) Resignation of Mr. Shyamsunder Dhoot, from the Directorship of the Company with effect from February 12, 2019.

FOR RAGINI CHOKSHI & CO, COMPANY SECRETARIES

UMASHANKAR K HEGDE
(PARTNER)
COP No- 11161 # M.No- A22133

Date: May 29, 2019
Place: Mumbai

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-E

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

[PURSUANT TO SECTION 197 SUB-SECTION 12 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

The ratio of the remuneration of each director to the median employees' remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure		
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year;	A	Mr. Gulu L. Mirchandani Chairman and Managing Director	33:1
		B	Mr. Vijay J. Mansukhani Managing Director	33:1
		C	Mr. Kaval G. Mirchandani Whole Time Director	10:1
		D	Mr. Sanjay Munshi Whole Time Director (Appointed w.e.f. 12.02.2019)	21:1
		E	Mr. Shyamsunder Dhoot Whole Time Director (Ceased to be a director w.e.f. 12.02.2019)	12:1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	A	Mr. Gulu L. Mirchandani Chairman and Managing Director	No Increase
		B	Mr. Vijay J. Mansukhani Managing Director	No Increase
		C	Mr. Kaval G. Mirchandani Whole Time Director	No Increase
		D	Mr. Sanjay Munshi Whole Time Director (Appointed w.e.f. 12.02.2019)	——
		E	Mr. Shyamsunder Dhoot Whole Time Director (Ceased to be a director w.e.f. 12.02.2019)	——
		F	Mr. G. Sundar Chief Executive Officer	5% Increase
		G	Mr. Subrat Nayak Chief Financial Officer (Resigned w.e.f. 13.08.2018)	——
		H	Mr. Vishal Barot Chief Financial Officer (Resigned w.e.f. 15.03.2019)	——
		I	Mr. Lalit Chendvankar Head - Corporate Affairs, Legal & Company Secretary	9% Increase
3	The percentage increase in the median remuneration of employees in the financial year;	The median remuneration of the employees in the financial year was decreased by 4%.		
4	The number of permanent employees on the rolls of the Company;	There were 825 employees as on March 31, 2019.		
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;	There has been an average increase in the remuneration of both, the managerial personnel and the other employees of the Company during the financial year of around 5%		
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed.		

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-F

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

[PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014]

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2019 is given here below and forms part of Directors Report.

A. CONSERVATION OF ENERGY:-

i) Steps taken on conservation of energy and for utilising alternate sources of energy:

Your Company is conscious about its responsibility to conserve energy, power and other natural resources wherever possible. It lays great emphasis towards a safe and clean environment and continues to adhere to all regulatory requirements and guidelines. Your Company strives to ensure environment friendly initiatives when implementing various projects on energy saving at its units. List of proposals and initiatives taken in this regard are as under:

a) For plant situated at Wada, Maharashtra:-

- 540 KW Roof Top Solar (Green power) installed which can generate 2700 Units per day. Accordingly, MSEB power consumption will reduce substantially.
- Various conventional/halogen lights, mercury lamps were replaced by in house manufactured LED lights like street lights, highbay lights, ceiling lights etc.
- Copper cokes of tube lights replaced by electronics chokes for saving power consumption.

b) For plants situated at Roorkee, Uttarakhand:-

- Plant floor ceiling light has been replaced from 56 watt tube light to 24 watt LED Tube light conserving 32 watts per tube light. At present 100 Nos Tube light replaced with LED light and another 100 Nos replacement is in process.
- For gardening, the Company has made water storage tank for regular water supply, hence no need to run Submersible Pump frequently, resulting saving of energy.
- The Company is planning to install Heating Jacket in Injection Moulding Machine heating barrel to prevent heat desperation to save Energy.
- Auto stop Preset Timer provision in Motor Control Circuit to Stop the motor in No load condition in Injection Moulding Machine to save energy.
- Disconnected 20 sets of Tube light which are not required and balance 10 tube light are replaced with LED light.
- Replaced 5 Nos Factory boundary Wall light from Mercury Light (125 watt) to LED Light (40 watt).

ii) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The Company with 'zero investment' initiative has taken to rearrange the workplace arrangement to reduce Air-conditioner & lighting consumption. Various shop floor improvements in energy waste elimination, awareness and regular checks resulted in energy savings. 100% process water treated and reused. The lush green garden is well maintained with 100% use of domestic treated water reuse.

New proposals are in process for solar roof top, wind energy and optimization of contract demand.

Boilers are well maintained with efficiency of 85% and above with recovery of solar heat and condensate water heat for feed water.

iii) Impact of the above measures as stated under (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- Due to innovative measures taken at plant located at Wada, Maharashtra, reduced energy consumption, by introducing solar panel for process heating, installation of poly carbonate transparent sheet for natural light. This has resulted reduction in energy consumption.
- The Company's initiative to maintain unity power factor, use of LED lights in few locations as an initiative to green energy and installation of boiler furnace oil savings by using in house developed Heat Exchanger and Solar System for feed water resulted in increase in the Steam/Furnace oil ratio and resulted in saving.
- The production team under the able guidance of expert engineers from the research and development centre of the Company continuously monitor and devise various means to conserve energy and identify methods for the optimum use of energy without affecting productivity. This is ensured through the adoption of the latest techniques of production which helps in better productivity levels, timely maintenance and upgradation of machines and equipments to ensure that energy consumption is at the minimal level possible. Further on-the-job

training to production team members is also given in order to conserve energy.

iv) Capital investment on energy conservation equipment:

There were no capital investments made by the Company on energy conservation equipment during financial year 2018-2019.

B. TECHNOLOGY ABSORPTION:-

i. The efforts made towards technology absorption:

The Company believes in offering world class technological products to its valued customers. With this objective, the Research and Development personnel of the Company periodically visit foreign exhibitions and trade shows to understand the latest technology used in electronic products. Besides the Research and Development team also works closely with world class technology developers to understand their technology. Efforts are also made by the team to bring in immaculate features in the products which are consumer-centric. The Research and Development constantly works to develop uniquely designed models with User friendly features implementing latest technology.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The efforts made by the Company towards technology absorption have resulted in the introduction of innovative energy efficient products at competitive costs, which are likely to enlarge the market share of the Company in future. The Company's focus has been to develop state-of-the-art products and be a leader in new technological areas.

The specific areas in which Research and Development was carried out by the Company, benefitted in product improvement, cost reduction and product development.

Flat panel TVs:

The Company has introduced number of new LED TV models in HD / FHD segment. It has also introduced UHD range of Google certified TVs.

The Company has migrated to new range of SMART TVs supporting Android 6.0. It is also focusing on better sound performance for the LED TVs, with improvement in its speakers as well as in the designs.

The Company is working on new range of SMART TVs, wherein it will support popular apps. It has also adopted new energy efficient standards as directed by the Bureau of Energy Efficiency (BEE). The Company is also working to introduce voice controlled remote controls for its SMART LED TVs.

Washing Machines:

The Grandeure Series has been expanded to include more popular Size of 6.5 Kg and 7.5 Kg. capacity of wash load.

The Company has developed and introduced 8.5kg. capacity model with heating feature. The pre-set Wash programmes are designed to wash varieties of clothes like wool, cotton and others optimally. The temperature of water is programmed to suit types of clothes to be washed.

Models with Stainless steel Tubs and new glass designs were added in Semiautomatic range. These were well received by the consumers.

Air Conditioners:

The Company has introduced Zero ODP (Ozone Depletion Potential) & energy efficient environmental friendly R32 refrigerant gas in all models. The Company is also focusing on the energy efficient inverter air conditioners keeping in view the growing market for inverter. The Company has launched 22 models in inverter category this year. These models save about 30% energy consumption. These inverter models are designed to provide high cooling capacity even at high ambient temperature of 48 degree Celsius.

During the year under review, your Company has introduced Smart WiFi ONYX series of Inverter AC models which has Voice enabled Technology (ViOT). The accompanying Smarthome App, available both on iOS and Google Play store. The App makes your Smartphone to control all remote operated devices in your home.

iii. Information regarding imported technology (Imported during last three years):

The Company has not imported any technology. However, the management of the Company believes that information technology can be extensively used in all spheres of its activities to improve productivity and efficiency levels. The Company has already implemented SAP, a customized ERP module, at all its branches and manufacturing facilities.

iv. Expenditure on research and development:

(₹ in lacs)

Particulars of expenditures		Financial year 2018-2019	Financial year 2017-2018
A	Capital		-
B	Recurring	444.80	342.13
C	Total	444.80	342.13
D	* Total Expenditure as a % of total Turnover	0.69	0.47

* On the basis of net turnover.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows.

(₹ in lacs)

Particulars		Financial year 2018-2019	Financial year 2017-2018
A	Foreign exchange earnings	903.43	1359.22
B	Foreign exchange outgo	583.28	808.03

MANAGEMENT DISCUSSION AND ANALYSIS

The management of the Company is pleased to present this Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian electronics manufacturing is projected to become USD 400 billion industry by 2025. This would require support mechanism like interest subvention for manufacturers, credit guarantees, cost-effective loans, fresh manufacturing cluster and creation of sovereign fund and hence the Indian government has announced the National Electronics Policy, 2019. The policy will promote ease of doing business and encourage international brands to set up a manufacturing base along with their supply chain partners.

Trade war will compel the manufacturers in China to look for an alternative base like India and hence India can easily become a Global Hub for Electronics System Design & Manufacturing. Due to import duty on LCD /LED panels as well as on open cell, the brands have explored sourcing from Indian OEM. The move also supports government's "Make in India" Vision. However, it has also forced some companies to shut down manufacturing in India and they have shifted to other countries having zero duty as per FTA agreement. This is also true of ACs. We believe the government is working to get a right balance of policies to promote "Make in India" and at the same time build good relations with neighboring countries.

The government is expected to revive PSU Banks and accelerate NPA resolutions which will help in easing the liquidity situation in the economy. Increased government expenditure on rural-centric programme, direct income support for farmers and structural reforms to double farmer's income will increase rural consumer demand. Growing awareness, easier access, changing lifestyles and government policies will be the key growth drivers for the consumer market.

LED TVs:

March 2018 saw a decline in custom duty on open cell panels, used in the manufacture of LCD and LED television panels, to 5 percent. This is encouraging as it is in response to the industry's request to correct the anomaly created in the union budget announced on February 1, 2018, wherein it became cheaper to import CBUs then assembled them locally. It is expected that with this change, TV manufacturers and OEMs will again come back on track and revive their plans to assemble panels and televisions in the country and it will also provide the requisite impetus to the Make in India initiative. Of course, the net increase by 5 percent remains. The consumer electronics brands have seen increased investments with continued innovation, expansion into newer segments and renewed focus on energy efficiency. Products are being integrated with IoT technology for a range of smart TVs and appliances. Virtual reality and artificial intelligence are being brought to consumer electronics.

During the year, the Company has targeted to expand its market share and revenues in the smart LED TV category. The Company has raised the mercury in the consumer durables market with the launch of its smart UIC Series, an Android 4K UHD Smart TV with HDR10. It is powered by Android 8.0 Oreo operating system. This TV is powered by Google Assistant. It's smart AI algorithms and machine learning provides better suggestions, personalized content and delivers best-in-class overall experience with the TV.

The UIC series comes with Pixel Illuminating Engine (PIE) which gives user the most accurate picture setting. PIE is Company's propriety technology based on various Picture Enhancing Algorithms giving ultimate viewing experience to the customer. The 4K UHD model comes in varied sizes to suit your demands. The smart TV has become smarter with Company's One Remote, One Interface HDR10 TV. The Company has introduced more than 45 new models having resolution HD, FHD and both basic and smart models with basic audio to KY audio. To improved utliisation of installed capacity, we initiated OEM production activities for other brands. Initial success achieved for Reconnect brand.

Air Conditioners:

The Indian room ACs market is all set to undergo a phenomenal upheaval in the next 5 years. Factors such as changing consumer lifestyle, awareness about green and energy efficient products, rising per capita income and extremely hot and humid climate through most part of the year are playing a critical role. In a category, where the market penetration is just 4-5 percent (against the world's average of 30 percent), the Indian room air conditioner market is set to grow from 4.7 million units in FY 2017-18 to 7.2 million in FY 2019-20, indicating the growth of approximately 15 percent of CAGR. The Industry has been witnessing a continual shift towards energy-efficient ACs (5-star/inverter) which contributes 30-35 percent of overall industry volumes. According to the Bureau of Energy Efficient (BEE), all inverter technology ACs need to have compulsory rating from the year 2018. Consequently, the rating for fixed and variable compressors will be merged and the split AC market is expected to shift to inverter technology.

During the year, the Company launched its wide range of Inverter Air Conditioners, continuing to deliver technologically superior products for consumers who want the best of functionality and design. This AC season witnessed successful launch of new smart AC series – ONYX SMART and GENIO across all markets. Along with the smart technology, the Company has also introduced Magnified Cooling with Multiplier Cooling Inverter Technology. ONYX SMART is a Voice Integrated Smart air conditioner, which is powered by Alexa, driven by ViOT (Voice IOT) technology.

The Company has also introduced GENIO, which is powered by Multiplier Technology. GENIO smart line of air conditioners have an ethereal texture, stylish finish and boasts of market

leading innovations of 4D cooling, 100% copper condenser, Blue-fin powerful coating, eco-friendly R-32 refrigerant gas and smart digital displays. In India, where temperatures soar up to 45 C, the Company has Inverter Air Conditioners which provides instant cooling even at an extreme temperature of 52 C.

The Company has shifted focus to energy efficient inverter air conditioners, keeping in view the growing market for inverters, the Company has launched 43 models in the inverter category.

Washing Machines:

Washing machines are seen as crucial from households. Sales of washing machines are closely linked with the monsoon rainfall in India. The demand for washing machines is generally higher during the peak months between June and August, when the monsoon rainfall is high and in line with forecasts.

The Indian market is witnessing over 20 percent CAGR growth, catapulting the Indian market to touch USD 4 billion by FY 2020-2021. The penetration rate for washings machine has increased from 4.9 percent to 11 percent since 2016 and is expected to reach the level of 20 percent by 2020.

During the year, the Company has introduced new models in semi-automatic and fully automatic top loading category. The designer glass top models with aesthetic appeal has helped to boost the semi-automatic segment. The Company has also launched Crystal series models with 6.2 kg capacity.

Microwave Oven:

The global microwave ovens market has been forecasted to gain traction from the increasing demand for microwavable food. The market is expected to earn USD 25 billion by 2022 at CAGR of 5.8 percent between 2017 and 2022. The growing market for home and kitchen appliances has been envisioned to augur well for the microwave ovens industry with an increased growth potential, as per Transparency Market Research. As per product classification, convection, grill and solo microwave ovens could be the major markets, where the first product could gather a lion's share of USD 12.2 billion by end of 2022. According to the segmentation analysis by structure, countertop and built-in microwave ovens will grow.

Key growth factors include the aggressive usage of technologically sophisticated kitchen and home appliances owing to the improving standards of people. The growing trend of connectivity between home appliances and innovations, such as inverter based microwave ovens, has been projected to create new opportunities in the market. High power consumption could be a dominant restraint checking the growth of the world microwave ovens market.

During the year, the Company designed and launched Black Beauty Neo microwave ovens that offer auto menu features like air fryer, milk boiling, egg boiling, roti and naan. Air fry is designed for the health conscious menu which cooks food by circulating hot air inside the microwave cavity.

2. OPPORTUNITIES AND THREATS

Opportunities

(a) Consumer durable market is valued at USD 9.7 billion in 2015 and is expected to reach USD 20.6 billion by 2020. India is expected to have the 5th largest consumer durable market by 2025.

(b) The government has supported domestic manufacturing with multiple initiatives in consumer appliances industry such as Modified Special Incentive Package Scheme (M-SIPS), differential duty structure through Basic Custom Duty (BCD), Electronic Manufacturing Clusters (EMC), Digital Saksharta Abhiyan (DISHA) and Electronic Sector Skills Council of India (ESSCI).

(c) Rising education levels among the youth will lead to have a better lifestyle. This has been fuelling higher spending on discretionary consumer durables and premium products, which is likely to jump from the current 40 percent to 46 percent of household income by 2025.

(d) Huge local demand to be an influence in attracting investments.

(e) 'Make in India' initiative to accelerate investment activity in core and allied sectors. The 'Make in India' policy is the first of its kind for the manufacturing sector as it addresses areas of regulation, infrastructure, skill development, technology, availability of finance, exit mechanism and other pertinent factors related to the growth of the sector.

Threats

(a) Continuous innovation leads to intense rivalry.

(b) Homogeneity in product and low switching cost.

(c) Highly capital intensive.

(d) Major players have developed brand equity.

(e) Brand loyalty is moderate.

(f) Product differentiation is very low.

(g) By changing the input, firms cannot drastically differentiate on price.

(h) Technological advancement.

(i) Buyers have huge propensity to substitute.

(j) Use of internet to get all the information enables the customers to be more powerful.

(k) Buyer switching cost is very less.

3. RISKS & CONCERNS

(a) Electronics companies have to work rapidly just to use the latest technologies. Changing consumer tastes and interests further complicate the picture, as do new competitors across the globe.

(b) Exposure to inventory obsolescence doesn't just happen during economic downturns; it happens during every change in technology and every new product introduction.

(c) Irregular power supply and inefficient logistics are some of the major challenges, leading to costly delays in the overall manufacturing process.

(d) With compliance and regulations becoming stricter. Companies are faced with challenges of constantly tracking the requirements for removal of potentially hazardous materials and to recycle product at end-of-life.

(e) Inverted duty structure makes domestic manufacturing highly unattractive as several industries depend on imported raw materials and components.

(f) E-commerce is changing traditionally accepted economic practices and making competition even fiercer than it has ever been in the past. As the internet opens up larger markets, more and more flexible competitors are entering the market, all offering better price value propositions in order to steal market share.

(g) Even though labour cost is low in India as compared to countries like China, labour productivity is lower than traditional destinations. There is a shortage of industry-ready talent and with changing technology the labour needs to be constantly trained. Government initiatives to increase domestic production will not bring about positive results unless the sector boasts skilled employable workforce.

4. PRODUCT-WISE PERFORMANCE

(a) Washing Machine: During the year under review, this segment has witnessed a growth of 24 percent.

