

**KAYNES TECHNOLOGY  
INDIA PRIVATE LIMITED**

**STANDALONE  
FINANCIAL STATEMENTS**

**AS AT  
31.03.2019**

**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
**Kaynes Technology India Private Limited**  
Mysore

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

**Opinion**

We have audited the accompanying financial statements of **M/s. Kaynes Technology India Private Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31<sup>st</sup> 2019, and Standalone Profit and Loss Statement and the Standalone Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, of the state of affairs of the Company as at March 31, 2019 and its profit and its cash flows for the year ended on that date.

**Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Information Other than the Financial Statements and Auditor's Report Thereon**

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

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





In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 therein, we are required to report that fact. We have read and considered Board of Directors' report and annexures to the Board's report and have nothing to report in this regard.

### **Management's Responsibility for the standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

In preparing the financial statements, management 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.

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

### **Auditor's Responsibility for the Audit of the financial statements**

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

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

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





## Chartered Accountants

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 Companies Act, 2013, 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in Paragraphs 3 and 4 of the said Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





## Chartered Accountants

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss statement, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial control with reference to financials statements of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure B", and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
Since Section 197 of the Act is not applicable to the Company being a private limited company, the reporting required as per Section 197(16) is not applicable; and
- h) With respect to the other matters to be included in the Auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- The Company has disclosed the details of pending litigations in note 27 to the financial statements, the impact if any on the final settlement of these litigations is not ascertainable at this stage;
  - The company has made provisions, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S



Place: Bangalore  
Date: 16.09.2019

**CHERIAN K. BABY**  
Partner

M.No.16043

UDIN: 19016043AAAABP1723

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the financial statements of M/s Kaynes Technology India Private Limited for the year ended 31<sup>st</sup> March, 2019

(i)

(a) On the basis of our examination of the records, in our opinion, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) We are informed that most of the fixed assets of the company have been physically verified by the management during the year based on a fixed asset verification programme laid down by the management, but in our opinion the coverage needs to be further improved having regard to the size of the company and the nature of the assets.

(c) The title deeds of immovable properties owned by the Company are presently lodged with the bankers as security for loans availed and are explained to be held in the name of the Company.

(ii) We are informed that the inventory of raw materials, finished goods and stores and spares (excluding inventory with third parties at year end) have been physically verified by the management at reasonable intervals the frequency of which in our opinion is reasonable. No material discrepancies were noticed on such verification.

(iii) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has granted loan to parties covered in the register maintained under section 189 of the Act. We are of the opinion that the terms and conditions of loans granted by the company to these parties covered in the register maintained under section 189 of the Companies Act, 2013, are not prejudicial to the interests of the company.

Schedule of repayment of principal and payment of interest has been stipulated but varied during the year. There is no overdue amount remaining outstanding at the balance sheet date. Current accounts of the whole-time directors are not considered as loans and advances.

iv) According to the information and explanations given to us and based on the audit procedures conducted by us in respect of loans and investments, provisions of section 185 and 186 of "the act" have been complied with to the extent applicable.

(v) The Company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.





## Chartered Accountants

- (vi) We have broadly reviewed the cost records maintained by the Company in respect of its products pursuant to Rules made by the Central Government of India, for the maintenance of cost records as prescribed under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii)
- (a) According to the information and explanation given to us and as per our verification of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees 'State Insurance, Income-Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. Delays were noticed in payment of statutory dues in a few cases.  
As at the end of the year, there are no arrears of undisputed statutory dues of a material nature outstanding for a period of more than six months from the date on which they became payable.

- (b) According to the information and explanations given to us there are no unpaid disputed dues of Income tax, Value Added Tax, Service tax, GST, duties of customs, duties of excise or Sales Tax as on 31<sup>st</sup> March, 2019 except for the following:

Name of the statute/ Nature of dues	Amount in Rupees	Amount paid under protest/ adjusted by the Department	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	23,87,630	23,87,630	A.Y. 2010-11 [F.Y. 2009-10]	ITAT, Bangalore
Income Tax Act, 1961	5,05,640	3,00,000	AY 2008-09 [F.Y. 2007-08]	CIT(Appeals), Mysore

- (viii) According to the information and explanations given to us and on the basis of our verification of the records of the company, the company has not defaulted in repayment of material dues to the bank or financial institutions except for some delays in repayment of certain principal dues along with interest there on. There were no overdues as at 31<sup>st</sup> March, 2019. Company has not availed any loan from the Government. The Debentures issued during the year and outstanding as on 31<sup>st</sup> March, 2019 is not due for repayment.
- (ix) As a private company the question on public offer of shares is not applicable to the Company. According to the information and explanation given to us and as per the verification of the records of the Company, the term loans obtained during the year has been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanation given to us and the records of the Company examined by us, no frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company, hence the provisions of section 197 of the Companies act, 2013 are not applicable to the company.



**Chartered Accountants**

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with sections 188 of the Act where applicable since according to the management these transactions have been undertaken on arm's length basis in the ordinary course of business and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. As explained, provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. The company has issued unrated, secured, non-convertible debentures during the year for which provisions of section 42 of the Companies Act, 2013 are not applicable. Accordingly para 3 (xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S



**CHERIAN K. BABY**  
Partner

M.No.16043

UDIN: 19016043AAAABP1723

Place: Bangalore  
Date:16.09.2019



**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **M/s Kaynes Technology India Private Limited** ("the Company") as of 31<sup>st</sup> March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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





**Chartered Accountants**

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

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

**Meaning of Internal Financial Controls With Reference To Financial Statements**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls With Reference To Financial Statements**

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





**Chartered Accountants**

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting as detailed in note no. 31 to the financial statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company including basis of allocating expenses to various projects 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 **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S



A handwritten signature in blue ink, appearing to read 'Cherman K. Baby'.

**CHERIAN K. BABY**  
Partner

M.No.16043

UDIN: 19016043AAAABP1723

Place: Bangalore  
Date: 16.09.2019

KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
STANDALONE BALANCE SHEET AS AT

	Note	31.03.2019 (₹)	31.03.2018 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	2	6,79,99,920	6,79,99,920
Reserves and Surplus	3	86,75,27,922	77,50,09,246
		<u>93,55,27,842</u>	<u>84,30,09,166</u>
<b>Non-Current Liabilities :</b>			
Long term Borrowings	4	29,54,56,396	18,56,36,766
Deferred tax liabilities (Net)	5	7,96,68,902	7,07,69,897
Other long term liabilities	6	-	15,00,000
Long term provisions	7	2,24,93,464	1,69,58,139
		<u>39,76,18,762</u>	<u>27,48,64,802</u>
<b>Current Liabilities :</b>			
Short term Borrowings	8	1,18,73,55,424	69,75,38,402
Trade payables	9		
- Total outstanding dues of micro and small Enterprises		66,68,376	43,862
- Total outstanding dues of creditors other than micro and small enterprise		87,88,63,922	96,79,42,890
Other Current Liabilities	10	17,12,76,101	21,27,09,319
Short term provisions	11	1,84,76,175	4,57,94,547
		<u>2,26,26,39,998</u>	<u>1,92,40,29,020</u>
<b>Total</b>		<u><b>3,59,57,86,602</b></u>	<u><b>3,04,19,02,988</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets :</b>			
Fixed Assets	12		
Tangible Assets		44,38,70,861	42,86,76,615
Intangible Assets		4,62,47,740	1,74,25,831
Capital Work in Progress		2,19,56,865	1,43,71,854
Non Current Investments	13	3,57,67,962	3,40,88,062
Long Term Loans and Advances	14	5,54,23,948	4,18,31,252
		<u>60,32,67,376</u>	<u>53,63,93,615</u>
<b>Current Assets :</b>			
Inventories	15	1,20,05,03,612	84,75,15,114
Trade Receivables	16	1,20,55,49,910	1,32,28,22,114
Cash & Bank Balances	17	31,83,78,390	8,06,84,680
Short term loans and advances	18	25,90,36,727	24,90,67,114
Other current assets	19	90,50,587	54,20,351
		<u>2,99,25,19,226</u>	<u>2,50,55,09,373</u>
<b>Total</b>		<u><b>3,59,57,86,602</b></u>	<u><b>3,04,19,02,988</b></u>
Significant Accounting Policies	1		
Other Notes	27-46		