(b) Air Conditioner: During the year under review, this segment has witnessed de-growth of 7 percent.

(c) LED/Panel: During the year under review, this segment has witnessed a de-growth of 27 percent.

5. OUTLOOK

The consumer durables sector basically holds a solid outlook for the long term. Today's consumers have high awareness and a strong value-for money orientation. The rapid rate of urbanisation and the growth of a young population that is enjoying rising incomes is creating a large emerging middle class in India. Apart from the growing income levels, the other important factors are changing consumer behaviour and evolving spending patterns. Indian consumers today are looking to improve their homes and lifestyles through global brands and experiences. Fuelled by the falling prices of consumer electronics, these radical demographic shifts are expected to further transform the consumer durables and electronics market in India. The current subpar penetration levels, compared to the global average for consumer durables and electronics products such as air conditioners, washing machines, also highlight the significant headroom for future growth.

There are some headwinds that India as an economy and will have to deal with which are more geopolitical in nature like volatility in exchange rate, trade war and volatile oil prices. This has put a huge strain on the economy. Having said that, we believe India's economy is likely to grow at over 7% in 2020, driven by wide-ranging reforms undertaken by the Government of India such as Goods and Services Tax (GST), Housing for All by 2022, Ease of Foreign Direct Investment (FDI) norms and Smart Cities mission. These reforms are expected to help drive consumption and investments in the country, as also benefit the larger consumer durable industry.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a matured internal audit process for the Company as a whole covering the corporate office and the branches all over India. Agenda for the audit/ scope is finalized and approved by the Audit Committee. The audit is carried out by reputed audit firms across head office, plant and branches. The internal audit department of the Company coordinates with the internal auditors and auditees and ensures proper follow up for closure of audit concerns.

The Company has standardized SOPs in place in form of various manuals, policies and procedures for all critical and important activities as recommended by the management.

Audit finding are placed in the audit committee and directions of the committee are followed to improve internal control and avoid recurrence of events.

There is an evolved risk management strategy with standard operating procedures placed before and approved by the Board of Directors of the Company and are legitimately followed by the Company for the reporting and compliance purposes.

There are certain policies adopted by the Company for maintaining internal control within the organization, which are as follows: -

a) Risk Management Policy

This policy sets out Company's risk, oversee's management of material business risks and internal control. The purpose of this policy is to encourage an appropriate level of risk tolerance throughout the Company; establish procedures to analyze risks within agreed parameters across the Company; establish appropriate risk delegations and corresponding risk management framework across the Company and ensure the Company has a risk management framework that can noticeably respond the risk profile of the Company.

b) Whistle Blower Policy

This policy is formulated to provide opportunity to all employees to have access to the Management or the Chairman of the Audit Committee, in case they observe any unethical and improper practice or behaviour or wrongful conduct in the Company and to prohibit any person from taking adverse personal action against such employee.

c) **Policy on Related Party Transactions**

This policy is framed to ensure compliance of the applicable provisions of the Companies Act, 2013 & the rules made there under and SEBI (LODR) Regulation as amended or re-enacted from time to time and intended to ensure the proper approval and reporting of transactions between the Company and related parties. Such transactions are appropriate only if they are in the best interest of the Company and the shareholders.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial year 2018-19 has been a more challenging year than the previous year. The economy is yet to recover from the impact of de-monetisation coupled with weak monsoon. Both in urban and rural sector has not been buoyant. Against this back drop the company was able to maintain the top line in Air Conditioner and grew in the Washing Machine and Microwave segments by 25% and 16% respectively.

During the year the government increased the custom duty on Air Conditioner and Washing Machines resulting in increased cost which was not fully passed on to the consumer.

The Company is now initiating the investment to manufacture the full range of Washing Machines, the full impact of which would be seen in 2020.

The Company's thrust in terms of newer model introduction in Washing Machines has helped its grow in turnover by 25% thereby gaining market share in this category.

During the year the company has also chose to write-off Rs.6.27 cr. against the material held in stock of the discontinued business, namely CRT Colour television.

The company is aligning its strategy to the "Make in India" strategy of the government and shall over the next couple of years manufacture all products in India, thereby making the Indians proud of the "Make in India" label.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The company's Human Resource function is aimed to be a catalyst for creating Human Capital transformation required to ensure business performance, concurrently addressing the needs of its employees and strengthening the core values of the Company, with emphasis on aligning all HR levers towards achieving business goals.

With the aim of creating a performance driven culture, focus continued on the talent management and development. The Company also understands the need to retain and develop the high potential talent for future roles. The Company has given a fair opportunity to its employees to conduct themselves, unleash their potential in the form of Assessment centers.

Under Onida Learning Academy – the training cell, e-learning programs were designed which are easily accessible through mobile. The academy has also identified and certified in-house trainers in different streams who impart skill based training across various groups.

We also believe that communication plays an important part, hence we launched our employee magazine – Onida Mirror, which gives insights from the management and leadership team, new products and launches, top performers of the quarter and a chance to know each other better.

Rewards and Recognition is a key factor in motivating our people. Keeping this in mind, the Company has introduced Onida People League and Champion Awards to felicitate our sales field force with exciting incentive schemes. Alongside, an Appreciation week was also planned wherein colleagues recognize each other's efforts and to build a feeling of bond and trust.

HR team will continue its efforts to make Onida "A Great Place to work" by strategically working on Employer branding and creating an Employee Value Proposition of delivering a uniform Onida experience to all employees.

Your Company has 825 employees on its payroll as on March 31, 2019.

9. MATERIAL FINANCIAL & COMMERCIAL TRANSACTIONS INVOLVING SENIOR MANAGEMENT

The Company has in place a Code of Corporate Governance which stipulates that senior management personnel shall make disclosures to the Board of Directors of the Company regarding any material financial and/or commercial transactions in which they are interested which may have a potential conflict with the interest of the Company.

Cautionary Statement

The statements made in this report describing the Company's projections, expectations and estimations may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results may differ from those expressed or implied in this report due to the influence of external and internal factors beyond the control of the Company.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events. Readers are cautioned not to place undue reliance on the forward looking statements.

On behalf of the Board of Directors

Gulu Mirchandani
Chairman and Managing Director
(Din: 00026664)

Place : Mumbai
Date : May 29, 2019

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, as applicable for the year ended March 31, 2019 is set out below for the information of shareholders, investors and other stakeholders of MIRC Electronics Limited (hereinafter referred to as **"Company"**).

I. Company's philosophy on code of Corporate Governance

The Company's philosophy on the corporate governance is based on the following principles:

- Integrity & ethics in all our dealings.
- Have a simple and transparent corporate structure driven solely by business needs.
- Be transparent with a high degree of disclosure & adequate control system.
- Make a clear distinction between personal conveniences and corporate resources.

The Company is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholders' value on a sustained basis.

II. Board of Directors

A] Composition

The Board of Directors of the Company has an optimum combination of executive and non executive directors with one woman director and not less than 50% (Fifty Percent) of the Board comprising of non executive directors. As at March 31, 2019, the Board of Directors of the Company comprises of eight directors, out of which three directors are Promoters cum Executive Directors, one Non-Promoter Executive Director and four are Non-Executive Independent Directors. Ms. Sujata Deshmukh is woman director on the Board of the Company. The Chairman is a Promoter and Executive Director. Accordingly, 50% (Fifty Percent) of the Board comprises of independent directors.

During the financial year 2018-2019, 4 (Four) meetings of the Board of Directors were held. These 4 (Four) meetings were held on May 17, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. The maximum time gap between any two board meetings was less than 120 days. The constitution of the Board of Directors of the Company, the details of meetings attended by the Directors of the Company and the information with regard to their membership of Committees are as under:

Name	Category	Attendance Particulars			No. of Directorships and Committee Chairmanship / Membership (including the Company)			
		Number of Board Meetings						
		Held during tenure	Attended	Last AGM	Directorship	Directorship in Listed companies	Committee Chairmanship	Committee Membership
Mr. Gulu Mirchandani	Promoter [CMD]	4	4	Yes	5	3	1	2
Mr. Vijay Mansukhani	Promoter [MD]	4	2#	Yes	2	1	0	1
Mr. Kaval Mirchandani	Promoter [WTD]	4	4	Yes	3	1	0	0
Mr. Shyamsunder Dhoot	Non Promoter [WTD]*	3	3	Yes	1	1	0	0
Mr. Sanjay Munshi	Non Promoter [WTD]	N.A.	N.A.	N.A.	1	1	N.A.	N.A.
Mr. Rafique Malik	I & NED**	4	3##	No	3	2	1	3
Mr. Carlton Pereira	I & NED**	4	4	Yes	5	3	4	2
Mr. Arvind Sharma	I & NED**	4	4	No	1	1	0	1
Ms. Sujata Deshmukh	I & NEWD***	4	3###	No	1	1	0	0

* Mr. Shyamsunder Dhoot, Non-Promoter, Whole-Time Director resigned from directorship with effect from close of business hours on February 12, 2019;

** Independent & Non-Executive Director;

*** Independent & Non-Executive Woman Director;

Leave of Absence was granted for the Board Meetings held on August 14, 2018 and November 13, 2018;

Leave of Absence was granted for the Board Meeting held on May 17, 2018; and

Leave of Absence was granted for the Board Meeting held on February 12, 2019.

Dates on which Board Meetings were held	Total Strength of the Board	No. of Directors Present
May 17, 2018	8	7
August 14, 2018	8	7
November 13, 2018	8	7
February 12, 2019	8	7

Notes:

1. As detailed above, none of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors or as Chairman of more than five such committees;
2. Only directorship in public limited companies (listed or unlisted) has been considered;
3. Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered;
4. Mr. Sanjay Munshi was appointed as an Additional and Whole Time Director with effect from February 12,2019; and
5. Mr. Shyamsunder Dhoot resigned as a Director and Whole Time Director with effect from close of business hours on February 12, 2019.

B] Present Directorship in other Listed Companies (including the Company)

Sr. No.	Name	Directorships (Name of Listed Companies)	Category of Directorship
1.	Mr. Gulu L. Mirchandani	a. Mirc Electronics Limited	Chairman & Managing Director
		b. V I P Industries Limited	Independent Director
		c. KEC International Limited	Independent Director
2.	Mr. Vijay J. Mansukhani	Mirc Electronics Limited	Managing Director
3.	Mr. Kaval G. Mirchandani	Mirc Electronics Limited	Whole-time Director
4.	Mr. Sanjay Munshi	Mirc Electronics Limited	Whole-time Director
5.	Mr. Rafique Malik	a. Mirc Electronics Limited	Independent Director
		b. Ador Fontech Limited	Independent Director
6.	Mr. Carlton Pereira	a. Mirc Electronics Limited	Independent Director
		b. Sanghvi Brands Limited	Non-Executive Director
		c. Shilpa Medicare Limited	Non-Executive Director
7.	Mr. Arvind Sharma	Mirc Electronics Limited	Independent Director
8.	Ms. Sujata Deshmukh	Mirc Electronics Limited	Independent Director

C] Information placed before the Board of Directors

The Company Secretary prepares the Agenda in consultation with the Chairman of the Board of Directors and the Chairman of the various Committees. The Agenda of the meeting *inter-alia* includes the information as specified to be provided under Part–A of Schedule II of Regulation 17(7) of the Securities and Exchange Board of India **(SEBI)** (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amended from time to time (hereinafter referred to as **"SEBI (LODR) Regulations, 2015")**.

SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, presentation and papers are circulated well in advance of the meetings to enable the Board and the Committees to deliberate and take informed decisions.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, annual operating plans and budgets, minutes of meetings of audit committee and other committees of the Board, quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material. It monitors overall operating performance and reviews such other items which require special attention of the Board of Directors of the Company. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations.

D] Code of Conduct

The Board has laid down a Code of Conduct for all Board members and Senior management of the Company and it is uploaded on the website of the Company i.e. www.onida.com. The Code of Conduct has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. A declaration by the Chief Executive Officer of the Company as required under Regulation 17(5), 26(3), 34(3) and Clause D of Schedule V of the SEBI (LODR) Regulations, 2015 is annexed herewith.

E] Independent Directors

Mr. Arvind Sharma and Ms. Sujata Deshmukh were appointed as an Independent Directors for a period of 5 (Five) years with effect from November 14, 2016 by the shareholders at the Thirty-Sixth Annual General Meeting of the Company. Mr. Carlton Felix Pereira and Mr. Rafique Abdul Malik, were appointed as an Independent Directors for second consecutive term of 5 (Five) years at the Board Meeting held on May 29, 2019 pursuant to the provisions of the Section 149 read with Schedule IV of the Companies Act, 2013 which is subject to the approval of members in the ensuing Annual General Meeting of the Company.

The Company has issued a formal letter of appointment containing their duties, terms and conditions of appointment. The same is also disclosed on the website of the Company i.e. www.onida.com. The Independent Directors have confirmed about their independence and eligibility as required under Section 149(7) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to time.

F] Role of Independent Directors

The Independent Directors plays an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. They perform the duties as stipulated in the Companies Act, 2013.

The Independent Directors had a separate meeting on February 12, 2019 without the attendance of non independent directors and members of the management of the Company and reviewed the following:

- performance of non independent directors and the Board as a whole;
- review the performance of the Chairman; and
- assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the Company and business model of the Company. This is also disclosed on the website of the Company i.e. www.onida.com and the link is http://www.onida.com/policies.

G] Chart or matrix setting out skill/ expertise / competence of the Directors

A matrix setting out the core skills/ expertise/ competence as required in the context of the business or sector for the Company to function effectively in comparison with core skills/ expertise/ competence actually available with the Board of Directors of the Company as on March 31, 2019 are stated hereunder:

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills/ expertise/ competence as on March 31, 2019
1.	Industry experience and Knowledge	✓
2.	Technology Innovation	✓
3.	Sales and Marketing Functions	✓
4.	Management of Business Operations	✓
5.	Business Development and Strategy Formation	✓
6.	Planning, Sourcing and Costing	✓
7.	Strategy/M&A/Restructuring	✓

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills/ expertise/ competence as on March 31, 2019
8.	Finance and Accounting	✓
9.	Risk and compliance oversight	✓
10.	Corporate Governance	✓
11.	Human Resource Management	✓
12.	Information technology strategy	✓

H] Committees of the Board

The Board has established various committees such as Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee as per the requirement of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013 as amended from time to time. The minutes of the aforesaid Committee meetings are circulated and discussed in the meetings of the Board of Directors of the Company.

III. Audit Committee

A] Constitution

The composition, role and powers of the Audit Committee meet the requirements of Part C of Schedule II with reference to the Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As at March 31, 2019, the Audit Committee comprised of following Independent Directors:

1) Mr. Carlton Pereira, Chairman;

2) Mr. Rafique Malik; and

3) Mr. Arvind Sharma.

The Company Secretary acts as the Secretary to the Audit Committee.

Mr. Carlton Pereira, Independent & Non Executive Director of the Company and Chairman of the Audit Committee is a Chartered Accountant by profession. All the members of Audit Committee are Independent Non-Executive Directors of the Company. All the members of the Audit Committee are financially literate and possess accounting and financial management expertise. Mr. Carlton Pereira, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 23, 2018 to reply to the queries raised by the members of the Company.

B] Meetings of Audit Committee

During the financial year 2018-2019, 4 (four) meetings of the members of the Audit Committee were held. These meetings were held on May 17, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. Mr. Gulu L. Mirchandani, Chairman and Managing Director, Mr. Vijay J. Mansukhani, Managing Director and Mr. G. Sundar, Chief Executive Officer are permanent invitees to the Audit Committee meetings. The Chief Financial Officer, the Internal Auditors, the Statutory Auditors and Vice Presidents of various functions are also invited to the Audit Committee meetings as and when necessary. The attendance of each member of the Audit Committee in the above meetings is given hereunder:-

Name of member	Audit Committee Meetings (Financial Year 2018-2019)	
	Held during tenure	Attended
Mr. Carlton Pereira (Chairman) I & NED*	4	4
Mr. Rafique Malik (Member) I & NED*	4	3**
Mr. Arvind Sharma (Member) I & NED*	4	4

* Independent & Non–Executive Director.

**Leave of Absence was granted for the Audit Committee Meeting held on May 17, 2018.

Dates on which Audit Committee Meetings were held	Total Strength of the Committee	No. of Members Present
May 17, 2018	3	2
August 14, 2018	3	3
November 13, 2018	3	3
February 12, 2019	3	3

C] Powers of Audit Committee

The Board has delegated the following powers to the Audit Committee:-

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure the attendance of outsiders with relevant expertise, if it considers necessary.

D] Role / Terms of Reference of Audit Committee

The role of the Audit Committee includes the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section Section 134 of the Companies Act, 2013;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by the management;
   d. significant adjustments made in the financial statements and information arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions;
   g. modified opinions on the draft audit report.
5. reviewing with the management, the quarterly financial statements before submission to the Board for its approval;
6. reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the Whistle Blower mechanism;
19. approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
20. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

E] Review of information by Audit Committee

The following information is reviewed by the Audit Committee on mandatory basis:

1. Management Discussion and Analysis of the financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters on internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
6. Statement of deviations:
   a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations, 2015.
   b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations, 2015.

IV. Nomination and Remuneration Committee

A] Constitution:

The composition, role and powers of the Nomination and Remuneration Committee meet the requirements of Part D of Schedule II with reference to Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As at March 31, 2019, the Nomination and Remuneration Committee consists of the following members:

1. Mr. Rafique Malik, Chairman;
2. Mr. Carlton Pereira; and
3. Ms. Sujata Deshmukh.

B] Meetings of Nomination and Remuneration Committee

During the financial year 2018-2019, 2 (two) meetings of the members of the Nomination and Remuneration Committee were held. These meetings were held on August 14, 2018 and February 12, 2019. The attendance of each member of the Nomination and Remuneration Committee in the above meetings is given below:

Name of member	Nomination and Remuneration Committee meetings (Financial Year 2018-2019)	
	Held during tenure	Attended
Mr. Rafique Malik, I & NED* (Chairman)	2	2
Mr. Carlton Pereira, I & NED* (Member)	2	2
Ms. Sujata Deshmukh, I & NEWD** (Member)	2	1***

* Independent & Non- Executive Director.