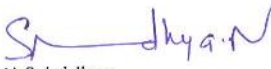
For and on behalf of the Board of Directors of  
Kaynes Technology India Private Limited  
CIN: U29128KA2008PTC045825

As per our report of the even date attached

  
Ramesh Kunhikannan  
Managing Director  
[DIN: 02063167]

  
Jairam P Sampath  
Whole Time Director  
[DIN: 08064368]

For VARMA & VARMA  
Chartered Accountants  
Firm Registration No: 0045325

  
N Srividhya  
Company Secretary

  
Cherian K Baby  
Partner  
M No: 016043

Place: Mysore  
Date: 16.09.2019

Place: Mysore  
Date: 16.09.2019



Place: Bangalore  
Date: 16.09.2019




KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED

	Note	31.03.2019 (₹)	31.03.2018 (₹)
<b>INCOME</b>			
Revenue from operations	20	3,52,84,30,210	3,69,37,45,425
Other Income	21	2,40,29,575	4,51,92,541
Total		<u>3,55,24,59,785</u>	<u>3,73,89,37,966</u>
<b>EXPENDITURE</b>			
Cost of raw materials and components consumed	22	2,38,77,67,536	2,50,37,64,648
Changes in inventories of finished goods work-in-progress and traded goods	23	(4,39,23,064)	6,23,095
Employee Benefits expense	24	40,89,32,899	39,22,27,422
Finance costs	25	18,71,66,217	14,08,54,939
Depreciation and Amortisation	12	5,04,09,655	4,54,04,057
Other Expenses	26	43,14,14,633	43,21,91,970
Total		<u>3,42,17,67,876</u>	<u>3,51,50,66,131</u>
<b>Profit / (Loss) Before Tax</b>		13,06,91,909	22,38,71,835
<b>Tax expenses</b>			
Current tax		3,00,00,000	6,96,00,000
Short/ (excess) provision of Income tax for earlier years		(7,25,771)	-
Add: MAT Credit entitlement		-	7,10,728
Deferred Tax charge/ (Gain)		88,99,005	68,87,687
<b>Profit / (Loss) after tax</b>		<u>9,25,18,675</u>	<u>14,66,73,420</u>
<b>Earnings Per Equity Share</b>	39		
-Basic Earnings Per Equity Share		13.61	21.57
-Diluted Earnings Per Equity Share		13.61	21.57
Significant Accounting Policies	1		
Other Notes	27-46		

For and on behalf of the Board of Directors of  
Kaynes Technology India Private Limited  
CIN: U29128KA2008PTC045825

As per our report of the even date attached

  
Ramesh Kunhikannan  
Managing Director  
[DIN: 02063167]

  
Jaisham P Sampath  
Whole Time Director  
[DIN: 08064368]

For VARMA & VARMA  
Chartered Accountants  
Firm Registration No: 0045325

  
N Srividhya  
Company Secretary



  
Cherian K Baby  
Partner  
M No: 016043

Place: Mysore  
Date: 16.09.2019

Place: Mysore  
Date: 16.09.2019

Place: Bangalore  
Date: 16.09.2019

KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED

	31.03.2019 (₹)	31.03.2018 (₹)
<b>[a.] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation and, exceptional items	13,06,91,909	22,38,71,835
Adjustments for :		
Depreciation and Amortisation	5,04,09,655	4,54,04,057
Interest Income	(62,35,569)	(70,43,995)
Finance costs	18,71,66,217	13,84,54,939
Interest on Income tax	49,66,568	24,00,000
Profit on sale of Mutual funds	-	(12,55,862)
(Profit)/ Loss on sale of fixed assets	4,66,050	-
Bad debts written off	2,25,37,094	80,03,308
Provision for doubtful advances	-	37,04,722
Unrealised Foreign Exchange	(1,55,04,799)	(52,69,989)
<b>Operating Profit before working capital changes</b>	<b>37,44,97,124</b>	<b>40,82,69,015</b>
Adjustments for :		
(Increase)/ decrease in Inventories	(35,29,88,498)	(4,87,66,166)
(Increase)/ decrease in Trade Receivables	9,55,89,596	(41,11,83,936)
(Increase)/ decrease in advances and other current assets	(2,42,50,755)	(1,12,02,236)
Increase/ (decrease) in Trade Payables	(6,78,04,139)	18,97,93,217
Increase/ (decrease) in Other Liabilities	(57,97,149)	(32,39,691)
	<b>(35,52,50,945)</b>	<b>(28,45,98,812)</b>
<b>Cash generated from operations</b>	<b>1,92,46,179</b>	<b>12,36,70,203</b>
Direct taxes paid	(6,45,70,810)	(2,93,75,005)
Net Cash from/ (used in) operating activities	<b>(4,53,24,631)</b>	<b>9,42,95,198</b>
<b>Net Cash from/ (used in) operating activities (A)</b>	<b>(4,53,24,631)</b>	<b>9,42,95,198</b>
<b>[b.] CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets / CWIP	(10,92,44,248)	(1,68,06,688)
Interest Received	62,35,569	70,43,995
Investment in Mutual Funds (net of sale proceeds)	(1,80,000)	18,16,162
Investments in Equity shares of subsidiary company	(14,99,900)	
Sale of Fixed Assets	3,80,000	-
Net Cash Flow from/ (used in) Investing Activities (B)	<b>(10,43,08,579)</b>	<b>(79,46,531)</b>
<b>[c.] CASH FLOW FROM FINANCING ACTIVITIES</b>		
Grant received	-	3,27,38,630
Unsecured Loans (repayment)/ receipt	1,63,51,438	1,72,30,960
Secured Loans (repayment)/ receipt	55,81,41,699	58,31,738
Interest paid (repayment)/ receipt	(18,71,66,217)	(13,84,54,939)
	<b>38,73,26,920</b>	<b>(8,26,53,611)</b>





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED

	31.03.2019 (₹)	31.03.2018 (₹)
Net Cash Flow from/ (used in) Financing Activities (C)	38,73,26,920	(8,26,53,611)
Net increase/ ( decrease ) in Cash and Cash equivalents [A+B+C]	<u>23,76,93,710</u>	<u>36,95,056</u>
Cash and cash equivalents as at April 1, * Cash and Bank Balances	8,06,84,680	7,69,89,624
Cash and cash equivalents as at March 31, * Cash and Bank Balances	31,83,78,390	8,06,84,680
	<u>23,76,93,710</u>	<u>36,95,056</u>

\* Cash and Bank Balances includes ₹.5,59,17,233/- [PY: ₹.5,31,43,590/-] of earmarked bank deposits, which however is cashable on request without any additional cost and ₹. 6,98,74,881 (PY : ₹.2,35,19,164/-) held as margin money by the bank for issue of guarantees and letter of credit on behalf of the company [Refer Note 17]

[Notes]

[1] The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at March 31, 2019 and the related Profit and Loss Statement for the year ended on that date.

[2] The above Cash Flow Statement has been prepared on indirect method in accordance with the prescription in Accounting Standard (AS) 3 on cash flow statements notified in Companies (Accounting Standards) Rule 2006.

[3] Figures in the brackets indicates cash outflow during the year.

For and on behalf of the Board of Directors of  
Kaynes Technology India Private Limited  
CIN: U29128KA2008PTC045825

As per our report of the even date attached

  
Ramesh Kunhikannan  
Managing Director  
[DIN: 02063167]

  
Jai Ram P Sampath  
Whole Time Director  
[DIN: 08064368]

For VARMA & VARMA  
Chartered Accountants  
Firm Registration No: 0045325

  
N Srividhya  
Company Secretary



  
Cherian K Baby  
Partner  
M No: 016043

Place: Mysore  
Date: 16.09.2019

Place: Mysore  
Date: 16.09.2019

Place: Bangalore  
Date: 16.09.2019

## KAYNES TECHNOLOGY INDIA PRIVATE LIMITED

### 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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#### Corporate Information:

Kaynes Technology India Private Limited ("the Company") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in providing Electronic Design and Manufacturing Service "EDMS" solutions to suit individual customer requirements.

The Company is headquartered at Mysore and has its 10 manufacturing facilities and 2 Service Centres at 8 locations in India.

#### Significant Accounting Policies

##### i) Basis of Preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on accrual basis. IGAAP comprises mandatory accounting standards Companies (Accounting Standards) Rules, 2006 as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### ii) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Difference between the actuals/revised estimate and earlier estimates are recognized in the period in which the results are known/materialise.

##### iii) Cash Flow Statement

Cash Flow Statement has been prepared in accordance with AS 3 (Cash flow statements) specified under the Companies Act, 2013 using the indirect method to determine cash flows from operating activities.

##### iv) Revenue Recognition

Revenue from sale of products is recognised on dispatch of goods to customers or when ready for delivery based on order terms, and excludes GST. Sales returns are recognised in the year in which the goods are returned.

Revenue from services is recognised on accrual basis on completion of the service.

Rental income is recognised as per the terms of the agreement.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Profit and Loss Statement.





## KAYNES TECHNOLOGY INDIA PRIVATE LIMITED

### 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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#### v) Fixed assets, Depreciation and Amortisation

##### a) Tangible assets: Property, Plant & Equipment [PPE]

Tangible Assets [Property, Plant & Equipment] are stated at cost less accumulated depreciation, impairment in value if any. Cost includes purchase price (inclusive of import duties and non-refundable purchase taxes), other costs directly attributable for bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of Property, Plant & Equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement of spares/ major inspection relating to Property, Plant & Equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and cost of the item can be measured reliably.

The grant if any received for any identified items of Property, Plant & Equipment is reduced from its cost.

##### b) Intangible Assets

Intangible assets acquired are separately measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

##### c) Depreciation/Amortisation

Depreciation on tangible assets is provided over the useful lives of the assets on a Straight Line Method (SLM) at the rates specified in schedule II of the Companies Act, 2013 except in the case of moulds in respect of which the estimated useful life is ascertained as 6 years based on the independent technical evaluation carried out by the internal technical team which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation on assets purchased /sold during the year is proportionately charged.

Assets acquired on finance lease are depreciated over the period of lease or its useful life, whichever is lower. Leasehold improvements are amortized over the period of lease or 3 years whichever is earlier.

Intangible Assets are amortised over a period of 5 years on a straight line basis.

The Appropriateness of depreciation/amortisation period and depreciation/amortisation method is reviewed by the management at each financial year end.

##### d) Capital work in progress

All capital expenditure for construction of fixed assets are shown as capital work in progress until completion of the project or until the asset is ready to use. These costs are capitalized to the relevant items of the fixed assets on completion or on ready to use.

e) Expenditure incurred during development phase of intangible assets are accumulated in intangible assets under development account. The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.



## KAYNES TECHNOLOGY INDIA PRIVATE LIMITED

### 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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#### f) Impairment of Assets

The company assesses, at each balance sheet date, whether there is any indication that an asset, or group of assets comprising a cash generating unit, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and loss statement. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

#### vi) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an identified item of Property, Plant & Equipment, the carrying amount is reduced by government grant.

#### vii) Leases

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Statement on a systematic basis.

#### viii) Investments

Non-current investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. Decline in value, if any, which is not considered temporary in nature, is provided for.

Current investments are carried at lower of cost or net realisable value.

#### ix) Employee Benefits

##### a. Short term employee benefits:

Liability towards short term employee benefits which is expected to occur within twelve months after the end of the period in which the employees renders the related services, comprising largely of salaries & wages, short term compensated absences and annual bonus is valued on an undiscounted basis and is charged to the Profit and Loss Statement during the period when the employee renders the services.

##### b. Defined-contribution plans:

Contributions to the Employees' Provident Fund, Employees' Pension Scheme, Employees' State Insurance and Superannuation fund are as per statute/ company policy, as may be applicable, and are recognized as expenses during the period in which the employees perform the services.

##### c. Defined-benefit plans:

The company's Gratuity scheme is administered through the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation (LIC) of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.





## KAYNES TECHNOLOGY INDIA PRIVATE LIMITED

### 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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d. Other long term employee benefits:

The company has a scheme for compensated absences for employees. The liability other than for short term compensated absences determined on the basis of actuarial valuation carried out at the end of the year using projected unit credit method. Actuarial gain and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

x) Research & Development

When the product or process developed is technical and commercially feasible, the product is identified as marketable and viable and the company has the intention and resources to enable the marketing of the product, the costs of relatable research and development, to the extent it could be separately identified, are capitalised. these intangible assets are amortised on a systematic basis, either by reference to the sale or use of the product or process or by reference to a reasonable time period not exceeding 5 years. Revenue expenditure incurred on research and development is charged off in the same year in which such expenditure is incurred.

xi) Taxation

Tax expense is accounted in accordance with the Accounting Standard for Taxes on Income (AS-22), which includes current tax and deferred tax.

Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the provisions of the Income Tax Act, 1961.

Deferred tax assets/ liability represents timing differences between accounting income and taxable income recognised to the extent considered capable of being reversed in the subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that Deferred tax asset arising due to unabsorbed Depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same.

xii) Foreign Currency Transactions

Transactions in foreign currency are recognized at the rates of exchange which are as per the notification issued by Central Board of Excise and Customs from time to time.

All monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there-from are adjusted to the Profit and Loss Statement. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on restatement of the same on reporting date from the rates at which they were initially recognised, are reported as income or expense in the year in which they arise.

xiii) Forward exchange contracts

Forward contracts in foreign exchange are entered into by the company mainly to hedge its net foreign currency exposure arising out of highly probable forecast transactions which are not covered by AS 11 (The effect of change in foreign exchange rate) notified under Companies (Accounting Standards) Rules, 2006. Hence the company follows the guidance note on Accounting for Derivatives contracts issued by ICAI which is in effect from 1/4/2016. Forward contracts are accounted for at fair value with the changes in fair value as at the reporting date being recognised in the profit and loss statement.



## KAYNES TECHNOLOGY INDIA PRIVATE LIMITED

### 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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xiv) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

xv) Inventories

Raw materials and components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is ascertained under first in first out method.

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.

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.

xvi) Customs Duty and Excise Duty

(a) Excise Duty in respect of goods sold is reduced from Sales.

(b) Customs duty applicable on goods under clearance have been computed and provided for by adding the same to the value of relative inventories.

xvii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of past events for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Contingent liabilities are disclosed in the notes when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are neither recognised nor disclosed in the accounts.

xi) Earnings per share

The basic earnings per share is computed by dividing the net profits / (losses) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for the year is presented and adjusted for events, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted Earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period should be adjusted for the effects of all dilutive potential equity shares.

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2 Share Capital	31.03.2019 (₹)	31.03.2018 (₹)
<b>Authorised :</b> 70,00,000 (2018 : 70,00,000) Equity Shares of ₹ 10/- each	7,00,00,000	7,00,00,000
<b>Issued, Subscribed and Paid up</b> 67,99,992 (2018 : 67,99,992) Equity Shares of ₹ 10/- each	6,79,99,920	6,79,99,920
	<b>6,79,99,920</b>	<b>6,79,99,920</b>

a. Reconciliation of the shares outstanding at the beginning and at the end of the financial year:

Equity Shares outstanding:	31.03.2019		31.03.2018	
	No. of shares	(₹)	No. of shares	(₹)
At the beginning of the year	67,99,992	6,79,99,920	51,00,000	5,10,00,000
Issued during the year	-	-	16,99,992	1,69,99,920
Outstanding at the end of the year	67,99,992	6,79,99,920	67,99,992	6,79,99,920

b. Terms/rights attached to equity shares:

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

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 if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The dividend, if any, proposed by the Board of Directors is subject to the prior written consent of the Debenture Trustee and the approval of the shareholders in the ensuing Annual General Meeting.