** Independent & Non- Executive Woman Director.

*** Leave of Absence was granted for the Nomination and Remuneration Committee Meeting held on February 12, 2019.

Dates on which Nomination and Remuneration Committee Meetings were held	Total Strength of the Committee	No. of Members Present
August 14, 2018	3	3
February 12, 2019	3	2

C] Powers of Nomination and Remuneration Committee

The Nomination and Remuneration Committee is vested with all necessary powers and authority to ensure appropriate disclosure on the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees and to deal with all elements of the remuneration package of all the directors including but not restricted to the following:

- To review, assess and recommend the appointment and remuneration of executive directors.
- To review the remuneration packages payable to executive directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors of the Company.
- To recommend the commission payable to the non-executive director(s) in accordance with and upto the limits laid down under the Companies Act, 2013.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down under 'Policy on Remuneration of Directors, Key Managerial Personnel and other Senior Management Employees.'
- To recommend to the Board the appointment and removal of the director and shall carry out evaluation of every director performance.
- To formulate criteria for determining qualifications, positive attributes and independence of the director.
- To recommend to the Board a 'policy' relating to the remuneration of directors, key managerial personnel and other employees.
- To devise a policy on Board diversity.
- To carry out such other functions as delegated by the Board from time to time.
- To recommend to the Board, all remuneration, in whatever form, payable to the senior management.

D] Remuneration Policy

The Board has adopted Policy on remuneration of Directors, Key Managerial Personnel and other Senior Management Employees of the Company. Based on the policy, remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to the approval by the Board and shareholders in the respective board and general meeting of the Company and as per applicable provisions of the Companies Act, 2013. The remuneration to the executive directors comprises of basic salary, allowances, perquisites etc. The Nomination and Remuneration Committee decides and recommends annual increments for executive directors within the limits stipulated by the Board of Directors/ Shareholders and other applicable approvals.

The Remuneration Policy ensures that:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/ Key Management Personnel (KMP) and Senior Management Personnel (SMP) to run the operations of the Company successfully;

(b) relationship of remuneration to the performance is clear and meets appropriate performance benchmarks;

(c) remuneration to the Directors, KMP and SMP involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company;

(d) remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders; and

(e) the pay structures are appropriately aligned across levels in the Company.

Performance Evaluation Criteria for fixing the remuneration of Managing Director / Whole Time Director, Non Executive Director and Independent Directors, KMPs & SMPs:

1. Financial position of the Company.
2. Remuneration or commission drawn by him from any other company.
3. Professional qualifications and experience of the individual concerned.
4. Industry's pay standards and pay structure data studies undertaken by human resource consultants.
5. Attract and retaining talent and motivation for KMP/SMP.
6. Special consideration for attracting top notch hi flier in case of KMP/SMP.
7. Past performance, past remuneration and special accreditation or meritorious performance.
8. Bring a balance between the interest of the Company and the shareholders.
9. Attendance at the Board meetings.
10. Active participation in the meetings.
11. Understanding the critical issues affecting the Company.
12. Prompts board discussion on strategic issues.
13. Brings relevant experience to the Board and uses it effectively.
14. Understands and evaluate the risk environment of the organization.
15. Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
16. Maintains confidentiality wherever required.
17. Communicates in an open and constructive manner.
18. Seeks satisfaction and accomplishment through serving on the Board.

i) Remuneration to Executive Directors

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on September 13, 2017 approved the modification in remuneration of Mr. Shyamsunder Dhoot, Whole Time Director of the Company for the balance period from September 13, 2017 to February 15, 2019, pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013, was approved by the members at the Thirty Seventh Annual General Meeting of the Company held on August 23, 2018. Mr. Shyamsunder Dhoot resigned as Director and Whole-Time Director w.e.f. February 12, 2019.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on February 12, 2018 approved the re-appointment and remuneration of Mr. Vijay J. Mansukhani as Managing Director of the Company for a period of 3 (three) years with effect from April 1, 2018 to March 31, 2021, pursuant to the provisions of Section

196, 197 read with Schedule V to the Companies Act, 2013, was approved by the members at the Thirty Seventh Annual General Meeting of the Company held on August 23, 2018.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on February 12, 2019 approved the re-appointment and remuneration of Mr. Kaval G. Mirchandani, Whole time Director of the Company for a period of 3 (three) years with effect from May 26, 2019 to May 25, 2022, pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 which is subject to approval of members in the ensuing Annual General Meeting of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on February 12, 2019 approved the appointment and remuneration of Mr. Sanjay Munshi, Whole time Director of the Company for a period of 3 (three) years with effect from February 12, 2019 to February 11, 2022, pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 which is subject to approval of members in the ensuing Annual General Meeting of the Company.

The Nomination and Remuneration Committee and Board of Directors of the Company in their respective meeting held on May 29, 2019 approved the re-appointment and remuneration of Mr. Gulu L. Mirchandani, as Chairman & Managing Director of the Company for a period of three (3) years with effect from December 01, 2019 to November 30, 2022 pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 which is subject to approval of members in the ensuing Annual General Meeting of the Company.

ii) Non-Executive Directors' Compensation and Disclosures

All fees/compensation paid to the non-executive directors, including independent directors as recommended by the Nomination and Remuneration Committee, are approved by the Board of Directors and are subject to approval by the members of the Company, if applicable.

The sitting fees shall be paid as remuneration to the Non-Executive Directors. The Company is availing professional expertise of the Non-Executive Directors through their participation in the Board meetings. The Non-Executive Directors are paid sitting fees of Rs. 20,000/- (Rupees Twenty Thousand only) per meeting for attending Board Meetings and Audit Committee Meetings and Rs. 10,000/- (Rupees Ten Thousand only) for attending every meeting of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and other Committees of the Board.

None of the Non–Executive Directors are holding any shares in the Company.

There are no pecuniary relationships or transaction of the non-executive directors with the Company.

The details of remuneration paid / payable to the Board of Directors for the financial year 2018-2019 are as follows:

(Amount in ₹)

Sr. No.	Director	Relation with the Company	Inter–se Relation	Remuneration for Financial Year 2018–2019					
				Sitting fees	Salary allowance & perquisites	Commission	Provident Fund & Super-annuation/ Gratuity	Performance Linked Incentives	Total
1	Mr. Gulu L. Mirchandani	Promoter [CMD]	Brother in law of sr. no.2 and father of sr. no. 3	Nil	1,12,23,600	Nil	9,79,200	Nil	1,22,02,800
2	Mr. Vijay J. Mansukhani	Promoter [MD]	Brother in Law of sr. no.1	Nil	1,12,23,600	Nil	9,79,200	Nil	1,22,02,800
3	Mr. Kaval G. Mirchandani	Promoter [WTD]	Son of sr. no. 1	Nil	42,08,772	Nil	1,72,800	Nil	43,81,572
4	Mr. Shyamsunder Dhoot	Non Promoter [WTD]	NA	Nil	52,89,064	Nil	1,03,858	Nil	53,92,922
5	Mr. Sanjay Munshi	Non Promoter [WTD]	N.A.	Nil	9,01,464	Nil	41,590	Nil	9,43,054

Sr. No.	Director	Relation with the Company	Inter–se Relation	Remuneration for Financial Year 2018–2019					
				Sitting fees	Salary allowance & perquisites	Commission	Provident Fund & Super-annuation/ Gratuity	Performance Linked Incentives	Total
6	Mr. Rafique Malik	I & NED*	N.A.	1,70,000	N.A.	Nil	N.A.	Nil	1,70,000
7	Mr. Carlton Pereira	I & NED*	N.A.	1,80,000	N.A.	Nil	N.A.	Nil	1,80,000
8	Mr. Arvind Sharma	I & NED*	N.A.	1,60,000	N.A.	Nil	N.A.	Nil	1,60,000
9	Ms. Sujata Deshmukh	I & NEWD**	N.A.	70,000	N.A.	Nil	N.A.	Nil	70,000

* Independent & Non Executive Director.

** Independent & Non- Executive Woman Director.

Note:

1. Mr. Shyamsunder Dhoot resigned as a Director & Whole Time Director with the effect from close of business hours on February 12, 2019;
2. Mr. Sanjay Munshi was appointed as an Additional Director & Whole Time Director with effect from February 12, 2019;
3. The remuneration paid to Mr. Gulu Mirchandani, Chairman and Managing Director, Mr. Vijay Mansukhani, Managing Director, Mr. Kaval Mirchandani, Whole Time Director, Mr. Shyamsunder Dhoot, Whole Time Director, and Mr. Sanjay Munshi, Whole Time Director of the Company are within the limit prescribed under Schedule V to the Companies Act, 2013;
4. The Company has not granted any stock options to any directors.

V. Stakeholders Relationship Committee

A] Constitution

The composition, role and powers of the Stakeholders Relationship Committee meet the requirements of Part D of Schedule II with reference to Regulation 20 of the SEBI (LODR) Regulations, 2015 and Section 178 (5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

As at March 31, 2019, the Stakeholders Relationship Committee consists of the following members::

1. Mr. Rafique Malik, Chairman;
2. Mr. Gulu Mirchandani; and
3. Mr. Vijay Mansukhani.

Mr. Lalit Chendvankar, Head - Corporate Affairs, Legal and Company Secretary acts as the Compliance Officer of the Company.

B] Meetings of Stakeholders Relationship Committee

During the financial year 2018-2019, 4 (four) meetings of the members of Stakeholders Relationship Committee were held. These meetings were held on May 17, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. The attendance of each member of the Stakeholder Relationship Committee in the above meetings is given below:

Name	Stakeholders Relationship Committee Meetings (Financial Year 2018-2019)	
	Held during tenure	Attended
Mr. Rafique Malik (Chairman) I & NED*	4	3**
Mr. Gulu Mirchandani (Member) Promoter (CMD)	4	4
Mr. Vijay Mansukhani (Member) Promoter (MD)	4	2***

* Independent & Non–Executive Director;

** Leave of Absence was granted for the Stakeholders Relationship Committee Meeting held on May 17, 2018;

*** Leave of Absence was granted for the Stakeholders Relationship Committee Meeting held on August 14, 2018 and November 13, 2018.

Dates on which Stakeholders Relationship Committee Meetings were held	Total Strength of the Committee	Number of Members Present
May 17, 2018	3	2
August 14, 2018	3	2
November 13, 2018	3	2
February 12, 2019	3	3

Status Report of investor queries and complaints for the period from April 1, 2018 to March 31, 2019 is given below:

Sr. No.	Particulars	No. of Complaints
1	Investor complaints pending at the beginning of the year	Nil
2	Investor complaints received during the year	10
3	Investor complaints disposed of during the year	9
4	Investor complaints remaining unresolved at the end of the year	1*

* The investor complaint was resolved on April 11, 2019 by Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA) of the Company. The delay has occurred due to late receipt of the investor complaint on March 29, 2019 by RTA and approval on waiver of one of the legal requirement to be complied by the concerned shareholder.

C] Powers of Stakeholders Relationship Committee

The Committee is entrusted with the responsibility of redressing the shareholders'/ investors' complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend and other queries/ complaints, if any. This committee also oversees the performance of the Registrar and Share Transfer Agent of the Company relating to the investor services and recommends measures for improvement.

D] Role / Terms of Reference of Stakeholders Relationship Committee

The role of the Stakeholders Relationship Committee includes the following:

1. resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders.

VI. General Body Meetings

The location, time and date where Annual General Meetings (AGM) of the Company (in previous 3 years) was held are given hereunder:-

Financial Year	Location	Date	Time	No. of Special Resolutions passed at AGM
2017-2018	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai –400 018	August 23, 2018	03.00 p.m.	3
2016-2017	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai –400 018	August 18, 2017	03.00 p.m.	Nil
2015-2016	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai –400 018	September 28, 2016	03.00 p.m.	3

Postal Ballot

During the year no resolutions were passed through postal ballot.

VII. Disclosures

A] Materially significant Related Party Transactions

None of the transactions that transpired between the Company and its promoters, directors, management or their relatives were in potential conflict with the interest of the Company at large.

There is no material related party transaction in the Company, however the Company places all related party transactions before the Audit Committee and Board of Directors of the Company for their respective approvals. A register of contracts containing the transactions in which the directors are interested are placed regularly before the Board of Directors of the Company for their approval.

The Company had adopted policy on Related Party Transactions and the same is available on the website www.onida.com and the link is http://www.onida.com/policies.

B] Subsidiary

The Company does not have any subsidiary company.

C] Status of regulatory compliances

The Company has complied with the applicable provisions of the SEBI (LODR) Regulations, 2015 as well as the other applicable regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures or penalties imposed on the Company for any matter relating to capital markets during the last three years.

D] Vigil Mechanism/ Whistle Blower Policy

The Company has a Vigil Mechanism/ Whistle Blower Policy for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or ethics. This mechanism provides adequate safeguards against victimisation of director(s)/employee(s) who avail this mechanism and also provide direct access to the Chairman of the Audit Committee in exceptional cases. Further, no personnel have been denied access to the Chairman of the Audit Committee.

The details of the establishment of such mechanism are disclosed by the Company on its website www.onida.com and the link is http://www.onida.com/policies.

E] Risk Management Committee

The Board of Directors of the Company has formed a Risk Management Committee and defined its role and responsibilities. The majority of Committee consists of the members of the Board of Directors of the Company. The Committee has formulated a risk management policy for the risk assessment and minimisation procedures.

F] The Board has accepted all the recommendations of the committees of the Board.

G] Disclosure from Board of Directors

The Board does hereby confirm that in their opinion, the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

H] Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under the Regulation 34(2)(e) and Part B of Schedule V to the SEBI (LODR) Regulations, 2015.

I] Details of Director seeking appointment/re-appointment as required under Regulation 36 (3) of SEBI (LODR) Regulations, 2015

As required under the Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Director seeking appointment/ reappointment are given in the explanatory statements annexed to the Notice of the Annual General Meeting of the Company.

J] Insider Trading Code

The Board of Directors amended and adopted the 'Code for Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' (**"Code"**) as formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and revoked the erstwhile code adopted on November 29, 2017.

This Code is applicable to all directors and designated employees of the Company. This Code ensures prevention and dealing in shares of the Company by persons having access to unpublished price sensitive information. The Company monitors the transactions of insiders/designated employees in terms of the aforesaid rules periodically.

The Code of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information (UPSI) as amended from time to time is disclosed by the Company on its website www.onida.com and the link is http://www.onida.com/policies.

K] CEO/ CFO Certification

The certificate in terms of Regulation 17(8) read with Part B of Schedule II to the SEBI (LODR) Regulations, 2015 (including any amendments for the time being in force) for the financial year ended March 31, 2019 was placed before the Board of Directors of the Company in their meeting held on May 29, 2019 and is annexed to this Report. Mr. Vishal Barot has resigned as Chief Financial Officer of the Company w.e.f. March 15, 2019 and the Company is in the process of appointing new Chief Financial Officer.

L] Non – Compliance of any requirement of Corporate Governance Report

The Company has complied with all mandatory requirements as mentioned in Schedule V, Para C, sub-paras (2) to (10) of the SEBI (LODR) Regulations, 2015 along with some of the non-mandatory requirements.

M] Certification that none of the directors on the board of the company have been debarred or disqualified

The certificate in terms of Regulation 34(3) read with Part C of Schedule V to the SEBI (LODR) Regulations, 2015 (including any amendments for the time being in force) for the financial year ended March 31, 2019 pertaining to none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, was placed before the Board of Directors of the Company in their meeting held on May 29, 2019 and is annexed to this Report.

N] Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were following number of instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year - Nil

b. Number of complaints disposed of during the financial year - Nil

c. Number of complaints pending as on end of the financial year – Nil

O] Proceeds from Public Issues, Right Issues and Preferential Issue, Among Others

The Company did not raise money through any public issue, right issue or preferential issue during the financial year 2018-2019.

P] Compliance with SEBI (LODR) Regulations, 2015

The Company has complied with the requirements as specified in the SEBI (LODR) Regulations, 2015 to the extent applicable.

VIII. Means of Communication

The Company has furnished quarterly financial results along with notes on a regular basis as per the format prescribed in the Regulation 33 of the SEBI (LODR) Regulations, 2015, within prescribed time to the stock exchanges in respect of first three quarters in financial year 2018-2019. In respect of last quarter of financial year 2018-2019, the Company has furnished audited financial results within 60 (Sixty) days from the end of financial year and accordingly, the meeting of the Board of Directors of the Company for considering the results of last quarter and for the full financial year was held on May 29, 2019.

The quarterly financial results of the Company were published within 48 hours of conclusion of the meeting of the Board of Directors of the Company in English Newspaper viz. *"Financial Express"* and *"Mumbai Lakshdeep"*, a newspaper published in the language of the region where the registered office of the Company is situated. The audited annual results for financial year 2018-2019 were published in *"Financial Express"* and *'Mumbai Lakshdeep'*. The Company informs the stock exchanges where its shares are listed, about the meeting of the Board of Directors of the Company at least 7 (seven) days in advance pursuant to Regulation 29 (2) of SEBI (LODR) Regulations, 2015 and also issues an advertisement in at least one national newspaper (Financial Express) and one in regional language newspaper (Mumbai Lakshdeep) about the meetings of the Board of Directors of the Company.

In terms of Regulation 46 of the SEBI (LODR) Regulations, 2015, the Company is maintaining its functional website i.e. www.onida.com, containing the basic information about the Company i.e. details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of designated employees who are responsible for assisting and handling the investors grievance, details of the agreements entered into with the media companies and/or their associates,

terms and conditions of appointment of independent directors, composition of various committees of board of directors, code of conduct of board of directors and senior management personnel and various policies of the Company etc. The same information is updated on the website viz. www.onida.com within the prescribed time limit.