The company has not issued any securities that are convertible into equity/ preference shares.

c. Details of shareholders holding more than 5% shares in the company:

Particulars	31.03.2019		31.03.2018	
	No. of shares	% of holding	No. of shares	% of holding
Ramesh Kunhikannan, Managing Director	67,96,670	99.95%	67,96,670	99.95%

d. For the period of five years immediately preceding 31.03.2019

A. No shares were allotted as fully paid-up pursuant to contract(s) without payment being received in cash.

B. Aggregate Number and class of shares allotted as fully paid up by way of bonus shares

	No. of shares	(₹)
Equity share of ₹ 10/- each		
(i) Financial Year 2012-13	24,50,000	2,45,00,000
(ii) Financial Year 2017-18 [refer note below]	16,99,992	1,69,99,920

The Company has issued 16,99,992 fully paid equity shares of Rs. 10 each during such year pursuant to a bonus issue approved by the shareholder in the EGM held on 14.09.2017. One Bonus share of Rs.10 each was allotted for every three equity shares held in the company.

C. No shares were bought back.

3 Reserves and Surplus

	31.03.2019 (₹)	31.03.2018 (₹)
Securities Premium		
Balance as at the beginning of the year	75,09,880	2,45,09,800
Less : Utilised towards issue of bonus shares	-	(1,69,99,920)
Closing Balance	<b>75,09,880</b>	<b>75,09,880</b>



KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

Debtore Redemption Reserve	3,75,00,000	-
Balance as at the beginning of the year	4,25,00,000	3,75,00,000
Add : Additions during the year (refer note below)	<u>8,00,00,000</u>	<u>3,75,00,000</u>

The debtore redemption reserve is created as per Section 71 of the Companies Act-2013 read with rule 18(7) of the Companies (Share Capital and Debentures) Rule 2014.

General Reserve	5,00,00,000	5,00,00,000
Balance as at the beginning of the year	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Closing Balance		

Surplus in the profit and loss statement		
Balance as at the beginning of the year	67,99,99,366	57,08,25,946
Net Surplus in the profit and loss statement	9,25,18,675	14,66,73,420
Less : Appropriations		
Transfer to Debtore Redemption Reserve	4,25,00,000	3,75,00,000
	<u>73,00,18,042</u>	<u>67,99,99,366</u>

Total Reserves and Surplus

	<u>86,75,27,922</u>	<u>77,50,09,246</u>
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4 Long-term borrowings

	Non-current portion		Current portion	
	31.03.2019 (₹)	31.03.2018 (₹)	31.03.2019 (₹)	31.03.2018 (₹)
<b>Debentures</b>				
Unsecured Debentures	15,00,00,000	15,00,00,000	-	-
Secured Debentures	12,32,50,000	-	4,67,50,000	-
<b>Term Loans</b>				
From Others				
Secured	16,87,053	90,24,863	70,44,450	8,05,99,152
Unsecured	68,18,501	2,25,30,959	1,57,35,809	1,41,75,123
<b>Vehicle Loan</b>				
From Bank - Secured	1,37,00,842	40,80,944	40,43,007	9,31,749
From Others - Secured	-	-	-	16,40,743
	<u>29,54,56,396</u>	<u>18,56,36,766</u>	<u>7,35,73,266</u>	<u>9,73,46,767</u>
The above amount includes				
Secured borrowings	13,86,37,895	1,31,05,807	5,78,37,457	8,31,71,644
Unsecured borrowings	15,68,18,501	17,25,30,959	1,57,35,809	1,41,75,123
Amount disclosed under the head "Other current liabilities"[refer note 10]	-	-	(7,35,73,266)	(9,73,46,767)
<b>Net amount</b>	<u>29,54,56,396</u>	<u>18,56,36,766</u>	<u>-</u>	<u>-</u>

[a.] Notes on Debentures

(i) 150 Unrated Unlisted Non Convertible Debentures of face value Rs. 10,00,000/- with a coupon rate of 18% p.a. payable at monthly advance rest. The maturity date shall be the date falling on the expiry of 30 months from the deemed date of allotment which is 17.10.2017. These are guaranteed by the personal guarantee and pledge of 26% shares of the Company held by the founders of the company.

(ii) 1,700 Unrated, secured, unlisted, redeemable Non Convertible Debentures of face value Rs. 1,00,000/- with a coupon rate of 16% p.a. payable at monthly advance rest repayable in 4 quarterly instalments with the first repayment starting from 30.06.2019 onwards. This is secured against hypothecation of specific plant & machinery and specific receivables. These are guaranteed by the personal guarantee and pledge of 33% shares of the founders of the company. The principal amount falling due within a period of 12 months from the balance sheet date on this loans aggregating to Rs.4.68 Crores (PY Rs. Nil) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10)





[b.] Notes on Long Term Borrowings- Secured

(i) EXIM Bank -Secured term loan of Rs. 9.35 Crores repayable in 20 Quarterly instalments along with the interest commencing after moratorium of 12 months from Scheduled Commercial Operation Date (30th June 2015) or Actual commercial operation date, whichever is earlier . The loan is secured against first pari passu entire movable fixed assets of the company including plant and machinery except for those exclusively charged to other lenders as first pari passu charge and first charge on factory land and building and canteen building. Further this loans has been guaranteed by the personal guarantee of two whole time directors of the company. The rate of interest is 11%p.a [Financial Year 2017-18 - 12.50%]. This loan is pre closed in July 2018.

(ii) Siemens Financial Services Private Limited - Two secured term loans from this Non Banking Financial Institution are repayable in 48 monthly instalments along with the interest at 13.25% per annum [Financial Year 2017-18 -13.25%]. The loan is secured by hypothecation of plant and machinery acquired by this loan. The principal amount falling due within a period of 12 months from the balance sheet date on this loans aggregating to Rs. 58.85 lakhs Crores (PY Rs.1.41 Crores ) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10)

(iii) Sundaram Finance Ltd- Secured term loan is repayable in 48 monthly instalments along with the interest at 13.50% per annum [PY: 13.50%]. The loan is secured by hypothecation of plant and machinery acquired by this loan. The principal amount falling due within a period of 12 months from the balance sheet date on this loan aggregating to Rs. 11.59 lakhs (PY : Rs. 10.14 lakhs) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10)  
Charge is pending to be registered with ROC for this loan.

[c.] Notes on Long Term Borrowings- Unsecured

(i) Hero Fincorp.- Unsecured working capital term loan of Rs.5 Crores repayable in 48 monthly instalments along with interest rate of 12.75% p.a. which is secured by charge on the personal property of the director Mr. Ramesh Kunhikannan, situated at SY 60, Kizhanna desom, Kannur and LIC policy of Ramesh Kunhikannan with surrender value of Rs. 2.49 crores. The principal amount falling due within a period of 12 months from the balance sheet date on this loan aggregating to Rs. 1.49 crores (PY: 1.24 crores) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10)

(ii) Bajaj FinServ-Unsecured working capital term loan of Rs.35.75 lakhs repayable in 48 monthly instalments along with interest rate of 19.75% (PY 19.75%) p.a. The principal amount falling due within a period of 12 months from the balance sheet date on this loan aggregating to Rs. 8.06 lakhs (PY: 10.27 lakhs) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10).

[c.] Notes on Vehicle Loans

Vehicle loans from bank/others is repayable in 24 to 48 monthly instalments along with the interest rate ranging from 8.62% to 9.78% per annum. The loan is secured against the vehicles purchased out of this loan. The principal amount falling due within a period of 12 months from the balance sheet date on this loan aggregating to Rs. 40.43 lakhs (PY Rs. 24.71 lakhs ) is disclosed under other current liabilities as current maturities of long term borrowings (refer note 10).