IX. General Shareholders Information

Annual General Meeting Date, Time and Venue	August 28, 2019 at 3.00 p.m. Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
Financial year	1st April – 31st March
Book Closure	Friday, August 23, 2019 to Wednesday, August 28, 2019 (Both days inclusive)
Dividend payment date: [if declared]	Not Applicable
Listing on Stock Exchange	BSE Limited and National Stock Exchange of India Limited. Listing fees for the financial year 2019-2020 have been paid for both the stock exchanges.
Address of Stock Exchange	**BSE Limited:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. **National Stock Exchange of India Limited:** C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051.
Stock code at BSE	500279
Stock symbol at NSE	MIRCELECTR
ISIN of the Company	INE831A01028
Website	www.onida.com
Email ID	investors@onida.com
Corporate Identification No. (CIN)	L32300MH1981PLC023637

Unclaimed Dividends

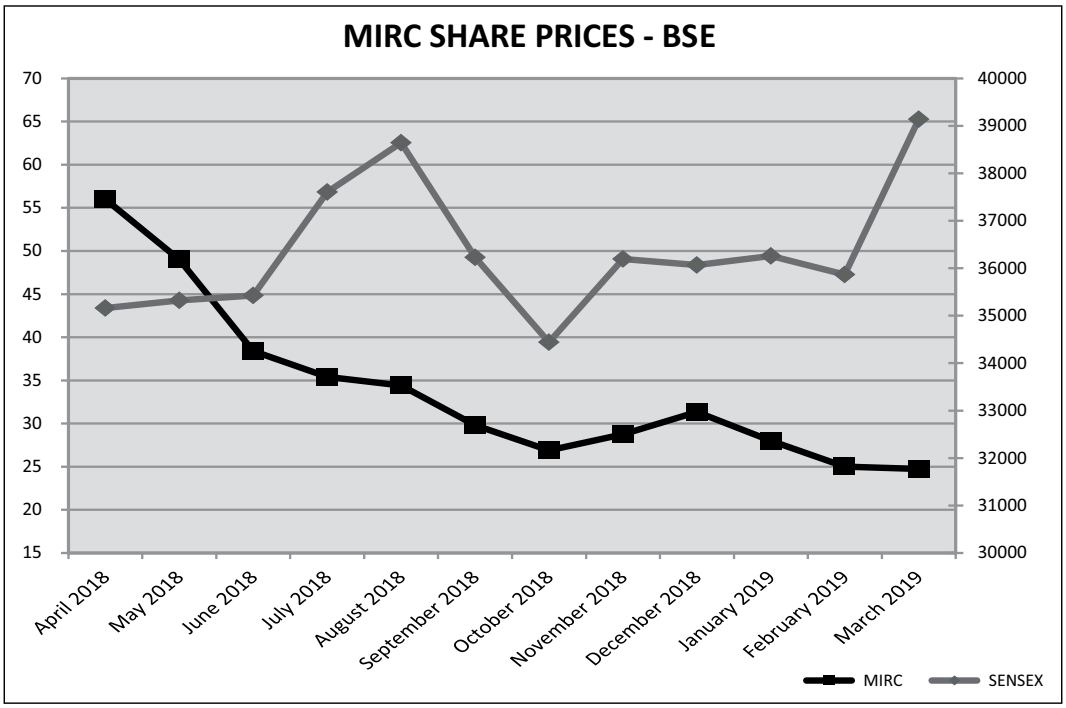
Pursuant to the provisions of Section 124 and Section 125 of the Companies Act, 2013, dividend for the financial year ended March 31, 2011 (Final Dividend) which remain unpaid and unclaimed for a period of seven years, has been transferred to the IEPF:

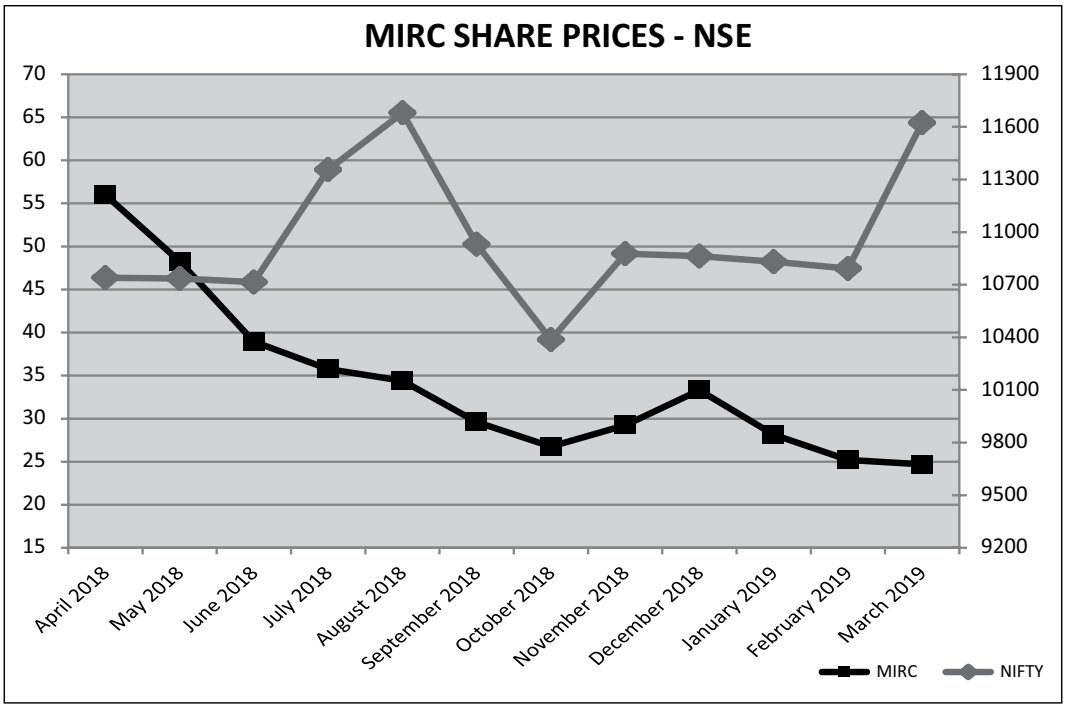
Market Price Data: (Financial Year 2018-2019)

Month	STOCK EXCHANGE					
	BSE Limited			National Stock Exchange of India Limited		
	Share Price		Sensex	Share Price		Nifty
	High (₹)	Low (₹)	Close	High (₹)	Low (₹)	Close
April 2018	56.00	46.00	35160.36	56.00	46.50	10739.35
May 2018	49.00	36.60	35322.38	48.25	36.50	10736.15
June 2018	38.40	23.85	35423.48	38.95	23.95	10714.30
July 2018	35.40	27.10	37606.58	35.75	27.20	11356.50
August 2018	34.40	27.45	38645.07	34.40	27.35	11680.50
September 2018	29.80	23.75	36227.14	29.60	23.75	10930.45
October 2018	26.90	22.65	34442.05	26.75	22.60	10386.60
November 2018	28.75	22.75	36194.30	29.25	22.75	10876.75
December 2018	31.35	21.15	36068.33	33.30	20.40	10862.55
January 2019	28.00	22.70	36256.69	28.15	22.55	10830.95
February 2019	25.00	19.95	35867.44	25.20	19.65	10792.50
March 2019	24.75	21.30	39140.28	24.70	21.20	11623.90

Market price data (source: www.bseindia.com, www.nseindia.com)

Graphical presentation of Company's High Stock Price vs. Stock Exchange Index





Registrar & Share Transfer Agent

M/s. Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai: – 400 083

Ph.: 022-49186000 Fax: 022-49186060

E-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System

The Registrar and Share Transfer Agent registers the share transfers in physical form within 15 (Fifteen) days from the receipt of the duly completed documents. Invalid share transfers are returned within 15 (Fifteen) days of receipt. All requests for de-materialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Shareholding distribute on schedule as on March 31, 2019

Equity shares held	No. of Shareholders	%	Shares	%
1-500	44568	76.55	6058485	2.62
501-1000	5985	10.28	5268747	2.28
1001-2000	4319	7.42	7588177	3.29
2001-3000	1103	1.89	2917847	1.26
3001-4000	505	0.87	1858448	0.80
4001-5000	454	0.78	2180591	0.94
5001-10000	647	1.11	4912154	2.13
10001 and above	640	1.10	200168170	86.67
Total	**62685**	**100.00**	**230952619**	**100.00**

Shareholding pattern as on March 31, 2019

Category		Number of shares	Percentage of Holding
A	**Promoter's Holding**		
1	Indian Promoter	12,21,92,638	52.91
2	Foreign Promoter	0	0.00
	Sub Total (A)	**12,21,92,638**	**52.91**
B	**Non Promoter's Holding**		
	Institutional Investors		
1	Mutual Fund	1700	0.00
2	Foreign Portfolio Investor	34,15,446	1.48
3	Financial Institutions / Banks	1,92,032	0.08
	Total (Institutional Investors)	**36,09,178**	**1.56**

Category		Number of shares	Percentage of Holding
	Non Institutional Investors		
1	Individuals	6,45,75,220	27.96
2	Trusts	7010	0.00
3	Hindu Undivided Family	37,46,998	1.62
4	Non Resident Indians	10,09,743	0.44
5	Clearing Member	6,27,925	0.27
6	Bodies Corporate	3,33,70,703	14.45
7	Government Companies	18,13,204	0.79
	Total (Non-Institutional Investors)	**10,51,50,803**	**45.43**
	Sub Total (B)	**10,87,59,981**	**47.09**
	Grand Total (A + B)	**23,09,52,619**	**100.00**

Dematerialisation of shares and liquidity

As at March 31, 2019, 98.40% (22,72,67,983 shares) of paid up share capital were held in dematerialised form with NSDL and CDSL, while 1.60% (36,84,636 shares) were held in physical form. All promoters' shareholdings are in dematerialised form.

Outstanding GDRs / ADRs/ Warrants

Except 1,92,00,000 convertible warrants issued to the non-promoters allottees mentioned herein below, there are no outstanding GDRs /ADRs or any other convertible instruments as on March 31, 2019 which likely to have an impact on the equity share capital of the Company.

Names of the Allottee	No. of Convertible Warrant
Mr. Ashish Kacholia	73,25,000
Mr. Nisarg Vakharia	20,00,000
Mr. Pritesh Talakshi Chedda	50,000
Mr. Sachin Kasera	10,00,000
Bengal Finance & Investment Pvt. Ltd.	73,25,000
Ms. Preeti Kacholia	2,00,000
Seven Hills Capital	4,00,000
Synthetic Fibres Trading Co.	4,00,000
Vrandavan Associates	5,00,000

The aforesaid allottees have right to convert 1 convertible warrant into 1 equity share of face value of Re 1/- each within a period of 18 months from the date of issue of aforesaid convertible warrants i.e. December 30, 2017 as per the provision of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Plant Locations

1.	**Wada** Village Kudus, Bhiwandi Wada Road, Taluka Wada, District. Palghar, Maharashtra - 421 312	**2.**	**Roorkee – Plant I** Khasra No.158, Village- Raipur, Pargana - Bhagwanpur, Roorkee, District - Haridwar, Uttarakhand- 247 661
3.	**Roorkee – Plant II** Khasra No.399 to 401 & 405 to 410, 158 KMS Milestone, Delhi-Roorkee Highway – NH 58, Village– Mundiyaki, Pargana –Manglour, Tehsil- Roorkee, District – Haridwar, Uttarakhand – 247 670	**4.**	**Chiplun** Plot No. G-1, Lote Parshuram Industrial Area, Village Dhamandevi, Taluka Khed, District. Ratnagiri,Maharashtra-415 639

Address for correspondence

MIRC Electronics Limited
Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai – 400 093
Ph Nos. 022-66975777 Fax 022-28202002
Email ID: - investors@onida.com, Website: www.onida.com

For and on behalf of the Board of Directors

Gulu Mirchandani
Chairman and Managing Director
(DIN: 00026664)

Place : Mumbai
Date : May 29, 2019

CHIEF EXECUTIVE OFFICER'S CERTIFICATE PURSUANT TO REGULATION 17(8) READ WITH PART B OF SCHEDULE II TO THE SEBI (LODR) REGULATIONS, 2015

I, G. Sundar, Chief Executive Officer of MIRC Electronics Limited, to the best of my knowledge and belief, hereby certify to Board that:

a. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of my knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

d. I have indicated to the auditors and the Audit committee that:
   (i) there are no significant changes in internal control over financial reporting during the year;
   (ii) there have been no significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and
   (iii) there have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For MIRC Electronics Limited

G. Sundar
Chief Executive Officer

Place: Mumbai
Date : May 29, 2019

COMPLIANCE OF CODE OF CONDUCT OF THE COMPANY

As provided under Regulation 17(5), 26(3) and Clause D of Schedule V to the SEBI (LODR) Regulations, 2015, I, G. Sundar, Chief Executive Officer hereby confirm that all Board Members and Senior Management Personnel have affirmed the compliance with the Code of Conduct of MIRC Electronics Limited for the year ended March 31, 2019.

For MIRC Electronics Limited

Place : Mumbai
Date : May 29, 2019

G. Sundar
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
MIRC ELECTRONICS LIMITED
Mumbai.

We have examined the compliance of conditions of Corporate Governance by MIRC Electronics Limited ('the Company'), for the financial year ended on March 31, 2019, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nilesh Shah & Associates
Company Secretaries

(Nilesh Shah)
Partner (FCS - 4554)
C.P. No: 2631

Place : Mumbai
Date : May 29, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

MIRC ELECTRONICS LIMITED

ONIDA House, 91 MIDC, Mahakali Caves Road,

Andheri (East) Mumbai 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MIRC ELECTRONICS LIMITED,** having CIN: L32300MH1981PLC023637 and having registered office situated at ONIDA House, G-1 MIDC, Mahakali Caves Road, Andheri (East) Mumbai 400093 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1	Mr. Gulu Mirchandani	00026664	01/01/1981
2	Mr. Vijay Mansukhani	01041809	01/01/1981
3	Mr. Kaval Mirchandani	01179978	26/05/2016
4	Mr. Carlton Pereira	00106962	15/05/2014
5	Mr. Rafique Malik	00521563	28/01/2014
6	Mr. Arvind Sharma	01229072	14/11/2016
7	Ms. Sujata Deshmukh	07624836	14/11/2016
8	Mr. Sanjay Munshi	08355427	12/02/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nilesh Shah & Associates
Company Secretaries

(Nilesh Shah)
Partner (FCS - 4554)
C.P. No: 2631

Place: Mumbai
Date: May 29, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of MIRC Electronics Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of MIRC Electronics Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 audit opinion on the Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Identification and valuation of slow moving inventories (Refer Note 8 to the Ind-AS financial statement)	
• As at 31st March 2019, the carrying value of inventories amounted to ₹ 214.91 crore. The inventories are valued at lower of cost or net realizable value. • The Company has a process of identifying slow moving inventories on periodic basis and determining net realizable value of these inventories based on an estimate • We identified allowance of slow moving inventories as a key audit matter due to the critical judgement exercised by the Company's management in identifying the slow-moving inventories and estimating the amount of allowance for inventories.	• We obtained understanding of how the management identifies the slow-moving inventories and estimates the net realizable value of slow-moving inventories. • We also assessed reasonableness of the allowance policy based on historical sales performance of the products. • We obtained the list of slow moving inventories from the Company and compared the same with movements of inventories on test check basis. • We have obtained the working of net realizable value for slow moving inventories and tested the net realizable value of these inventories on sample basis by comparing it with the past sales transactions. • We assessed the valuation of slow moving inventories

Tax litigations (Refer Note 36 to the Ind-AS financial statement)	
• As at the balance sheet date, the Company has certain tax litigations which are pending with various level of judicial authorities. The total tax exposure amount as at 31st March 2019 is ₹ 184.50 crore. The Company has tax balances recoverable of ₹ 21.2 crore related to these tax exposures. The recoverability of these tax balances are dependent on the outcome of these tax litigations. • The accounting for these uncertain tax positions comprise significant judgement by the Management mainly in the area whether to recognize these uncertain positions as a contingent liability or as a provision and also the recoverability of outstanding tax receivable. Given the high level of management judgement, tax laws interpretations and significant amount of litigations involved, we considered this area to be important for our audit.	• We Obtained the list of tax litigations from the Company • We have read the orders issued by tax authorities and the appeals filed by tax department/company. • We have obtained and read Company's submissions to tax authorities on these litigation matters. We have also read the tax opinions of management's experts, wherever available • We involved our tax specialists who evaluated material tax litigations for past precedents and for compliance with tax laws. • We have assessed the accounting /disclosures related to these litigations in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

INDEPENDENT AUDITOR'S REPORT

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements – Refer Note 36 to the Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924

Mumbai
May 29, 2019

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

Annexure 1 referred to in paragraph 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date on the Ind AS financial statements of MIRC Electronics Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of consumer appliances, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in few cases.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	5.16	Aug-17 to Aug - 18	September 15, 2017 to September 15, 2018	Not paid

(c) According to the records of the Company, the dues of income tax, sales tax, service tax, duty of excise, duty of customs, duty of excise, value added tax and cess outstanding on account of any dispute, are as follows:

Nature of Dues	Forum	Years pertains to*	Amount of dispute in lakhs
Income Tax	ITAT	2009-10, 2011-12 & 2012-13	217.05
	CIT(A)	2013-14, 2014-15, 2015-16, 2016-17	562.36
	High Court	1997-98, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2010-11	539.52
Service Tax	CESTAT	2005-15	5,932.89
	Commissioner (Appeals)	January16 to June 17	8.07
Excise Duty	High Court	1998-99	10.00
	CESTAT	December 2007 to March 2016	212.30
	Commissioner of Central Excise	1997-98, 1999-00	2.02
	Commissioner (appeal)	2016	0.30
Customs Duty	CESTAT	2013	22.40
	Commissioner of Customs	2013, 2014	50.88
	Commissioner of Customs (Appeals)	2016	0.10
	Deputy Commissioner of Customs	2015, 2016	88.74

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

Nature of Dues	Forum	Years pertains to*	Amount of dispute in lakhs
Sales Tax (Centre and state)	Jammu circle J	2009-10, 2011-12	0.03
	Additional Commissioner (Appeals)	2011	0.87
	Appellate Authority	2011-14	29.03
	Assessing Authority	2010- 13	628.72
	Assistant Commissioner	2010-15	269.90
	Board of Madhya Pradesh Commercial Taxes, Bhopal	1998	9.72
	Commissioner	2006-09	83.38
	Deputy Commissioner (Appeals)	2001	410.20
	Deputy excise and taxation Commissioner/ Commercial Taxes/ Sales tax	1997-98 to 2006-07	127.78
	Deputy Commissioner	2011 ,2016	167.22
	Excise & Taxation officer	2009	4.09
	High Court	2003- 05, 2011	217.77
	Joint Commissioner	2003-04, 2005-06, 2008-09, 2010-11, 2013-14, 2015-16	12.89
	Joint Commissioner (Appeals)	2006-16	4,900.42
	Revisional Board	2006-11	450.71
	VAT Officer	2011-13	16.67
	Sr. Joint commissioner	2013	9.99
	Supreme Court	2008, 2010-11	1,017.67
	Tribunal	2003-04, 2006-07	162.90

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government. The Company did not have any loans or borrowing in respect of debentures during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer or debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No: 037924

Mumbai
May 29, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure 2 to the Independent Auditor's Report of even date on the Ind AS Financial Statements of MIRC Electronics Limited

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

We have audited the internal financial controls over financial reporting of MIRC Electronics Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements 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.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924

Mumbai
May 29, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

		Notes	As at 31st March, 2019 ₹ in lakhs	As at 31st March, 2018 ₹ in lakhs
I.	**Assets**			
	Non-current assets			
	(a) Property, Plant and Equipment	2	10,100.64	10,579.90
	(b) Capital work-in-progress		-	61.21
	(c) Other Intangible assets	3	34.68	4.76
	(d) Intangible assets under development		-	26.11
	(e) Financial Assets			
	(i) Investments	4	388.73	261.10
	(iii) Others	5	996.27	1,191.29
	(f) Income Tax Assets (Net)	6	107.49	93.03
	(g) Other non-current assets	7	3,500.69	2,303.05
	Total non-current assets		**15,128.50**	**14,520.45**
	Current assets			
	(a) Inventories	8	21,491.75	22,474.32
	(b) Financial Assets			
	(i) Trade receivables	9	11,960.21	13,410.36
	(ii) Cash and cash equivalents	10A	713.00	1,795.85
	(iii) Other Bank Balances	10B	586.33	617.99
	(iv) Others	11	353.95	207.64
	(c) Other current assets	12	1,049.25	1,228.96
	Total current assets		**36,154.49**	**39,735.12**
	Total Assets		**51,282.99**	**54,255.57**
II.	**Equity and Liabilities**			
	Equity			
	(a) Equity Share capital	13	2,311.39	2,311.39
	(b) Other Equity	14	19,243.88	19,627.37
	(c) Money received against share warrants	33	1,801.44	1,801.44
	Total equity		**23,356.71**	**23,740.20**
	Liabilities			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	1,756.96	287.50
	(b) Deferred tax liabilities (Net)	16	-	-
	(c) Provisions	17	588.82	566.95
	Total Non-current liabilities		**2,345.78**	**854.45**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	4,780.70	4,532.68
	(ii) Trade payables	19		
	Total outstanding dues of micro enterprises and small enterprises		7.48	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		17,900.60	21,619.11
	(iii) Others	20	1,639.49	1,733.52
	(b) Other current liabilities	21	680.69	1,054.06
	(c) Provisions	22	571.54	721.55
	Total current liabilities		**25,580.50**	**29,660.92**
	Total Equity and Liabilities		**51,282.99**	**54,255.57**
Summary of significant accounting policies		1		

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

As per our report of even date

For **S R B C & CO LLP**
ICAI Firm Regn. No. 324982E/E300003
Chartered Accountants

per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G. L. Mirchandani
Chairman and Managing Director

V. J. Mansukhani
Managing Director

Lalit Chendvankar
Head Corporate Affairs,
Legal and Company Secretary

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

	Notes	For the year ended 31st March, 2019 ₹ in lakhs	For the year ended 31st March, 2018 ₹ in lakhs
Income			
Revenue from operations	23	64,445.50	73,636.78
Other Income	24	363.00	472.22
Total Income		**64,808.50**	**74,109.00**
Expenses			
Cost of raw materials and components consumed	25	21,307.08	27,924.00
Purchases of Traded Goods	26	26,401.57	26,992.18
Changes in inventories of Finished Goods, Work-in-progress and Stock in Trade	27	(421.08)	(2,793.09)
Excise duty on sale of goods	23	-	825.02
Employee benefits expense	28	6,774.37	7,027.34
Finance Cost	29	1,479.82	1,409.35
Depreciation and amortisation expense	30	826.87	946.57
Other Expenses	31	8,719.87	9,428.38
Total Expenses		**65,088.50**	**71,759.75**
Profit before exceptional items and tax		**(280.00)**	**2,349.25**
Exceptional items	32	(160.22)	-
Profit/(Loss) before tax		**(440.22)**	**2,349.25**
Tax Expense			
Current Tax	16	-	-
Deferred Tax	16	-	-
Total tax expense		**-**	**-**
Profit/(Loss) for the year		**(440.22)**	**2,349.25**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss		-	-
Remeasurement of the defined benefit plans		56.73	(41.08)
Total Other Comprehensive Income (net of tax)		**56.73**	**(41.08)**
Total Comprehensive Income for the year (net of tax)		**(383.49)**	**2,308.17**
Earnings per Equity Share [Face Value of share ₹1 each (31st March, 2018: ₹1 each)]	39		
- Basic (₹)		(0.19)	1.08
- Diluted (₹)		(0.19)	1.08

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

As per our report of even date
For **S R B C & CO LLP**
ICAI Firm Regn. No. 324982E/E300003
Chartered Accountants

per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G. L. Mirchandani
Chairman and Managing Director

V. J. Mansukhani
Managing Director

Lalit Chendvankar
Head Corporate Affairs,
Legal and Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year ended 31st March, 2019 ₹ in lakhs	For the year ended 31st March, 2018 ₹ in lakhs
Cash flow from Operating Activities		
Profit/(Loss) before tax	(440.22)	2,349.25
Adjustments for :		
Depreciation of property, plant and equipment	825.69	945.24
Amortization and impairment of intangible assets	1.18	1.33
Gain on disposal of property, plant and equipment	(480.43)	(89.48)
Loss on disposal of property, plant and equipment	10.02	-
Provision on inventory	141.75	-
Net Unrealised Foreign exchange difference	(182.73)	204.73
Provision for doubtful debts	284.23	462.66
Liabilities written back	(150.33)	(85.32)
Finance expenses	1,479.82	1,409.35
Finance income	(196.86)	(322.89)
Dividend received	(3.00)	-
Working capital adjustments :		
Increase/(Decrease) in trade payables	(3,377.65)	4,249.04
Increase/(Decrease) in Current provision	(150.01)	79.63
(Decrease)/Increase in Current financial liabilities	(63.98)	(328.60)
Decrease in Other current liabilities	(373.37)	(1,230.57)
Increase in Non Current provision	78.60	148.40
Decrease in trade receivables	1,165.60	(1,368.57)
(Increase)/Decrease in inventories	840.82	(1,901.27)
Decrease in Current financial assets	(208.39)	263.82
Increase in other current assets	179.71	185.61
Decrease in Non Current financial assets	317.53	213.91
Decrease/(increase) in other Non Current assets	(1,197.64)	(457.24)
	(1,499.66)	4,729.03
Income tax paid	(14.46)	(4.66)
Net cash (used in) / from operating activities (A)	**(1,514.12)**	**4,724.37**
Investing activities		
Purchase of property, plant and equipment	(389.78)	(292.59)
Sale of property plant and equipment	569.98	158.00
Balance with Banks on margin accounts	31.66	(212.90)
Interest received	66.34	179.81
Dividend received	3.00	-
Purchase of investments	(93.17)	-
Net cash (used in)/from investing activities (B)	**188.03**	**(167.68)**
Financing activities		
Proceeds from issue of Equity shares	-	7,155.45
Proceeds from money received against share warrants	-	1,801.44
Proceeds from long term borrowings	1,727.31	-
Repayment of long term borrowings	(222.22)	(222.22)
Proceeds from short term borrowings	248.02	(11,541.33)
Finance Expenses including interest (paid)	(1,486.02)	(1,426.76)
Unclaimed dividend transferred to IEPF account	(23.85)	(23.58)
Net cash (used in)/from financing activities (C)	**243.24**	**(4,257.00)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(1,082.85)	299.69
Cash and cash equivalents at the beginning of the year	1,795.85	1,496.16
Cash and cash equivalents at year end	**713.00**	**1,795.85**
Components of cash and cash equivalents		
Cash on hand	16.73	13.45
With banks - on current account	29.12	58.91
Cheques, drafts on hand	667.15	1,723.49
Total cash and cash equivalents	**713.00**	**1,795.85**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Reconciliation of Liabilities from financing activities

(₹ in lakhs)

Particulars	As at 31st March, 2018	Cash Flows		Non Cash Transaction	As at 31st March, 2019
		Proceeds	Payment		
Long term Borrowing	287.50	1,727.31	222.22	35.63	1,756.96
Short Term Borrowing	4,532.68	248.02	-	-	4,780.70
Equity Shares and Security Premium	14,060.03	-	-	-	14,060.03
Share Warrants	1,801.44	-	-	-	1,801.44
Finance Expenses	-	-	1,486.02	-	
Unclaimed Dividend	23.85	-	23.85	-	-
	20,705.50	**1,975.33**	**1,732.09**	**35.63**	**22,399.13**

(₹ in lakhs)

Particulars	As at 31st March, 2017	Cash Flows		Non Cash Transaction	As at 31st March, 2018
		Proceeds	Payment		
Long term Borrowing	537.03	-	222.22	27.31	287.50
Short Term Borrowing	15,978.67	-	11,541.33	(95.34)	4,532.68
Equity Shares and Security Premium	6,854.27	7,155.45	-	(50.31)	14,060.03
Share Warrants	-	1,801.44	-	-	1,801.44
Finance Expenses	-		1,426.76	-	
Unclaimed Dividend	47.43	-	23.58		23.85
	23,417.40	**8,956.89**	**13,213.89**	**(118.34)**	**20,705.50**

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

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

As per our report of even date
For **S R B C & CO LLP**
ICAI Firm Regn. No. 324982E/E300003
Chartered Accountants

per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G. L. Mirchandani
Chairman and Managing Director

V. J. Mansukhani
Managing Director

Lalit Chendvankar
Head Corporate Affairs,
Legal and Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

EQUITY SHARE CAPITAL (Refer Note 13)

Equity Shares of INR 1 each issue, subscribed and fully paid	No. In Lakhs	₹ In Lakhs
At 1st April 2018	2,312.01	2,311.39
Issue of share capital	-	-
At 31st March 2019	**2,312.01**	**2,311.39**

Equity Shares of INR 1 each issue, subscribed and fully paid	No. In Lakhs	₹ In Lakhs
At 1st April 2017	2,120.01	2,119.39
Issue of share capital	192.00	192.00
At 31st March 2018	**2,312.01**	**2,311.39**

OTHER EQUITY

For the year ended 31st March 2019 — **₹ In Lakhs**

	Reserve & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income	
Balance as at 1st April 2018	214.62	1,990.74	11,748.64	7,092.91	(1,275.22)	(144.32)	19,627.37
Profit for the year	-	-	-	-	(440.22)	-	(440.22)
Other Comprehensive Income for the year	-	-	-	-	-	56.73	56.73
Total Comprehensive Income	**214.62**	**1,990.74**	**11,748.64**	**7,092.91**	**(1,715.44)**	**(87.59)**	**19,243.88**
Premium on equity share issued on preferential basis	-	-	-	-	-	-	-
Balance as at 31st March 2019	**214.62**	**1,990.74**	**11,748.64**	**7,092.91**	**(1,715.44)**	**(87.59)**	**19,243.88**

For the year ended 31st March 2018 — **₹ In Lakhs**

	Reserve & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income	
Balance as at 1st April 2017	214.62	1,990.74	4,734.88	7,092.91	(3,624.47)	(103.24)	10,305.44
Profit for the year	-	-	-	-	2,349.25	-	2,349.25
Other Comprehensive Income for the year	-	-	-	-	-	(41.08)	(41.08)
Total Comprehensive Income	**214.62**	**1,990.74**	**4,734.88**	**7,092.91**	**(1,275.22)**	**(144.32)**	**12,613.61**
Premium on equity share issued on preferential basis	-	-	7,013.76	-	-	-	7,013.76
Balance as at 31st March 2018	**214.62**	**1,990.74**	**11,748.64**	**7,092.91**	**(1,275.22)**	**(144.32)**	**19,627.37**

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

As per our report of even date
For **S R B C & CO LLP**
ICAI Firm Regn. No. 324982E/E300003
Chartered Accountants

per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G. L. Mirchandani
Chairman and Managing Director

V. J. Mansukhani
Managing Director

Lalit Chendvankar
Head Corporate Affairs,
Legal and Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

Corporate information

"MIRC Electronics Limited ("the Company") is a listed entity incorporated in India. The address of registered office and principal place of business is Onida House, G-1, MIDC, Mahakali Caves Road, Andheri(East), Mumbai 400093. The Company is principally engaged in manufacturing and trading of electronic items.

The Ordinary (Equity) shares of the company are listed on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE").

1 Significant accounting policies

a Statement of Compliances and basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

b Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments), which have been measured at fair value amount.

Company's financial statements are presented in Indian Rupees which is also its functional currency and all values are rounded to the nearest lakhs (INR 00,000) except when otherwise stated.

These financial statements were approved by the Company's Board of Directors and authorized for issue on 29th May 2019.

c Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

d Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of

contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes :

i) **Useful lives of - Property, plant and equipment** - The Company reviews the useful lives of property, plant and equipment at the end of each reporting period. The useful life of property plant and equipment is determined by the Company based on past experience and internal technical evaluation.

ii) **Provision for product warranty :** The company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and past trend of the warranty expenses.

iii) **Estimation of defined benefit obligation :** A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

iv) **Provision against obsolete and slow-moving inventories**

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value which is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale for such inventories. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

v) **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

e Property, Plant and Equipment

Property, Plant and Equipment including Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Depreciation is provided on Straight Line basis for Property, Plant and Equipment's i.e. the cost less estimated residual value over its estimated useful lives which is same as useful life specified in Schedule II of the Companies Act 2013. The estimated useful lives and residual values are reviewed regularly and the effect of any changes in estimates is accounted on prospective basis.

Leasehold Land is amortised on a straight line basis over the period of lease.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

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

The Company has elected to measure items of property plant and equipment at its carrying value at the date of transition.

f Impairment of Non- Financial Assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

g Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any

Intangible assets (Computer Software) is amortised on a straight line basis over the useful life estimated to be 6 years. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is de-recognised.

The Company has elected to measure intangible assets at its carrying value at the date of transition.

h Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

i Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the

amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The initial estimate of such warranty-related costs is revised annually.

j Foreign Currency Transactions and Translation

These financial statements are presented in Indian rupees, which is the functional currency of MIRC Electronics Limited.

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

At the end of each reporting period, Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

The Company has not applied paragraph 46A of AS 11 under Indian GAAP. Consequently, it does not have the option of using deferral/ capitalization policy under Ind AS.

k Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, which generally coincides with the delivery of goods.

Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

l Employee retirement and other benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

m Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. The borrowing costs are expensed in the period in which they occur.

o Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials held for production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

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

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

Goods in transit is measured at cost to date as at Balance Sheet date.

p Financial instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

NOTES FORMING PART OF FINANCIAL STATEMENTS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate

(EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

q Earnings per Share

Basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

r Current versus non-current classification : The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

s Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

u Business combination of entities under common control

Business combination involving entities under common control is accounted using pooling of interest method as per Appendix C of Ind AS - 103.

v Standards issued but not effective

Ind AS 116 – Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

w Change in accounting policies and disclosures

Adoption of IND AS - 115 " Revenue from contract with customers"

Ind AS 115 supersedes Ind AS 18 "Revenue" and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Ind AS 115 "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has chosen to apply the modified retrospective approach for transition to Ind AS 115 and it does not have any significant impact on retained earnings and financial statements of the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 2 - PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Particulars	Leasehold land	Freehold land	Buildings	Plant and Machinery and Electrical Fittings	Furniture and Fixtures	Office Equipment's	Motor Vehicles	R & D - Building	R & D - Plant and Machinery and Electrical Fittings	R & D - Furniture and Fixture	R & D - Office Equipment	TOTAL
Cost												
As at 1st April, 2017	589.41	1,776.68	10,684.17	24,322.74	748.66	545.96	277.49	157.08	663.05	87.30	47.87	39,900.41
Additions	-	-	-	139.39	0.16	8.42	83.41	-	-	-	-	231.38
Disposals	-	-	-	3,717.63	0.22	1.09	86.10	-	-	0.25	-	3,805.29
As at 31st March, 2018	**589.41**	**1,776.68**	**10,684.17**	**20,744.50**	**748.60**	**553.29**	**274.80**	**157.08**	**663.05**	**87.05**	**47.87**	**36,326.50**
Additions	-	-	127.73	254.75	12.53	50.99	-	-	-	-	-	446.00
Disposals	38.04	-	72.99	1,600.30	-	-	4.43	-	-	-	2.36	1,718.12
As at 31st March, 2019	**551.37**	**1,776.68**	**10,738.91**	**19,398.95**	**761.13**	**604.28**	**270.37**	**157.08**	**663.05**	**87.05**	**45.51**	**35,054.38**
Depreciation												
As at 1st April, 2017	135.59	-	4,930.04	21,331.88	673.76	494.22	203.17	104.31	545.00	81.60	38.56	28,538.13
Charge for the year	7.05	-	305.40	554.54	11.90	16.66	28.65	1.10	17.42	1.06	1.46	945.24
Disposals	-	-	-	3,661.12	0.22	1.03	74.15	-	-	0.25	-	3,736.77
As at 31st March, 2018	**142.64**	**-**	**5,235.44**	**18,225.30**	**685.44**	**509.85**	**157.67**	**105.41**	**562.42**	**82.41**	**40.02**	**25,746.60**
Charge for the year	6.93	-	305.60	436.80	10.71	12.53	32.86	1.10	17.08	0.62	1.46	825.69
Disposals	6.04	-	32.61	1,573.45	-		4.21	-	-	-	2.24	1,618.55
As at 31st March, 2019	**143.53**	**-**	**5,508.43**	**17,088.65**	**696.15**	**522.38**	**186.32**	**106.51**	**579.50**	**83.03**	**39.24**	**24,953.74**
Net Block												
As at 31st March, 2018	**446.77**	**1,776.68**	**5,448.73**	**2,519.20**	**63.16**	**43.44**	**117.13**	**51.67**	**100.63**	**4.64**	**7.85**	**10,579.90**
As at 31st March, 2019	**407.84**	**1,776.68**	**5,230.48**	**2,310.30**	**64.98**	**81.90**	**84.05**	**50.57**	**83.55**	**4.02**	**6.27**	**10,100.64**