5 Deferred Tax Liability (Net)

	31.03.2019 (₹)	31.03.2018 (₹)
Deferred tax liability		
Fixed assets: timing differences on account of depreciation allowance.	9,13,22,422	8,03,80,852
Gross deferred tax liability	9,13,22,422	8,03,80,852
Deferred tax asset		
Expenses: timing differences on expenses allowable on payment basis.	1,16,53,520	96,10,955
Gross deferred tax asset	1,16,53,520	96,10,955
Net deferred tax liability	7,96,68,902	7,07,69,897

6 Other long term liabilities

	31.03.2019 (₹)	31.03.2018 (₹)
Rent Deposit	-	15,00,000
	-	15,00,000



7 Long term provisions

	Non-current portion		Current portion	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	(₹)	(₹)	(₹)	(₹)
<b>Provision for employee benefits</b>				
Gratuity [refer note 32]	1,80,26,120	1,31,04,478	57,57,392	29,29,163
Compensated Absences [refer note 32]	44,67,344	38,53,661	5,39,824	3,56,411
	<b>2,24,93,464</b>	<b>1,69,58,139</b>	<b>62,97,216</b>	<b>32,85,574</b>
Amount disclosed under the head "Short Term Provisions" [refer note 11]	-	-	(62,97,216)	(32,85,574)
<b>Net amount</b>	<b>2,24,93,464</b>	<b>1,69,58,139</b>	<b>-</b>	<b>-</b>

8 Short-term borrowings

	31.03.2019	31.03.2018
	(₹)	(₹)
Short term Unsecured loans from shareholders	7,38,00,000	2,38,50,000
<b>Loans Repayable on demand :</b>		
- From Banks		
Cash Credit - Secured	65,78,46,940	32,87,66,455
Rupee Packing Credit - Secured	32,41,03,512	17,09,28,621
Foreign Currency Buyer's Credit - Secured	-	1,96,36,316
Foreign Currency Bills Discounted - Secured	5,54,21,418	5,15,90,220
Foreign Currency Packing Credit - Secured	4,26,83,554	5,13,80,686
- From Other Parties		
Rupee Packing Credit - Unsecured	-	2,13,86,104
Rupee demand loan - Unsecured	3,35,00,000	3,00,00,000
	<b>1,18,73,55,424</b>	<b>69,75,38,401</b>
	31.03.2019	31.03.2018
	(₹)	(₹)
<b>The above amount includes</b>		
Secured borrowings	1,08,00,55,424	62,23,02,298
Unsecured borrowings	10,73,00,000	7,52,36,104
<b>Net amount</b>	<b>1,18,73,55,424</b>	<b>69,75,38,402</b>

[Notes]

a) Short term loans from shareholders are repayable in monthly instalments during the next year and carries interest at 13% to 17% per annum.

b) Secured Cash credit, Packing credit and Buyers credit from Banks are secured against the hypothecation of stock of raw materials, work-in-progress, finished goods, book debts outstanding and common collateral security of factory land and building, canteen building and plant and machinery. Canara Bank holds 54.7% share of the above securities with a paripassu charge held by Kotak Mahindra Bank. Further these loans have been guaranteed by the personal guarantee of two whole time directors of the company.

c) Saraswat Bank has approved a cash credit facility of ₹. 37 crores on 01.10.2018 where the securities hypothecated with Kotak Mahindra Bank will be hypothecated to Saraswat Bank with a paripassu charge. Documentation and modification of charge for this is pending as on the balance sheet date.

d) Rupee demand loan from Bajaj Finserv to be repaid or rolled over at the request of the company.

e) Kotak Mahindra Bank- pledge of 30% shares of the company held by one of the directors in favour of the bankers.





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

9 Trade Payables

	31.03.2019 (₹)	31.03.2018 (₹)
Total outstanding dues of micro and small enterprises [refer note below]	66,68,376	43,862
Total outstanding dues of creditors other than micro and small enterprises	87,88,63,922	96,79,42,890
	<b>88,55,32,298</b>	<b>96,79,86,752</b>

[Note] The Company has identified Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on intimations received from suppliers as to their status under the said Act. Particulars of dues to these parties are as under:

Overdue amount outstanding at the end of the year	38,56,742	43,862
Principal amount (except overdue amount) outstanding at the end of the year	28,11,634	43,862
Interest paid after due date during the year.	-	-
Interest amount accrued and remaining unpaid at the end of the year	4,86,280	15,952

10 Other current liabilities

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Other Liabilities</b>		
Current Maturities of long-term debts [refer note 4]	7,35,73,266	9,73,46,767
Interest accrued but not due on borrowings	1,56,686	15,26,701
Rent Deposit	15,00,000	-
<b>Others</b>		
Trade Payables [Capital Goods]	-	34,45,587
Dues to employees [Refer note below]	5,02,64,128	7,83,98,558
Statutory dues payable	1,86,26,552	3,19,91,706
Advance from customers	2,71,55,469	-
	<b>17,12,76,101</b>	<b>21,27,09,319</b>

[Notes]

Dues to employees includes due to related parties:

- Ramesh Kunhikannan	3,17,800	1,44,07,800
- Savitha Ramesh	3,77,800	1,44,07,800
- Premita Ramesh	1,54,800	5,000
- Jairam P Sampath	99,800	2,34,800

11 Short term provisions

	31.03.2019 (₹)	31.03.2018 (₹)
Compensated Absences [refer note 7]	5,39,824	3,56,411
Gratuity [refer note 7]	57,57,392	29,29,163
Income Tax (Net of Advance tax paid and TDS)	1,21,78,959	4,25,08,973
	<b>1,84,76,175</b>	<b>4,57,94,547</b>

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KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

12. Tangible assets												(Amounts in ₹)
Particulars	Freehold Land	Leasehold Land	Buildings [4]	Plant & Equipment	Furniture & Fixtures	Office Equipment	Electrical Fittings	Computers	Vehicles	Airconditioners	Leasehold Improvement	Total
<b>Gross Block at cost</b>												
As at April 1, 2017	45,33,125	1,35,62,850	9,10,28,086	44,39,12,973	2,84,10,057	1,10,20,544	1,30,16,057	1,68,81,028	3,23,79,914	71,86,716	56,85,511	66,76,76,861
Additions [1], [2] & [3]	-	7,56,560	62,59,964	1,23,63,926	15,48,562	4,18,193	3,60,523	10,57,466	50,25,991	1,18,745	6,80,412	2,85,90,342
Adjustment for Government grant received [5]	-	-	78,94,767	1,57,27,010	6,357	-	1,32,615	-	-	3,00,523	-	2,40,61,272
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>45,33,125</b>	<b>1,43,19,410</b>	<b>8,93,93,283</b>	<b>44,05,49,889</b>	<b>2,99,52,262</b>	<b>1,14,38,737</b>	<b>1,32,43,965</b>	<b>1,79,38,494</b>	<b>3,74,05,905</b>	<b>70,04,938</b>	<b>63,65,923</b>	<b>67,21,45,931</b>
Additions	-	-	-	3,14,34,785	44,50,478	8,71,564	3,75,251	37,95,530	1,70,04,910	22,72,385	36,94,335	6,38,98,937
Disposal	-	-	-	-	-	-	-	-	28,85,406	-	-	28,85,406
<b>As at March 31, 2019</b>	<b>45,33,125</b>	<b>1,43,19,410</b>	<b>8,93,93,283</b>	<b>47,19,84,674</b>	<b>3,44,02,440</b>	<b>1,23,10,301</b>	<b>1,36,19,216</b>	<b>2,17,34,024</b>	<b>5,15,25,409</b>	<b>92,77,323</b>	<b>1,00,60,258</b>	<b>73,31,59,462</b>
<b>Accumulated Depreciation</b>												
Up to April 1, 2017	-	-	93,92,669	12,27,99,304	1,43,92,434	67,33,889	74,66,324	1,44,02,194	1,61,55,030	49,23,800	34,95,444	19,97,61,089
Charge for the year	-	-	21,57,238	2,83,72,062	27,14,910	15,93,906	14,68,996	14,49,161	35,83,046	7,56,207	16,12,701	4,37,08,227
On Disposal	-	-	-	-	-	-	-	-	-	-	-	-
<b>Up to March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>1,15,49,907</b>	<b>15,11,71,366</b>	<b>1,71,07,344</b>	<b>83,27,795</b>	<b>89,35,320</b>	<b>1,58,51,355</b>	<b>1,97,38,076</b>	<b>56,80,007</b>	<b>51,08,145</b>	<b>24,34,69,316</b>
Charge for the year	-	-	22,61,284	2,95,56,724	27,10,737	14,83,830	11,48,276	32,48,959	50,64,041	8,08,783	15,76,008	4,78,58,641
On Disposal	-	-	-	-	-	-	-	-	20,39,356	-	-	20,39,356
<b>Up to March 31, 2019</b>	<b>-</b>	<b>-</b>	<b>1,38,11,191</b>	<b>18,07,28,090</b>	<b>1,98,18,081</b>	<b>98,11,625</b>	<b>1,00,83,596</b>	<b>1,91,00,313</b>	<b>2,27,62,761</b>	<b>64,88,790</b>	<b>66,84,153</b>	<b>28,92,88,601</b>
Balance as at March 31, 2019	45,33,125	1,43,19,410	7,55,82,092	29,12,56,584	1,45,84,359	24,98,676	35,35,620	26,33,711	2,87,62,648	27,88,533	33,76,105	44,38,70,861
Balance as at March 31, 2018	45,33,125	1,43,19,410	7,78,43,376	28,93,78,523	1,28,44,918	31,10,942	43,08,645	20,87,139	1,76,67,829	13,24,931	12,57,778	42,86,76,615
<b>Capital Work in Progress</b>												
Balance as at March 31, 2019	-	-	-	-	-	-	-	-	-	-	-	2,19,56,865
Balance as at March 31, 2018	-	-	-	-	-	-	-	-	-	-	-	1,43,71,854