NOTE 3 - INTANGIBLE ASSETS

₹ In Lakhs

Particulars	R&D Software	Other Software	TOTAL
Cost			
As at 1st April, 2017	66.92	-	66.92
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2018	**66.92**	**-**	**66.92**
Additions	-	31.10	31.10
Disposals	-		-
As at 31st March, 2019	**66.92**	**31.10**	**98.02**
Depreciation			
As at 1st April, 2017	60.83		60.83
Charge for the year	1.33		1.33
Disposals	-		-
As at 31st March, 2018	**62.16**	**-**	**62.16**
Charge for the year	1.17	0.01	1.18
Disposals	-		-
As at 31st March, 2019	**63.33**	**0.01**	**63.34**
Net Block			
As at 31st March, 2018	**4.76**	**-**	**4.76**
As at 31st March, 2019	**3.59**	**31.09**	**34.68**

Intangible assets comprises of software used in Research and development.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 4 - NON-CURRENT INVESTMENTS

	31st March, 2019		31st March, 2018	
	Nos.	₹ In Lakhs	Nos.	₹ In Lakhs
Investment carried at amortised cost				
Adonis Electronics Pvt. Ltd.	2,648	295.56	2,648	261.10
(0.01% Cumulative redeemable preference shares of ₹10 each, fully paid up)				
Investment carried at fair value through P&L				
Aditya Birla Sun Life Mutual Fund Investment (Face Value - ₹ 100 per unit)	92,866.71	93.17	-	-
Kongarar Textiles Limited (Face value ₹10 each, fully paid up)	2,600	-	2,600	-
Onida Finance Limited (Face value ₹10 each, fully paid up)	468,400	-	468,400	-
		388.73		261.10
Investment carried at amortised cost		295.56		261.10
Investment carried at fair value through P&L		93.17		-

NOTE 5 -NON CURRENT - FINANCIAL ASSETS

	31st March, 2019	31st March, 2018
	₹ in lakhs	₹ in lakhs
Unsecured, considered good		
Security Deposits carried at amortised cost	996.27	1,191.29
	996.27	**1,191.29**

NOTE 6 - INCOME TAX ASSETS (NET)

	31st March, 2019	31st March, 2018
	₹ in lakhs	₹ in lakhs
Advance Income-tax (Net of Provisions)	107.49	93.03
	107.49	**93.03**

NOTE 7 - OTHER NON-CURRENT ASSETS

	31st March, 2019	31st March, 2018
	₹ in lakhs	₹ in lakhs
Unsecured, considered good		
Deferred rent expenses	143.88	68.36
Other Advances		
Balance with Government Authorities	2,170.03	849.36
Prepaid Expenses	13.55	6.14
Advance paid to Vendors	1,173.23	1,379.19
	3,500.69	**2,303.05**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 8 - INVENTORIES

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Raw materials and components	5,270.04	6,410.72
[includes Goods in transit ₹ 375.74 lakhs (31st March, 2018 ₹ 1,845.33 lakhs)]		
Stores and Spares	256.30	244.47
Work-in-Progress	688.35	662.62
Finished Goods	3,604.71	4,998.09
Traded Goods	11,672.35	10,158.42
[includes Goods in transit ₹6,553.59 lakhs (31st March, 2018 ₹4,830.50 lakhs)]		
	21,491.75	**22,474.32**

During the year ended 31st March, 2019 ₹ 142 lakhs (31st March, 2018 ₹1308 lakhs) was recognised as an expenses for inventories carried at net realisable value.

The company has availed working capital facilities and other non fund based facilities viz. bank guarantees and letter of credits, which are secured by hypothecation of inventories.

NOTE 9 - TRADE RECEIVABLES

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Secured considered good	-	-
Unsecured considered good	11,960.21	13,410.36
Credit impaired	2,498.30	2,214.07
Less : Allowance for bad & doubtful debts	2,498.30	2,214.07
	11,960.21	**13,410.36**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Ageing	Expected Credit loss (%)
Within the credit period	1.00
1-90 days past due	1.00
91-180 days past due	5.00
181 to 365 days	10.00
More than 1 year	40.00
More than 2 year	75.00
More than 3 year	100.00

Age of receivables

	31st March, 2019 ₹ in lakhs
Within the credit period	7,293.78
1-90 days past due	3,204.92
91-182 days past due	977.67
181-365 days	371.13
More than 1 year	697.50
More than 2 year	468.05
More than 3 year	1,445.46

NOTES FORMING PART OF FINANCIAL STATEMENTS

Movement in the expected credit loss allowance

	31st March, 2019 ₹ in lakhs
Balance at the beginning of the year	2,214.07
Movement in expected credit loss allowance on trade receivables	45.97
Add : Specific allowance on trade receivables for the year	238.26
Balance at the end of the year	**2,498.30**

Certain trade receivables have been unable to make payments for outstanding amounts as the amounts are disputed. Consequently the management believes it is prudent to provide for the specific allowance.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner and a director or a member. Trade receivables are generally on terms of 28 days of credit period.

NOTE 10A - CASH AND CASH EQUIVALENTS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Cash in hand	16.73	13.45
Cheques on hand	667.15	1,723.49
Balance with Banks		
On Current Account	29.12	58.91
	713.00	**1,795.85**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Cash on hand	16.73	13.45
On current accounts	29.12	58.91
Cheques/ drafts on hand	667.15	1723.49
	713.00	**1795.85**

NOTE 10B - OTHER BANK BALANCES

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Unclaimed Dividend Accounts	-	23.85
Balance with Banks on margin accounts	586.33	594.14
	586.33	**617.99**

NOTE 11 - OTHER CURRENT FINANCIAL ASSETS - At amortised cost, unless otherwise stated

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Unsecured, considered good		
Insurance claims receivable	110.19	8.79
Interest accrued	22.34	48.79
Derivative contracts receivable - Fair value through P&L	1.08	-
Other Receivables	220.34	150.06
	353.95	**207.64**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 12 - OTHER CURRENT ASSETS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Unsecured, considered good		
Balance with Government Authorities	161.65	558.26
Prepaid Expenses	184.69	146.43
Advance paid to Vendors	590.39	524.27
Deferred rent expenses	112.52	-
	1,049.25	**1,228.96**

NOTE 13 - SHARE CAPITAL

	31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs	
Authorised :				
57,80,20,000 Equity Shares of Re.1 each (Refer Note 33)		5,780.20		5,780.20
(31st March, 2018 57,80,20,000 Equity Shares of ₹1 each)				
10,000 8% Cumulative Redeemable Preference Shares of ₹ 100 each		10.00		10.00
(31st March, 2018 10,000 8% Cumulative Redeemable Preference Shares of ₹ 100 each)				
10,00,000 11% Non-Cumulative Redeemable Preference Shares of ₹100 each		1,000.00		1,000.00
(31st March,2018 10,00,000 11% Non-Cumulative Redeemable Preference Shares of ₹100 each)				
Issued, Subscribed and Paid Up :				
23,09,52,619 Equity Shares of ₹1 each fully paid up	2,309.53		2,117.53	
(31st March, 2018 21,17,52,619 Equity Shares of ₹1 each fully paid up)				
Add : Nil Equity shares issued	-		192.00	
(31st March,2018 19,200,000 Equity shares of ₹1 each fully paid up)				
Add : 2,48,000 Forfeited Equity Shares of ₹1 each partly paid up)	1.86		1.86	
(31st March, 2018 2,48,000 Forfeited Equity Shares of ₹ 1 each partly paid up)				
		2,311.39		2,311.39
		2,311.39		**2,311.39**

(a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

	31st March, 2019		31st March, 2018	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Fully paid up shares				
At the beginning of the year	2,309.53	2,309.53	2,117.53	2,117.53
Add : Issued during the year on preferential basis	-	-	192.00	192.00
At the end of the year	2,309.53	2,309.53	2,309.53	2,309.53
Forfeited Equity shares				
At the beginning of the year	2.48	1.86	2.48	1.86
At the end of the year	2.48	1.86	2.48	1.86
	2,312.01	**2,311.39**	**2,312.01**	**2,311.39**

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company has only one class of equity shares having par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any on the equity shares is recommended by the Board and approved by the shareholders at the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In the previous year the Company had allotted 1,92,00,000 Equity Shares and 1,92,00,000 Convertible Share Warrants (Convertible into 1 Equity Share each) at a issue price of ₹ 37.53 per equity share (including a premium of ₹ 36.53 per equity share) to the non-promoters on preferential basis. Consequent to the issue of equity shares, the paid up equity share capital of the Company increased from ₹ 2119.39 lakhs to ₹ 2311.39 lakhs. The Company has received an amount of ₹ 1801.44 lakhs being 25% of the value of warrants as per provisions of SEBI (ICDR) Regulations, 2009.

The company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31st March 2019.

(b) Details of Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	31st March, 2019		31st March, 2018	
	No. in Lakhs	% holding in the class	No. in Lakhs	% holding in the class
Mr. Gulu L. Mirchandani	463.96	20.09	463.96	20.09
Gulita Securities Limited	272.27	11.79	272.27	11.79
Mr. V.J. Mansukhani	259.86	11.25	259.86	11.25
Bennett Coleman and Company Limited	153.51	6.65	155.19	6.72
IIFL Investment Adviser & Trustee Services Limited (Formerly IIFL Trustee Services Limited) (Beneficial owner Mr.Vijay J. Mansukhani)	141.75	6.14	141.75	6.14

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

NOTE 14 - OTHER EQUITY

Nature and purpose of Reserves

Capital Reserve : The amount is largely on account of reduction in share capital.

Capital Redemption Reserve : The capital redemption reserve was created for buyback/redemption of shares.

Securities Premium Account : Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve : The General reserves comprises of transfer of profits from retained earnings for appropriation purposes. The reserves can be distributed / utilised by the Company in accordance with the Companies Act, 2013.

	31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs	
Capital Reserve		214.62		214.62
Capital Redemption Reserve		1,990.74		1,990.74
Securities Premium Account				
Balance as per last Balance Sheet	11,748.64		4,734.88	
Add : Premium on equity shares issued on preferential basis (Refer note 33)	-		7,013.76	
		11,748.64		11,748.64

NOTES FORMING PART OF FINANCIAL STATEMENTS

	31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs	
General Reserve		7,092.91		7,092.91
Retained earnings				
Balance as per last Balance Sheet	(1,419.54)		(3,727.71)	
Add : Profit / (Loss) for the year	(440.22)		2,349.25	
Add : Other comprehensive income (net of tax)	56.73		(41.08)	
		(1,803.03)		(1,419.54)
		19,243.88		**19,627.37**

NOTE 15 - NON CURRENT BORROWINGS - At amortised cost

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Secured		
Term Loan from Indusind Bank	76.40	287.50
Term Loan from Aditya Birla Finance Limited	1,680.56	-
	1,756.96	**287.50**

Security and rate of interest	Repayment terms
Term loan from Indusind bank is secured by exclusive charge by way of equitable mortgage on the commercial property situated at Phase –II, Okhla industrial development authority area, Ghaziabad (U.P.). Rate of interest 10.70% per annum.	Monthly in equal installments of ₹18.51 lakhs payable over a period of five years. Last instalment is due on 25th August, 2020
Term loan from Aditya Birla Finance Ltd. is secured by Pari Pasu charge in favour of ABFL by mortgage of company's immovable properties situated at Andheri East named as Mahal Industrial Estate. Long Term Reference Rate of ABFL (STRR) +/- spread. Rate of Interest as on 31st March 2019 is 12.75%.	Quarterly in equal installments of ₹ 50 lakhs upto 15.9.2020 there after in quarterly equal instalment of ₹133.33 lakhs upto 15.9.2023. Last instalment is due on 15th September, 2023

Terms of Payment	₹ in lakhs	₹ in lakhs
Year		
2018 - 19	-	222.22
2019 - 20	422.22	222.22
2020 - 21	443.07	65.28
2021 - 22	533.33	-
2022 - 23	533.33	-
2023 - 24	247.23	-
Total	**2,179.18**	**509.72**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 16 - DEFERRED TAX LIABILITIES (NET)

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Deferred tax liability	1,822.91	1,905.11
Deferred tax Asset	(1,822.91)	(1,905.11)
	-	-

The following is the analysis of deferred tax liabilities/(assets) presented in the Balance sheet

Deferred Tax Liability / (asset) in relation to	Opening Balance	On Transaction Recognised in Statement of Profit & Loss Account	Closing Balance
2017-18			
Deferred tax liability			
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial reporting	1,903.65	(5.46)	1,898.19
Ind AS impact on other assets	1.48	5.44	6.92
Deferred tax asset			
Discounting of Financial Assets	(835.83)	18.93	(816.90)
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(274.99)	(63.95)	(338.94)
Provision for Doubtful debts and advances	(587.57)	(161.70)	(749.27)
Carry forward of Income Tax Loss and unabsorbed depreciation	(206.74)	206.74	-
	-	-	-

Deferred Tax Liability/(asset) in relation to	Opening Balance	On Transaction Recognised in Statement of Profit & Loss Account	Closing Balance
2018-19			
Deferred tax Liability			
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial reporting	1,898.19	(91.13)	1,807.06
Ind AS impact on other assets	6.92	8.93	15.85
Deferred tax Asset			
Discounting of Financial Assets	(816.90)	84.54	(732.36)
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(338.94)	121.29	(217.65)
Provision for Doubtful debts and advances	(749.27)	(123.63)	(872.90)
Carry forward of Income Tax Loss and unabsorbed depreciation	-	-	-
	-	-	-

Since the Company has been incurring losses in recent past in addition to the carried forward losses, the company has not recognized Deferred Tax Asset as it is probable that sufficient future taxable profit will not be available against which unused tax losses can be utilised.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The Company has a further impact of expenditure charged to the Statement of Profit and Loss but allowed for tax purposes on payment basis of ₹ 259.31 lakhs to the extent on which the deferred tax asset is not recognised. Further, the Company also has tax losses and un-absorbed depreciation of ₹17,443.80 lakhs on which deferred tax asset is not recognised. Out of these losses, ₹ 5,481.18 lakhs does not have any expiry and ₹ 11,962.62 lakhs will expire year on year and in total by the year 2028 .

Reconciliation of estimated income tax expense at statutory Income-tax rate to income tax expense reported in statement of profit and loss is as follows:

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Profit / (Loss) for the year	(440.22)	2,349.25
Indian statutory tax rate	34.94%	34.94%
Income tax expected expense calculated at corporate tax rate	-	820.83
Tax effect of adjustments to reconcile the expected tax expense to reported income- tax expense:		
Effect of unused tax losses	-	(1,148.13)
Effect of Difference in Depreciation As per Books & As Per Income Tax	(73.98)	113.63
Provision for Doubtful Debt Not Allowed as Deduction	99.31	161.65
Expenses Disallowed u/s 43B (Net off)	66.10	111.79
Additional Deduction u/s 35(2AB) under income tax	(77.71)	(59.77)
Others (net)	(13.72)	-
	-	-

NOTE 17 - PROVISIONS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Provision for employee benefits		
Provision for gratuity (refer note 37)	588.82	566.95
	588.82	**566.95**

NOTE 18 - SHORT-TERM BORROWINGS - At amortised cost

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Secured :		
Cash Credit Facility from banks	3,837.78	1,723.30
Loan from State Bank Of India	-	2,025.08
Aditya Birla Finance Limited Line of Credit	942.92	-
Buyers Credit	-	784.30
	4,780.70	**4,532.68**

NOTES FORMING PART OF FINANCIAL STATEMENTS

Security and rate of interest

Cash Credit Facility, from banks is secured by pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Onida House and Roorkee and immovable properties at Vasai and Chiplun. The interest on cash credit ranges from 11.30% to 13.35% , Line of credit facility taken from Aditya Birla Finance Limited is @ of 12.50% p.a., which is based on Short Term Reference Rate (STRR) +/- spread and secured by Registered mortgage of Mahal Industrial Estate property of Company.

NOTE 19 - TRADE PAYABLES

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Acceptances	3,388.29	5,682.18
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 45)	7.48	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,512.31	15,936.93
	17,908.08	**21,619.11**

NOTE 20- OTHER FINANCIAL LIABILITIES

		31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs
Unclaimed dividends		-		23.85
Current maturities of Long-term borrowings from Indusind Bank (refer note 15)		222.22		222.22
Current maturities of Long-term borrowings from NBFC (refer note 15)		200.00		-
Interest accrued on borrowings		24.21		30.41
Others payables				
Dealer Deposits	59.61		104.43	
Employee Benefits	1,115.39		1,272.77	
Creditors for Capital items	18.06		0.36	
Derivative contracts payable	-		79.48	
		1,193.06		1,457.04
		1,639.49		**1,733.52**

NOTE 21 - OTHER CURRENT LIABILITIES

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Advances from Customers	310.43	165.44
Statutory Dues	354.00	796.74
Others	16.26	91.88
	680.69	**1,054.06**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 22 - PROVISIONS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Provision for employee benefits (refer note 37)		
Gratuity	121.96	126.89
Leave encashment	251.91	251.35
Provision for warranty	197.67	343.31
	571.54	**721.55**
Provision for warranty		
Opening	343.31	299.23
Add : Additions during the year	197.67	343.31
Less : Utilised during the year	343.31	299.23
Closing	**197.67**	**343.31**

The company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and past trend of the warranty expenses.