[1] The company is confident that the leasehold land obtained from Karnataka Industrial Development Board will be converted into free hold land by way of a sale agreement in the near future.

[2] The leasehold land includes a building measuring about 750 m<sup>2</sup> for which separate cost is not known.

[3] Additions to lease hold land represent the registration charges paid towards the land acquired in the previous year.

[4] Building includes property at Parwanoo - Himachal Pradesh, which is pending registration.

[5] During the year 2017-18 the company had received grant from Ministry of Communication and Information Technology as incentives for expansion projects with reference to approved items of plant and equipment under Modified Special Incentives Package Scheme (M-SIPS). The grant amount of ₹.2.41 Crores is reduced from the respective asset value in accordance with the accounting policy adopted by the Company.





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

Intangible assets		Computer Software	Total
Particulars			
Gross Block at cost			
As at April 1, 2017	1,35,04,460	1,35,04,460	1,35,04,460
Additions/Adjustment	1,08,23,621	1,08,23,621	1,08,23,621
Disposal/Adjustment			
As at March 31, 2018	2,43,28,081	2,43,28,081	2,43,28,081
Additions/Adjustment	3,13,72,923	3,13,72,923	3,13,72,923
Disposal/Adjustment			
As at March 31, 2019	5,57,01,004	5,57,01,004	5,57,01,004
<b>Accumulated Amortisation</b>			
Up to April 1, 2017	52,06,420	52,06,420	52,06,420
Charge for the year/Adjustment	16,95,830	16,95,830	16,95,830
Disposal/Adjustment			
Up to March 31, 2018	69,02,250	69,02,250	69,02,250
Charge for the year/Adjustment	25,51,014	25,51,014	25,51,014
Disposal/Adjustment			
Up to March 31, 2019	94,53,264	94,53,264	94,53,264
Balance as at March 31, 2018	4,62,47,740	4,62,47,740	4,62,47,740
Balance as at March 31, 2019	1,74,25,831	1,74,25,831	1,74,25,831



KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

13 Non-current investments

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Trade investments (Valued at cost unless stated otherwise)</b>		
<b>Investments in equity Instruments of Subsidiaries (Unquoted)</b>		
Kaynes Embedded System Private Limited	30,00,000	30,00,000
Less: Provision for diminution in value	(30,00,000)	(30,00,000)
Kemsys Technologies Private Limited	50,00,000	50,00,000
Kaynes International Design & manufacturing Private Limited	14,99,900	-
Kaynes Technology Europe GmbH	92,41,162	92,41,162
<b>Investments in equity Instruments- Others (Unquoted)</b>		
Winfoware Technologies Limited	1,08,02,500	1,08,02,500
Mysore ESDM Cluster	25,000	25,000
	<b>2,65,68,562</b>	<b>2,50,68,662</b>
<b>Investments in Mutual Funds (Quoted)</b>		
Canara Robeco Capital Protection Oriented Fund 8,49,980 units at ₹. 10 [PY: 8,49,980 units at ₹.10 ]	84,99,800	84,99,800
Canara Robeco Emerging Equities - Regular Growth fund - 2,273.130 units of ₹. 87.91 each [PY: 1/31.08 units of ₹.86.56 each]	1,99,850	1,49,850
Canara Robeco Emerging Equities - Regular Growth fund - 315.66 units of ₹. 95.04 each [PY:315.66 units of ₹. 95.04 each]	30,000	30,000
Canara Robeco Balance regular growth- Regular Growth fund - 789.647 units at ₹. 139.17 each [PY: 655.95 units at ₹.137.05 each]	1,09,900	89,900
Canara Robeco Balance regular growth- Regular Growth fund -135.30 units at ₹. 147.82 each [PY: 135.30 units at ₹. 147.82 each]	20,000	20,000
Canara Robeco Infrastructure - Regular Growth Fund- 1,711 units at ₹ 46.7124 [PY: 1,465.54 units at ₹.47.7128 each]	79,925	69,925
Canara Robeco Large Capital Fund - Regular Growth Fund- 6474.126 units of ₹.21.6129 each [PY: 4,756.9 units of ₹.21.0063 each]	1,39,925	99,925
Canara Robeco Large Capital Fund - Regular Growth Fund- 1.320.412 units of ₹.22.7201 each [PY: 882.97 units of ₹.22.6508 each ]	30,000	20,000
Canara Robeco Consumer Trends Fund - Regular Growth - 1,083.756 units of ₹.36.9086 each [PY: 544.49 unit of ₹. 36.7316 each]	40,000	20,000
Canara Robeco Equity Diversified - Regular Growth- 404.530 units of ₹.123.6002 each [PY: 161.62 units of ₹.123.7471 each]	50,000	20,000
	<b>91,99,400</b>	<b>90,19,400</b>
<b>Net amount</b>	<b>3,57,67,962</b>	<b>3,40,88,062</b>
Aggregate amount of Unquoted investments	2,65,68,562	2,50,68,662
Aggregate amount of provision for diminution in value of investments	30,00,000	30,00,000
Quoted NAV of investments	1,05,28,060	98,10,016

13.1 Investments in equity instruments of subsidiaries

- a) Investment in Kaynes Embedded System Private Limited, 300,000 equity shares (2016: 300,000 equity shares) of ₹.10/- each, constitutes 60% (2018: 60%) of the capital of that company.
- b) Investment in Kemsys Technologies Private Limited 50,00,000 (of this 10 shares held by the nominee) equity shares (2016: 50,00,000) of face value of ₹.1/- each purchased at par, constitutes 100% (2018: 100%) of the capital of that company.
- c) Investment in Kaynes Technology Europe GmbH- 270 equity shares (of this 27 shares held by the nominee) ₹. 92,41,162/- (2018: ₹. 92,41,162/-), constitutes 60% of capital of that company.
- d) Investment in Kaynes International Design & manufacturing Private Limited- 1,49,990 equity shares ₹. 14,99,900/- (2018: ₹. Nil), constitutes 99.99% of capital of that company.





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

13.2 Investments in equity instruments- Others

a) Investment in Winfoware Technologies Limited 1,487,120 equity shares (2018: 1,487,120 equity shares) face value of ₹. 5/- each purchased at a premium, constitutes 18.98% of the capital of that company.

b) Investment in Mysore ESDM Cluster (Company constituted under section 8 of the Companies Act 2013), 2,500 equity shares of ₹. 10/- each constitutes 14.29% [PY:25%] of the capital of that company.