NOTE 23 - REVENUE FROM OPERATIONS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Revenue from operations		
Sale of Products		
Finished Goods	32,757.28	41,655.17
Traded Goods	31,484.07	31,864.63
	64,241.35	73,519.80
Other operating revenue		
Sale of Scrap	25.13	58.54
Export Incentives	-	1.05
Liabilities written back	-	25.47
Others	179.02	31.92
	204.15	116.98
Revenue from operations (gross)	**64,445.50**	**73,636.78**
Less : Excise duty #	-	825.02
REVENUE FROM OPERATIONS (NET)	**64,445.50**	**72,811.76**

Excise duty on sales amounting to ₹ Nil [31st March, 2018 ₹ 825.02 lakhs] has been reduced from sales in the Statement of Profit and Loss and excise duty on increase /(decrease) in stocks amounting to ₹ Nil (31st March, 2018 ₹ (105.36) lakhs has been considered as (income)/expenses in note 31 of financial statements.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 24 - OTHER INCOME

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Interest Income on :		
Financial Assets held at Amortised cost		
Interest income on financial assets	122.51	112.69
Financial Assets carried at fair value through P&L		
Interest income on investments	34.46	30.45
Financial Assets held at Amortised cost		
Interest income on insurance claim	4.11	153.91
Other interest	35.78	25.84
Dividend received	3.00	-
Liabilities written back	150.33	59.85
Profit on sale of property, plant and equipment (other than profit considered as exceptional item)	12.81	89.48
	363.00	**472.22**

NOTE 25 - COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Inventory at the beginning of the year	6,410.72	7,280.69
Add : Purchases	20,519.44	27,054.03
	26,930.16	34,334.72
Less : Inventory at the end of the year	5,270.04	6,410.72
	21,660.12	27,924.00
Less : CTV provision disclosed under exceptional item*	353.04	-
	21,307.08	**27,924.00**

*** Refer Note 32**

NOTE 26- PURCHASES OF TRADED GOODS

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Display Devices	419.41	607.19
Washing Machines	1,988.04	1,732.03
Air Conditioners	23,709.04	23,740.25
Microwave Ovens	230.87	366.86
Others	54.21	545.85
	26,401.57	**26,992.18**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 27- CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs	
Inventory at the beginning of the year				
Finished Goods	4,998.09		3,695.93	
Work in Progress	662.62		842.13	
Traded Goods	10,158.42		8,487.98	
		15,819.13		13,026.04
Less : Inventory at the end of the year				
Finished Goods	3,604.71		4,998.09	
Work in Progress	688.35		662.62	
Traded Goods	11,672.35		10,158.42	
		15,965.41		15,819.13
Less : CTV provision disclosed under exceptional item*		274.80		-
		(421.08)		**(2,793.09)**

*** Refer Note 32**

NOTE 28 - EMPLOYEE BENEFITS EXPENSE

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Salaries, Wages and Bonus	5,922.05	6,230.89
Contribution to Provident Fund and Other Funds	295.41	281.18
Gratuity expense	86.27	71.76
Staff Welfare Expenses	470.64	443.51
	6,774.37	**7,027.34**

NOTE 29 - FINANCE COST

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Interest Expense	1,193.70	1,149.18
Other Borrowing costs	286.12	260.17
	1,479.82	**1,409.35**

NOTE 30 - DEPRECIATION AND AMORTISATION EXPENSE

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
Depreciation of property, plant and equipment	825.69	945.24
Amortisation of intangible assets	1.18	1.33
	826.87	**946.57**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 31 - OTHER EXPENSES

	31st March, 2019 ₹ in lakhs		31st March, 2018 ₹ in lakhs	
Power and Fuel		318.25		290.68
Rent		631.45		625.16
Rates and Taxes		151.42		156.90
Repairs to				
Plant and Machinery	68.76		79.15	
Building	15.07		7.00	
Others	269.79		276.56	
		353.62		362.71
Insurance Charges		35.90		36.19
Freight and Forwarding Charges		2,501.48		2,675.24
Advertisement		1,254.70		787.20
Service Charges		1,150.49		1,243.16
Travelling and Conveyance		441.24		483.67
Provision for Doubtful Debts and advances		284.23		462.66
Research and Development Expenses		444.80		342.13
Increase / (decrease) of excise duty on inventory		-		(105.36)
Exchange loss (Net)		(3.67)		563.00
Miscellaneous Expenses		1,155.96		1,505.04
		8,719.87		**9,428.38**

Miscellaneous expenses includes

Remuneration to Auditors:

	31st March, 2019 ₹ in lakhs	31st March, 2018 ₹ in lakhs
As auditor (excluding Goods and Service Tax / Service tax)		
Audit fees	20.50	20.50
Tax audit fees	4.00	4.00
Limited reviews	9.00	9.00
In other capacity		
Other services	-	0.50
Reimbursement of expenses	1.90	1.70
	35.40	**35.70**

NOTES FORMING PART OF FINANCIAL STATEMENTS

32 Exceptional items -

The Company has recognised total expenses of ₹160.22 lakhs for the year ended 31st March, 2019 as exceptional items on account of the following reasons;

a. During the year, the Company has sold land and building located at Noida resulting in to a profit of ₹ 467.62 lakhs .

b. During the year, the board of directors approved discontinuation of CTV business due to non-availability of major input components and technological changes. Accordingly, provision of ₹ 627.84 lakhs for the year ended 31st March, 2019 has been made in respect of inventories used for CTV business.

33 In the previous year the Company has allotted 1,92,00,000 Equity Shares and 1,92,00,000 Convertible Share Warrants (Convertible into 1 Equity Share each) at an issue price of ₹ 37.53 per equity share (including a premium of ₹ 36.53 per equity share) to the non-promoters on preferential basis in accordance with the provision of chapter VII of SEBI ICDR regulations. Consequent to the issue of equity shares, the paid up equity share capital of the Company has increased from ₹ 2119.39 lakhs to ₹ 2311.39 lakhs and securities premium account has increased from ₹ 4734.88 lakhs to ₹ 11748.64 lakhs as on 31st March, 2018. The Company has received an amount of ₹ 1801.44 lakhs being 25% of the value of warrants as per provisions of SEBI (ICDR) Regulations, 2009 and remaining balance shall be paid before exchange of warrants for equity shares. If the option to acquire equity shares is not excercised within 18 months from the date of issue of warrants, the amount paid shall be forfeited by the Company.

34 The Company at its extraordinary general meeting dated 29th March, 2017 have approved an Employee Stock option Scheme 2017. However the scheme is not yet offered to employees as on date and hence no effect is considered in the financial statements for the year ended 31st March, 2019.

35 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 29th May, 2019.

36 Contingent Liabilities and Commitments

	31st March 2019 ₹ in lakhs	31st March 2018 ₹ in lakhs
Contingent Liabilities		
a) Guarantees given by Bank against which ₹ 113.83 lakhs (31st, March, 2018 ₹ 169 lakhs) has been deposited as margin money.	751.83	1,126.82
b) Income tax demands in respect of which appeals have been filed	847.81	474.61
c) Excise Duty, Service Tax, VAT and Custom Duty in respect of which appeals have been filed	16,977.22	15,615.94
d) Claims made against the Company not acknowledged as debts	4,327.19	4,230.09
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.32	3.06

Operating lease commitments - Company as lessee

The Company has entered into operating leases for office premises, godowns and residential accommodation, which are cancellable at the discretion of the company, with lease terms between 11 months to six years. The company has the option, under some of its leases, to lease the assets for additional terms between 11 months to three years. The Company has paid ₹ 631.45 lakhs (31st March 2018 ₹ 625.16 lakhs) during the year towards minimum lease payment.

In relation to above contingent liabilities, the Company has been advised by its legal counsel that it is possible, but not probable, that the action will succeed and accordingly no provision for liability has been recognised in the financial statements.

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/ authorities.

NOTES FORMING PART OF FINANCIAL STATEMENTS

37 Employee Benefits :

a) Defined contribution plans

The Company has recognised an expense of ₹ 236.55 lakhs (previous year ₹ 223.84 lakhs) towards defined contribution plans, in respect of Provident Fund.

b) Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, employee at retirement is eligible for benefit which will be equal to 15 days' salary for each completed year of service.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31st March 2019	**31st March 2018**
Employee Attrition Rate	12.50%	12.50%
Discount rate(s)	7.22%	7.65%
Expected rate(s) of salary increase	3.40%	3.40%
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

₹ in lakhs

			Funded Plan Gratuity	
			31st March 2019	**31st March 2018**
I	1	Expense recognised in the Statement of Profit and Loss for the year ended 31 March 2019		
		Service Cost		
		Current Service Cost	37.95	34.91
		Net interest expense	53.08	40.99
		Components of defined benefit costs recognized in profit or loss	91.03	75.90
		Less : Transferred to Research and Development expenses	4.76	4.14
		Net Gratuity expenses disclosed under employee benefits expense.	86.27	71.76
	2	Included in other Comprehensive Income		
		Actuarial (Gain) / Loss recognized for the period	(58.62)	40.95
		Return on Plan Assets excluding net interest	1.89	0.13
		Actuarial (Gain) / Loss recognized in OCI	(56.73)	41.08
II		Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2019		
	1	Present value of defined benefit obligation as at 31 March 2019	(825.16)	(830.13)
	2	Fair value of plan assets as at 31 March 2019	114.37	136.29
	3	Surplus/(Deficit)	(710.79)	(693.84)
	4	Current portion of the above	(121.96)	(126.89)

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

			Funded Plan Gratuity	
			31st March 2019	31st March 2018
III	Change in the obligation during the year ended 31 March 2019			
	1	Present value of defined benefit obligation at the beginning of the year	830.13	737.98
	2	Expenses Recognised in Profit and Loss Account		
		- Current Service Cost	37.95	34.91
		- Interest Expense (Income)	63.52	52.32
	3	Recognised in Other Comprehensive Income		
		Remeasurement gains / (losses)		
		Actuarial Gain (Loss)		
		i. Demographic Assumptions	-	11.64
		ii. Financial Assumptions	7.00	16.46
		iii. Experience Adjustments	(65.62)	12.85
	4	Benefit payments	(47.82)	(36.03)
	5	Present value of defined benefit obligation at the end of the year	825.16	830.13
IV	Change in fair value of assets during the year ended 31 March 2019			
	1	Fair value of plan assets at the beginning of the year	136.29	159.81
	2	Interest Income	10.43	11.33
	3	Return on Plan Assets, Excluding Interest Income	(1.31)	(0.13)
	4	Contributions by employer (including benefit payments recoverable)	16.78	1.31
	5	Benefit payments	(47.82)	(36.03)
	6	Fair value of plan assets at the end of the year	114.37	136.29

Composition of the plan assets is as follows:

Plan asset is maintained with Life Insurance Corporation of India.In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is

Principal Assumptions		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumptions	Decrease in assumptions
Discount Rate	31st March, 2019	1.00%	(15.93)	17.24
	31st March, 2018	1.00%	(18.03)	19.46
Salary growth Rate	31st March, 2019	1.00%	17.72	(16.65)
	31st March, 2018	1.00%	20.09	(18.92)
Withdrawal Rate	31st March, 2019	1.00%	2.59	(2.81)
	31st March, 2018	1.00%	3.45	(3.72)

NOTES FORMING PART OF FINANCIAL STATEMENTS

The above sensitivity analysis are based on a change and assumption while holding all other assumptions constant. In practice this is unlikely to occur and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to prior period.

Maturity profile of projected benefit obligations

	As at 31st March,2019	As at 31st March,2018
Within 1 year	445.53	352.07
1-2 years	60.29	144.92
2-3 years	85.74	72.26
3-4 years	64.57	77.26
4-5 years	63.11	63.20
Above 5 years	170.23	209.11
	889.47	**918.82**

The weighted average duration of the projected benefit obligation is approximately 3 years (31st March, 2018 - 3 years). The Expected contribution to be made by the company during the financial year 2019-20 is ₹ 121.96 lakhs (Previous year ₹ 231.71 lakhs)

Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

NOTES FORMING PART OF FINANCIAL STATEMENTS

38 Fair Value measurements

Financial Assets and Financial Liabilities

The carrying value and fair value of financial instruments by categories as at 31st March, 2019 is as follows:

₹ in lakhs

Particulars	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	Total fair value
Financial Assets					
Non current					
Investments	93.17	-	295.56	388.73	388.73
Security Deposits	-	-	996.27	996.27	996.27
Current					
Trade receivables	-	-	11,960.21	11,960.21	11,960.21
Cash and cash equivalents	-	-	713.00	713.00	713.00
Bank balances	-	-	586.33	586.33	586.33
Others					
Insurance claims receivable	-	-	110.19	110.19	110.19
Interest accrued	-	-	22.34	22.34	22.34
Other Receivables	-	-	220.34	220.34	220.34
Derivative contracts	1.08	-	-	1.08	1.08
Total	**94.25**	**-**	**14,904.24**	**14,998.49**	**14,998.49**
Financial liabilities					
Non current					
Borrowings	-	-	1,756.96	1,756.96	1,756.96
Current					
Borrowings	-	-	5,227.13	5,227.13	5,227.13
Trade payables	-	-	17,908.08	17,908.08	17,908.08
Other Financial liabilities	-	-	1,193.06	1,193.06	1,193.06
Total	**-**	**-**	**26,085.23**	**26,085.23**	**26,085.23**

NOTES FORMING PART OF FINANCIAL STATEMENTS

The carrying value and fair value of financial instruments by categories as at 31st March, 2018 is as follows:

₹ in lakhs

Particulars	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	Total fair value
Financial Assets					
Non current					
Investments	-	-	261.10	261.10	261.10
Security Deposits	-	-	1,191.29	1,191.29	1,191.29
Current					
Trade receivables	-	-	13,410.36	13,410.36	13,410.36
Cash and cash equivalents	-	-	1,795.85	1,795.85	1,795.85
Bank balances	-	-	617.99	617.99	617.99
Others					
Insurance claims receivable	-	-	8.79	8.79	8.79
Interest accrued			48.79	48.79	48.79
Other Receivables	-	-	150.06	150.06	150.06
Total	**-**	**-**	**17,484.23**	**17,484.23**	**17,484.23**
Financial liabilities					
Non current					
Borrowings	-	-	287.50	287.50	287.50
Current					
Borrowings	-	-	4,785.31	4,785.31	4,785.31
Trade payables	-	-	21,619.11	21,619.11	21,619.11
Other Financial liabilities	-	-	1,401.41	1,401.41	1,401.41
Derivative contracts	79.48	-	-	79.48	79.48
Total	**79.48**	**-**	**28,093.33**	**28,172.81**	**28,172.81**

Fair Value hierarchy

The company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

There were no transfers between Level 1 and Level 2 during the year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

₹ in lakhs

Particulars	Fair value hierarchy as at 31st March, 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	93.17	-	295.56	388.73
Current				
Derivative contracts	-	1.08	-	1.08
Total	**93.17**	**1.08**	**295.56**	**389.81**
Financial liabilities				
Non current				
Borrowings	76.40	1,680.56	-	1,756.96
Current				
Borrowings	246.43	4,980.70	-	5,227.13
Total	**322.83**	**6,661.26**	**-**	**6,984.09**

Particulars	Fair value hierarchy as at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	-	-	261.10	261.10
Total	**-**	**-**	**261.10**	**261.10**
Financial liabilities				
Non current				
Borrowings	287.50	-	-	287.50
Current				
Borrowings	252.63	4,532.68	-	4,785.31
Derivative contracts	-	79.48	-	79.48
Total	**540.13**	**4,612.16**	**-**	**5,152.29**

Reconciliation of level 3 fair value measurements

For the year ended 31st March, 2018

Particulars	Unlisted shares valued at amortised cost
Opening Balance	221.43
Total Profit/(loss) in Statement of Profit and Loss	39.67
Closing Balance	**261.10**

NOTES FORMING PART OF FINANCIAL STATEMENTS

For the year ended 31st March, 2019 **₹ in lakhs**

Particulars	Unlisted shares valued at amortised cost
Opening Balance	261.10
Total Profit/(loss) in Statement of Profit and Loss	34.46
Closing Balance	**295.56**

Description of significant unobservable inputs to valuation

	Valuation techniques	Significiant unobservable inputs	Sensitivity of the input to fair value
Investment in unquoted Preference Shares	Discounted cash flow	Discount rate 13.20%	1% variation in discount rate results in P&L impact of ₹3.13 lakhs

Capital Management and Gearing ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio below 30%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio:

The gearing ratio at the end of the reporting period was as follows:

Debt-to-equity ratio are as follows: **₹ in lakhs**

	As at 31st March, 2019	As at 31st March, 2018
Debt (i)	6,959.88	5,072.81
Less: Cash and Bank balances	1,299.33	2,413.84
Net debt	5,660.55	2,658.97
Total Capital (ii)	23,356.71	23,740.20
Capital and net debt	29,017.26	26,399.17
Net debt to Total Capital plus net debt ratio (%)	**20%**	**10%**

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding derivative and contingent considerations).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

NOTES FORMING PART OF FINANCIAL STATEMENTS

39 Earnings per share

	As at 31st March,2019 ₹ in lakhs	As at 31st March,2018 ₹ in lakhs
Profit / (loss) attributable to equity shareholders	(440.22)	2,349.25
Weighted average number of equity shares for Basic EPS	230,952,619	216,592,071
Basic earnings per equity share (in Rupees)	(0.19)	1.08
Profit/(loss) attributable to equity shareholders for calculation of diluted EPS	(440.22)	2,349.25
Weighted average number of equity shares for Basic EPS	230,952,619	216,592,071
Effect of Dilution - Share warrant *	-	1,514,617
Weighted average number of equity shares adjusted for the effect of dilution	230,952,619	218,106,688
Diluted earnings per equity share (in Rupees)	(0.19)	1.08
Face value per share	1.00	1.00

* 1,92,00,000 Share warrants not considered as it is anti dilutive.

40 Research and development expenses consist of employee expenses and other expenses of ₹ 353.55 lakhs (previous year ₹ 276.17 lakhs), and ₹ 91.25 lakhs (previous year ₹ 65.96 lakhs) respectively. Depreciation on Research and Development assets is ₹ 21.43 lakhs (previous year ₹ 22.37 lakhs) shown under Property ,Plant and Equipment's.

41 Related Party Disclosure

Names of related parties with whom transactions have taken place & description of relationship :

1. Key Management Personnel	Mr. G.L. Mirchandani - Chairman & Managing Director Mr. V.J. Mansukhani - Managing Director Mr. Kaval Mirchandani - Executive Director Mr. S. K. Dhoot - Whole - time Director (upto 12th February,2019) Mr. Sanjay Munshi - Whole - time Director (from 12th February,2019) Mr. G. Sundar - Chief Executive Officer Mr. Rafique Malik - Independent Director Mr. Carlton Pereira - Independent Director Mr. Arvind Sharma - Independent Director Ms. Sujata Deshmukh - Independent Director Mr. Lalit Chandvekar - Head Corporate Affairs, Legal and Company Secretary Mr. Subrat Nayak - Chief Financial Officer (upto 13th August, 2018) Mr. Vishal Barot - Chief Financial Officer (from 14th August, 2018 upto 15th March, 2019)
2. Relatives of Key Management Personnel	Mrs. Gita Mirchandani (Wife of Mr.G.L. Mirchandani) Mrs. Marissa Mansukhani (Wife of Mr.V.J.Mansukhani) Mr. Sasha Mirchandani (Son of Mr.G.L. Mirchandani) Mr. Akshay Mansukhani (Son of Mr.V.J. Mansukhani) Ms. Ayesha Mansukhani (Daughter of Mr.V.J. Mansukhani) G.L. Mirchandani (H.U.F.) V.J. Mansukhani (H.U.F.)
3. Enterprise over which any person described in 1 & 2 is having significiant influence	Iwai Electronics Pvt. Ltd. Adino Telecom Ltd. Gulita Wealth Advisors Pvt. Ltd. Adino Electronics Ltd.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Purchase / (purchase return) of goods, services, intangible assets and spares				
Iwai Electronics Pvt.Limited	2019	-	-	42.91
	2018	-	-	144.82
Adino Telecom Limited	2019	-	-	3.76
	2018	-	-	-
Sale of goods, spares and services				
Iwai Electronics Pvt. Limited	2019	-	-	0.18
	2018	-	-	2.67
Inter Corporate Deposits / Loan received				
V.J. Mansukhani	2019	507.00	-	-
	2018	-	-	-
G.L. Mirchandani	2019	792.03	-	-
	2018	-	-	-
Kaval Mirchandani	2019	300.00	-	-
	2018	-	-	-
Repayment of Inter Corporate Deposits / Loan received				
V.J. Mansukhani	2019	507.00	-	-
	2018	-	-	-
G.L.Mirchandani	2019	792.03	-	-
	2018	-	-	-
Kaval Mirchandani	2019	300.00	-	-
	2018	-	-	-
Rent paid				
G.L.Mirchandani	2019	2.59	-	-
	2018	2.98	-	-
Gita Mirchandani	2019	-	10.42	-
	2018	-	10.90	-
Akshay Mansukhani	2019	-	0.89	-
	2018	-	0.89	-
Ayesha Mansukhani	2019	-	0.89	-
	2018	-	0.89	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Gulita Wealth Advisors Private Limited	2019	-	-	30.00
	2018	-	-	30.00
Adino Electronics Ltd.	2019	-	-	2.60
	2018	-	-	-
Refund of rent deposit				
G.L. Mirchandani	2019	-	-	-
	2018	-	117.22	-
Gita Mirchandani	2019	-	-	-
	2018	-	117.22	-
Remuneration of key management personnel				
G.L. Mirchandani				
Remuneration including defined benefit contribution	2019	121.63	-	-
Post employment defined benefits	2019	3.92	-	-
Remuneration including defined benefit contribution	2018	122.31	-	-
Post employment defined benefits	2018	2.56	-	-
V.J. Mansukhani				
Remuneration including defined benefit contribution	2019	121.63	-	-
Post employment defined benefits	2019	3.92	-	-
Remuneration including defined benefit contribution	2018	122.31	-	-
Post employment defined benefits	2018	2.56	-	-
Kaval Mirchandani				
Remuneration including defined benefit contribution	2019	42.38	-	-
Post employment defined benefits	2019	2.44	-	-
Remuneration including defined benefit contribution	2018	41.21	-	-
Post employment defined benefits	2018	0.92	-	-
S.K. Dhoot				
Remuneration including defined benefit contribution	2019	53.06	-	-
Post employment defined benefits	2019	1.00	-	-
Remuneration including defined benefit contribution	2018	51.71	-	-
Post employment defined benefits	2018	2.49	-	-
G. Sundar				
Remuneration including defined benefit contribution	2019	313.06	-	-
Post employment defined benefits	2019	19.43	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Remuneration including defined benefit contribution	2018	356.65	-	-
Post employment defined benefits	2018	13.04	-	-
Lalit Mohan Chendvankar				
Remuneration including defined benefit contribution	2019	43.35	-	-
Post employment defined benefits	2019	0.70	-	-
Remuneration including defined benefit contribution	2018	37.36	-	-
Post employment defined benefits	2018	0.37	-	-
Subrat Nayak				
Remuneration including defined benefit contribution	2019	19.25	-	-
Post employment defined benefits	2019	-	-	-
Remuneration including defined benefit contribution	2018	47.71	-	-
Post employment defined benefits	2018	1.02	-	-
Vishal Barot				
Remuneration including defined benefit contribution	2019	43.12	-	-
Post employment defined benefits	2019	-	-	-
Remuneration including defined benefit contribution	2018	-	-	-
Post employment defined benefits	2018	-	-	-
Sanjay Munshi				
Remuneration including defined benefit contribution	2019	10.09	-	-
Post employment defined benefits	2019	0.45	-	-
Remuneration including defined benefit contribution	2018	-	-	-
Post employment defined benefits	2018	-	-	-
Sitting Fees				
Mr. Rafique Malik	2019	1.70	-	-
	2018	2.40	-	-
Mr. Carlton Pereira	2019	1.80	-	-
	2018	2.00	-	-
Mr. Arvind Sharma	2019	1.60	-	-
	2018	1.20	-	-
Ms. Sujata Deshmukh	2019	0.70		
	2018	0.70		

NOTES FORMING PART OF FINANCIAL STATEMENTS

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties . This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loans to Related party

There is no loan oustanding with any related party.

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Receivable				
Gita Mirchandani				
Rent Deposit given	2019	-	10.42	-
	2018	-	10.42	-
Akshay Mansukhani				
Rent Deposit given	2019	-	0.89	-
	2018	-	0.89	-
Ayesha Mansukhani				
Rent Deposit given	2019	-	0.89	-
	2018	-	0.89	-
G.L. Mirchandani				
Rent Deposit given	2019	2.59	-	-
	2018	2.59	-	-
Gulita Wealth Advisors Private Limited				
Rent Deposit	2019	-	-	1,000.00
	2018	-	-	1,000.00
Adino Telecom Limited				
Debtors	2019	-	-	0.63
	2018	-	-	4.29
Interest Receivable	2019	-	-	15.07
	2018	-	-	35.07
Inter corporate deposits given	2019	-	-	-
	2018	-	-	-
Adino Electronics Limited				
Debtors	2019	-	-	3.10
	2018	-	-	5.45

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Payable				
Iwai Electronics Private Limited				
Creditors payable	2019	-	-	-
	2018	-	-	6.38
Remuneration payable				
G.L. Mirchandani				
Remuneration	2019	3.53	-	-
Post employment defined benefits	2019	109.85	-	-
Remuneration	2018	7.64	-	-
Post employment defined benefits	2018	105.92	-	-
V.J. Mansukhani				
Remuneration	2019	5.39	-	-
Post employment defined benefits	2019	149.08	-	-
Remuneration	2018	10.14	-	-
Post employment defined benefits	2018	145.15	-	-
Kaval Mirchandani				
Remuneration	2019	1.93	-	-
Post employment defined benefits	2019	9.11	-	-
Remuneration	2018	2.66	-	-
Post employment defined benefits	2018	6.67	-	-
S.K. Dhoot				
Remuneration	2019	-	-	-
Post employment defined benefits	2019	-	-	-
Remuneration	2018	3.48	-	-
Post employment defined benefits	2018	15.25	-	-
G. Sundar				
Remuneration	2019	5.67	-	-
Post employment defined benefits	2019	131.75	-	-
Remuneration	2018	17.53	-	-
Post employment defined benefits	2018	112.32	-	-
Lalit Mohan Chendvankar				
Remuneration	2019	2.69	-	-
Post employment defined benefits	2019	1.90	-	-
Remuneration	2018	2.96	-	-
Post employment defined benefits	2018	1.19	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

Nature of transactions	Year	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Subrat Nayak				
Remuneration	2019	-	-	-
Post employment defined benefits	2019	-	-	-
Remuneration	2018	3.85	-	-
Post employment defined benefits	2018	2.09	-	-
Vishal Barot				
Remuneration	2019	0.73	-	-
Post employment defined benefits	2019	-	-	-
Remuneration	2018	-	-	-
Post employment defined benefits	2018	-	-	-
Sanjay Munshi				
Remuneration	2019	3.96	-	-
Post employment defined benefits	2019	0.45	-	-
Remuneration	2018	-	-	-
Post employment defined benefits	2018	-	-	-
Rent Payable				
Gulita Wealth Advisors Private Limited	2019	-	-	2.25
	2018	-	-	-

42. In accordance with the provisions of Section 135 (5) of the Companies Act, 2013, the Company is not required to provide / spend any amount under Corporate Social Responsibility during the year ended 31st March, 2019.

43 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

NOTES FORMING PART OF FINANCIAL STATEMENTS

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises two types of risk: currency rate risk and interest rate risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31st March, 2019 and 31st March, 2018. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Companies operating activities that is buying of Raw Material and Finished Goods from international sellers. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month period for hedges of purchases . The Company hedges its exposure to fluctuations on the translation into INR of its imports operations. This foreign currency risk Is hedged by using foreign currency forward contracts.

Interest rate risk

Following table analysis foreign curreny assets and liabilities as on balance sheet date

	31st March, 2019		31st March, 2018	
	Foreign currency in lakhs	₹ in lakhs	Foreign currency in lakhs	₹ in lakhs
Foreign currency liabilities				
In USD	102.84	7,111.73	171.44	11,173.82
in RMB	3.16	32.60	15.22	157.51
Foreign currency Assets				
In USD	3.08	213.00	2.97	193.65

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company exposure to foreign currency as on 31st March, 2019 is tabulated below.

		Effect on profit before tax	Effect on pre tax equity
31st March, 2019	Rupee depreciates by Re.1 against USD	(99.76)	(99.76)
	Rupee appreciate by Re.1 against USD	99.76	99.76
31st March, 2018	Rupee depreciates by Re.1 against USD	(168.47)	(168.47)
	Rupee appreciate by Re.1 against USD	168.47	168.47

Notes :

1. +/- Gain / Loss
2. The impact of depreciation / appreciation on foreign currency other than USD on profit before tax of the Company is not material

NOTES FORMING PART OF FINANCIAL STATEMENTS

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank. These derivative financial instruments are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace. The following table gives details in respect of outstanding foreign exchange forward and option contracts

Outstanding Contracts

Particulars	31st March, 2019		
	Foreign currency in lakhs	Nominal value ₹ in lakhs	Fair value ₹ in lakhs
Forward contracts			
In USD	55.00	3,865.72	1.08
Total	**55.00**	**3,865.72**	**1.08**

Particulars	31st March, 2018		
	Foreign currency in lakhs	Nominal value ₹ in lakhs	Fair value ₹ in lakhs
Forward contracts			
In USD	31.34	2,127.13	(79.47)
Total	**31.34**	**2,127.13**	**(79.47)**

Fair value in bracket '()' denotes liability.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial Instrument will fluctuate because of changes in market interest rates.

The Company's borrowings are commercial banks to meet the working capital requirements for operation of the business. The banks generally charge the card rate to the Company based on Annual appraisal by internal and external ratings. There is no major fluctuation on those interest rates charged by the bank during the period under audit.

If the interest rates had been 50 basic points higher or lower and all the other variables were held constant, the effect of interest expense for the respective financial years and consequent effect on company's profit in that financial year would have been as below:

	31st March, 2019		31st March, 2018	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	1,015.67	941.97	911.66	845.30
Effect on profit before tax	36.85	(36.85)	33.18	(33.18)

(b) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a fianancial loss. The Company is exposed to credit risk from its operating activities (primarly trade receivables) and from its financing activities including foreign exchange transactions. The company generally deals with parties which has worthiness based on company's internal assessment.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in lakhs

	As at 31st March,2019	As at 31st March,2018
Trade receivable	11,960.21	13,410.36
Loans	-	-
Other financial assets	1,350.22	1,398.93

Refer Note 9 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and the Company has made provision as per ECL model. The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Maturity Profile of Companies Financial Liablities based on contractual undiscounted payments

₹ In lakhs

	On demand	Less than 3 Months	3 to 12 Months	1 to 5 years	> 5 years	Total
Year Ended March 2019						
Non Current Borrowings	-	-	-	1,756.96	-	1,756.96
Borrowings - Cash credit	4,780.70	-	-	-	-	4,780.70
Trade payables	-	8,405.91	6,088.68	25.20	-	14,519.79
Acceptance	-	3,388.29	-	-	-	3,388.29
Current maturities of Long-term borrowings from Indusind Bank	-	55.56	166.66	-	-	222.22
Current maturities of Long-term borrowings from ABFL	-	50.00	150.00	-	-	200.00
Interest accrued on borrowings	-	24.21	-	-	-	24.21
Others payables						
Dealer Deposits	59.61	-	-	-	-	59.61
Employee Benefits	-	1,115.39		-	-	1,115.39
Creditors for Capital items	-	10.64	7.42	-	-	18.06
Derivative contracts payable	-	-	-	-	-	-
	4,840.31	**13,050.00**	**6,412.76**	**1,782.16**	**-**	**26,085.23**
Year Ended March 2018						
Non Current Borrowings	-	-	-	287.50	-	287.50
Borrowings - Cash credit	1,723.30	-	-	-	-	1,723.30
Borrowings - Buyers Credit	-	784.30	-	-	-	784.30
Borrowings - FCNRB	-	2,025.09	-	-	-	2,025.09
Trade payables	-	13,903.55	2,033.38	-	-	15,936.93
Acceptance	-	5,233.93	448.25	-	-	5,682.18
Unclaimed dividends	23.85	-	-	-	-	23.85
Current maturities of Long-term borrowings from Indusind Bank	-	55.56	166.66	-	-	222.22
Interest accrued on borrowings	-	30.41		-	-	30.41
Others payables						
Dealer Deposits	104.43	-	-	-	-	104.43
Employee Benefits	-	1,272.77		-	-	1,272.77
Creditors for Capital items	-	0.36	-	-	-	0.36
Derivative contracts payable	-	79.48	-	-	-	79.48
	1,851.58	**23,385.45**	**2,648.29**	**287.50**	**-**	**28,172.82**

NOTES FORMING PART OF FINANCIAL STATEMENTS

44 The Company considers entire business under one segment i.e. Consumer Durable products. Further, there is no separately identifiable geographical segment and hence no reporting is made for segment.

45 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

		31st March 2019 ₹ in lakhs	31st March 2018 ₹ in lakhs
a)	Principal amount remaining unpaid as	7.48	-
b)	Interest due thereon as on	-	-
c)	The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
d)	The amount of Interest due and	-	-
e)	The amount of Interest accrued and	-	-
f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

46 Significiant events after the reporting period

There were no significiant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

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

As per our report of even date
For **S R B C & CO LLP**
ICAI Firm Regn. No. 324982E/E300003
Chartered Accountants

per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G. L. Mirchandani
Chairman and Managing Director

V. J. Mansukhani
Managing Director

Lalit Chendvankar
Head Corporate Affairs,
Legal and Company Secretary

MIRC ELECTRONICS LIMITED

Regd. Office: Onida House, G-1, M.I.D.C, Mahakali Caves Road, Andheri (East),
Mumbai - 400 093, CIN: L32300MH1981PLC023637 Website: www.onida.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L32300MH1981PLC023637

Name of the Company: MIRC Electronics Limited

Registered Office: Onida House, G-1, M.I.D.C, Mahakali Caves Road, Andheri (East), Mumbai – 400 093

Name of the Member(s):

Registered address:

E-mail ID:

Folio No./DP ID-client ID : _____ No. of Shares: _____

I/We, _____being the Member(s) of_____ shares of the above named company, hereby appoint.

1.	Name:	E-mail ID:	
	Address:	Signature:	or failing him/her
2.	Name:	E-mail ID:	
	Address:	Signature:	or failing him/her
3.	Name:	E-mail ID:	
	Address:	Signature:	or failing him/her

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the Thirty Eighth Annual General Meeting of the Company, to be held on Wednesday, August 28, 2019 at 3:00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No	Description	For*	Against*
1	To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Gulu Mirchandani (DIN: 00026664), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To approve the re-appointment and remuneration of Mr. Kaval Mirchandani (DIN: 01179978) as a Whole Time Director of the Company for period of 3 years w.e.f. May 26, 2019.		
4	To approve the appointment of Mr. Sanjay Munshi, (DIN: 08355427) as a Director of the Company.		
5	To approve the appointment of Mr. Sanjay Munshi (DIN: 08355427) as a Whole Time Director of the Company for period of 3 years w.e.f. February 12, 2019.		
6	To approve the re-appointment of Mr. Gulu Mirchandani (DIN: 00026664), as a Chairman and Managing Director of the Company for period of 3 years w.e.f. December 01, 2019.		
7	To approve the re-appointment of Mr. Carlton Pereira (DIN: 00106962) as an Independent Director of the Company for a second term of 5 (five) consecutive years, i.e. up to September 2, 2024.		

Resolution No	Description	For*	Against*
8	To approve the re-appointment of Mr. Rafique Malik (DIN: 00521563) as an Independent Director of the Company for a second term of 5 (five) consecutive years, i.e. up to September 2, 2024.		
9	To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2020.		

Signed this.....day of.....2019

Affix Re 1
Revenue
Stamp

Signature of shareholder

Notes:

* 1. Member may vote either for or against each resolution. Please put a 'X' in the box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

2. A proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

3. This form of proxy, to be effective, should be deposited at the Registered Office of the Company at Onida House, G-1, M.I.D.C, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 not later than FORTY-EIGHT HOURS before the commencement of the Annual General Meeting.

MIRC Electronics Ltd. Onida House, G-1, M.I.D.C. Mahakali Caves Road, Andheri (E), Mumbai - 400 093.
Institutional enquiries: corporate.sales@onida.com, response@onida.com

www.facebook.com/onida.live | www.onidalive.blogspot.com | YouTube www.youtube.com/onidalive | @ Mail us at response@onida.com