14 Long-term loans and advances

	Non-current portion		Current portion	
	31.03.2019 (₹)	31.03.2018 (₹)	31.03.2019 (₹)	31.03.2018 (₹)
Capital Advances - Unsecured, considered good	1,82,97,773	1,53,55,983	-	-
<b>Security Deposit</b>				
Unsecured, Considered good				
Rent Deposit	1,87,99,836	1,88,96,776	-	-
Utility Deposit	31,32,528	29,07,028	-	-
EMD Deposit	-	-	64,54,791	39,49,351
<b>Loans and advances to related parties</b>				
Unsecured, considered doubtful	-	-	37,04,722	37,04,722
Less : Provision for doubtful advances	-	-	(37,04,722)	(37,04,722)
Unsecured, considered good	-	-	9,66,56,326	8,50,69,422
<b>Advances recoverable in cash, kind or for value to be received</b>				
Unsecured considered good	91,47,298	27,11,250	-	-
<b>Other loans and advances</b>				
Balance with statutory/government authorities - Unsecured[Refer note 14.2]	24,70,215	19,60,215	-	-
Advance Income Tax (Net of Provisions)	35,76,298	-	-	-
Loan and advances to employees	-	-	98,80,222	78,70,074
	5,54,23,948	4,18,31,252	11,29,91,340	9,68,88,847
Amount disclosed under the head "Other loans and advances" [refer note 19]	-	-	(11,29,91,340)	(9,68,88,847)
<b>Net amount</b>	<b>5,54,23,948</b>	<b>4,18,31,252</b>	<b>-</b>	<b>-</b>
<b>The above amount includes</b>				
Unsecured, considered good	5,54,23,948	4,18,31,252	11,29,91,340	9,68,88,847

[Notes]

[14.1] Loans to related parties include ₹. 3.92 crores (PY ₹. 3.92 Crore) given to Kemsys Technologies Private Limited (Wholly-Owned Subsidiary) carrying interest of 8% per annum [PY: 8% per annum]. Balance represents advances given to other subsidiaries and associates in the normal course of business with them. Since there is no fixed repayment schedule stipulated for loans to related parties has been classified as a current asset. Also includes ₹.3,09,71,197/- [PY:-₹.3,09,71,197/-] receivable from Directors.

[14.2] Includes ₹.21,10,000/- [PY: ₹.16,00,000/-] paid under protest to Karnataka VAT authorities in relation to CST assessment for the year 2015-16 pending rectification.

15 Inventories

	31.03.2019 (₹)	31.03.2018 (₹)
Raw Materials and Components	94,01,59,614	65,17,57,377
Work in progress-Goods	10,26,12,716	8,84,78,450
Work in progress - Services	3,17,00,416	-
Finished Goods	6,26,57,772	6,45,69,389
Stores and spares	2,26,17,269	1,49,86,001
Goods In Transit	4,07,55,825	2,77,23,898
	<b>1,20,05,03,612</b>	<b>84,75,15,114</b>

\* Inventory is valued at cost on FIFO method through the Inventory module of accounting package used and consists of material costs and overheads to the extent applicable and allocated.



KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

16 Trade Receivable

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	9,85,69,727	10,90,22,957
Unsecured, considered Doubtful	8,53,729	-
	9,94,23,456	10,90,22,957
Less: Provision for doubtful receivable	8,53,729	-
<b>Net total</b>	<b>9,85,69,727</b>	<b>10,90,22,957</b>
<b>Others</b>		
Unsecured, considered good	1,10,69,80,183	1,21,37,99,157
<b>Total</b>	<b>1,20,55,49,910</b>	<b>1,32,28,22,114</b>

17 Cash and Bank Balances

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Cash and Cash Equivalents</b>		
In cash credit account <sup>[1]</sup>	18,92,30,534	-
In current accounts	30,21,482	35,73,489
In EEFC account	1,33,936	1,33,936
Cash on hand	2,00,324	3,14,501
	19,25,86,276	40,21,926
<b>Other bank balances</b>		
Other earmarked balances <sup>[2]</sup>	5,59,17,233	5,31,43,590
Margin Money <sup>[3]</sup>	6,98,74,881	2,35,19,164
	12,57,92,114	7,66,62,754
<b>Total</b>	<b>31,83,78,390</b>	<b>8,06,84,680</b>

[1] Represents the debit balance in a cash credit facility extended by Kotak Mahindra Bank.

[2] Other earmarked balances are deposits encumbered with bank for providing working capital facility and is readily encashable.

[3] Held with banks for issue of performance bank guarantees, letters of credit and guarantees to customs authorities

18 Short-term loans and advances

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Other loans and advances - Unsecured considered good</b>		
Long-term loans and advances - Current Portion [refer note 14]	11,29,91,340	9,68,88,847
Balance with statutory/government authorities [Refer note 18.1]	1,69,06,411	41,58,140
Prepaid expenses	2,84,65,373	67,77,192
Advance paid to Suppliers	10,06,73,603	14,12,42,934
<b>Total</b>	<b>25,90,36,727</b>	<b>24,90,67,114</b>

Notes:

18.1-Includes ₹.14,89,620/- due from customs authorities. An order was passed by the commissioner of customs on 19.7.2017 appropriating ₹. 5,10,380/- against the deposit of ₹. 20 lakhs and directing for returning the balance after following the refund procedures which is pending.

19 Other current assets

	31.03.2019 (₹)	31.03.2018 (₹)
<b>Others</b>		
Interest accrued	90,50,587	54,20,351
<b>Total</b>	<b>90,50,587</b>	<b>54,20,351</b>





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

20 Revenue from operations

	31.03.2019 (₹)	31.03.2018 (₹)
Sale of products		
Export Sales	57,20,34,950	1,36,48,38,305
Domestic Sales	2,69,00,55,423	2,19,36,78,628
Sale of services	26,63,39,836	18,89,50,851
Revenue from operations (Gross)	3,52,84,30,210	3,74,74,67,784
Less: Excise duty	-	5,37,22,359
Revenue from operations (Net)	3,52,84,30,210	3,69,37,45,425

21 Other Income

	31.03.2019 (₹)	31.03.2018 (₹)
Interest Income (Gross)		
On Fixed deposits	62,35,569	70,43,995
On Advances	62,91,486	56,83,702
From Customers	-	10,46,603
Export incentives	96,30,392	-
Rent received	18,67,572	13,23,000
Profit on sale of mutual funds	-	12,55,862
Profit on Foreign Exchange Fluctuation (Net)	-	2,75,66,308
Miscellaneous Income	4,556	12,73,071
	2,40,29,575	4,51,92,541

22 Cost of raw materials and components consumed

	31.03.2019 (₹)	31.03.2018 (₹)
Inventory at the beginning of the year		
Raw Materials and Components	65,17,57,377	62,64,66,317
Add: Purchases	2,67,61,69,773	2,52,90,55,709
	3,32,79,27,150	3,15,55,22,025
Less: Inventory at the end of the year		
Raw Materials and Components	93,05,01,789	64,06,45,288
Research and Development Expenditure:		
- On In house Research & Development	96,57,825	1,11,12,089
Cost of raw materials and components consumed	2,38,77,67,536	2,50,37,64,648

23 Changes in inventories of finished goods, work-in-progress and traded goods

	31.03.2019 (₹)	31.03.2018 (₹)
Closing Stock		
Finished Goods	6,26,57,772	6,45,69,389
Work-in-progress-Goods	10,26,12,716	8,84,78,450
Work-in-progress-Service	3,17,00,416	-
	19,69,70,903	15,30,47,839
Less:		
Opening Stock		
Finished Goods	6,45,69,389	1,28,93,117
Work-in-progress-Goods	8,84,78,450	14,07,77,816
	15,30,47,839	15,36,70,934
Total	(4,39,23,064)	6,23,095



KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

24 Employee Benefits expense

	31.03.2019	31.03.2018
	(₹)	(₹)
Salaries and Wages	33,10,64,793	31,87,21,729
Contribution to Provident and other funds	2,12,43,604	1,50,82,588
Staff welfare expenses	3,92,03,407	3,21,53,446
Research and Development Expenditure:		
- On In house Research & Development	1,74,21,095	2,62,69,659
<b>Total</b>	<b>40,89,32,899</b>	<b>39,22,27,422</b>

25 Finance costs

	31.03.2019	31.03.2018
	(₹)	(₹)
Interest		
- On Term/Vehicle Loans	96,22,250	1,95,91,276
- On Working Capital Loans	11,30,22,718	9,54,35,013
- On Debentures	4,61,55,981	1,25,75,355
- On delayed payment of Income Tax	49,66,568	24,00,000
- On delayed payment of other taxes	61,13,127	67,20,000
Loan processing Fees	72,85,573	41,33,296
<b>Total</b>	<b>18,71,66,217</b>	<b>14,08,54,939</b>

26 Other Expenses

	31.03.2019	31.03.2018
	(₹)	(₹)
Rent	2,61,94,550	2,46,14,759
Rates and Taxes	1,38,51,535	1,93,58,294
Printing and Stationery	46,58,489	39,78,105
Insurance	38,01,166	25,77,400
Discounts allowed	3,51,922	44,51,472
Donations	1,25,93,460	56,40,550
Power and Fuel	3,00,34,085	2,85,77,324
Labour and Processing Charges	6,83,22,626	6,01,80,588
Stores, Spares and Consumables Consumed	7,25,70,687	7,22,49,332
Repairs and Maintenance:		
- Plant and Machinery	1,55,36,858	1,34,68,984
- Building	79,77,052	25,61,134
- Others	1,44,67,141	80,82,078
Security Charges	53,33,195	61,67,351
Research and Development:		
- On In house Research & Development	7,54,216	12,87,165
Legal and Professional Charges	1,72,39,295	1,87,27,670
Auditors Remuneration [Refer Note below]	11,65,000	11,60,000
Commission on Sales	1,38,83,851	2,00,91,759
LD/Claim Settled	61,09,519	1,10,52,808
Bank Charges	1,09,94,949	80,60,841
Communication expenses	52,38,904	59,09,742
Travelling and Conveyance	2,86,97,772	1,69,51,461
Advertisement and Business Promotion	1,71,62,958	1,27,29,838
Outward Freight and Forwarding	1,55,99,310	6,67,99,473
Prior Period Expenses	-	6,92,571
CSR expenditure	29,77,495	29,79,529
Bad Debts & advances Written Off, (net)	2,25,37,094	80,03,308
Loss on Foreign Exchange Fluctuation, (net)	1,19,46,252	-
Loss on sale of Fixed Assets	4,66,050	-
Provision for doubtful advances	-	37,04,722
Miscellaneous Expenses	9,49,202	21,33,716
	<b>43,14,14,633</b>	<b>43,21,91,970</b>





Auditors' Remuneration :

	31.03.2019	31.03.2018
	(₹)	(₹)
Statutory Audit	8,00,000	8,00,000
Tax Audit	2,00,000	2,00,000
Taxation Services	80,000	70,000
Other certification	85,000	90,000
	<b>11,65,000</b>	<b>11,60,000</b>

*[This space is left blank intentionally]*



27 Contingent Liabilities and Commitments		
Particulars	2019 (₹)	2018 (₹)
<u>Contingent Liabilities:</u>		
i) <b>Claims against the company not acknowledged as debt</b>		
Disputed Income Tax Demand [refer note 27.1, 27.3]	23,87,630	78,16,460
Disputed Income Tax Demand - CPC Demand [refer note 27.2]	19,60,393	-
Tax Deducted at Source -CPC Demand	-	17,42,581
ii) Performance Bank Guarantees		
iii) Bond Executed for Customs/Central Excise. Covered by Bank guarantee to the extent of ₹.1,61,25,000/- [PY: ₹.41,25,000/-]	3,23,64,089 23,50,00,000	2,62,82,396 9,50,00,000
	<b>27,17,12,112</b>	<b>13,08,41,437</b>

Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances

5,10,32,369

3,60,72,278

27.1 Joint Commissioner of Income Tax, Mysore has disallowed the claim made under 80IC for the assessment year 2010-11 stating that the expenses claimed for 80IC is not in accordance with the provisions and issued a demand notice of ₹.23,87,630/-. The company has paid the full demand against this assessment and filed an appeal against this which the Hon. ITAT has remanded to Joint Commissioner of income tax.

27.2 The CPC demand includes ₹.17,37,670/- against the disallowance made by ITO against under 35(2AB) for A.Y. 2016-17 and thereby reducing the MAT credit availed by the company.

27.3 No provision is made in respect of the above two matters as it has not reached finality and management is not expecting any material liability.

28 In the opinion of management, current assets, loans and advances have a value not less than what is stated in the accounts if realized in the ordinary course of business.

29 The investments in unquoted shares of companies are strategic in nature and made with long term vision and hence no provision is considered necessary for the same presently having regard to their long term projects except in the case of subsidiary M/s Kaynes Embedded System Private Limited. Hence investment of Rs.30,00,000/- [PY:Rs.30,00,000] in this company is fully provided for. The loans and advances aggregating to ₹.37,04,722/- [PY: ₹.37,04,722] due from this party is also fully provided for. Company's investment in another subsidiary M/s Kemsys Technologies Private Limited of ₹. 50,00,000/- and loans advanced of ₹.3,92,12,224/- [PY: ₹.3,92,12,224] where net worth has eroded, is considered recoverable as the company has turned around and earned net profit for the last 3 years. The proposed activities and orders booked by that company also show good progress.

30 Some of the trade Receivables, loans & advances and trade payables are subject to confirmation. Management is of the opinion that discrepancies, if any, that may arise on such reconciliation/confirmation will not have any material impact on the financial statements.

31 The Company has an internal control system which is adequate considering the size and operations of the company. The company has an in-house team of accountants. The operations and activities of the company are supervised by the Directors of the Company on a day-to-day basis. They are also involved in the approval and processing of payments. Considering the present size and operations of the company, it has implemented simple information systems consisting of a software customised for the company which are extensively used with very high level of acceptance in the industry. The identification of risks and controls is not a separate evaluation but an integral part of the processes and procedures followed by the company.

Considering the present size and operations of the Company as well as the systems and procedures in place as detailed above, it has a separate internal audit carried out by external independent firm of Chartered Accountants. However, the operation of the above controls are constantly monitored by the Directors and these were found to be effectively operating at the year end.

32 Disclosure requirements as specified under AS 15 - "Employee Benefits" are envisaged below:

[a.] Defined Contribution Plans		(Amount in ₹.)	
Particulars	2019	2018	
Employers' contribution to Provident Fund	24,16,123	22,80,228	
Employers' contribution to Employee State Insurance	45,97,727	39,55,434	
Employers' contribution to Employee's Pension Scheme 1995	54,84,008	51,75,557	

[b.] Defined Benefit Plan

Gratuity -Funded obligation

The liability towards gratuity is provided for on the basis of independent actuarial valuation using projected unit credit method. The liability for gratuity is administered through Life Insurance Corporation of India (LIC).

Compensated Absences- Unfunded obligation





Company provided for unavailed accumulated leave of employees on the basis of actuarial valuation using projected unit credit method.

i. Actuarial Assumptions	Compensated Absences		Gratuity	
	2019	2018	2019	2018
Discount Rate (per annum)	7.75%	7.75%	7.75%	7.75%
Expected return on plan assets	NA	NA	7.75%	7.50%
Salary escalation rate*	6.00%	6.00%	6.00%	6.00%
Mortality rate	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate

\*The assumption of future salary escalation in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii. Reconciliation of Obligation	Compensated Absences		Gratuity	
	2019	2018	2019	2018
Present value of obligation at the beginning of the year	42,10,072	38,28,899	2,44,22,113	2,06,39,759
Current Service Cost	16,62,531	18,26,394	49,29,762	41,08,356
Past Service cost	-	-	-	4,20,757.00
Interest Cost	3,26,281	2,96,740	18,92,714	15,99,581
Actuarial (gain)/ loss	(11,91,716)	(17,41,961)	15,49,082	(18,83,457)
Benefits Paid	-	-	14,13,715.00	4,62,883.00
Present value of obligation at the end of the year	50,07,168	42,10,072	3,13,79,956	2,44,22,113

iii. Reconciliation of fair value of plan assets	Gratuity	
	2019	2018
Fair value of plan assets at the beginning of the year	83,88,472	82,36,807
Expected return on plan assets	6,50,107	6,17,761
Actuarial gain/ (loss)	(28,420)	(3,213)
Contributions	-	-
Benefits paid	(14,13,715)	(4,62,883)
Assets distributed on settlement	-	-
Fair value of plan assets at the end of the year	75,96,444	83,88,472

iv. Description of Plan Assets	Gratuity	
	2019	2018
Insurer Managed Funds (LIC of India)	75,96,444	83,88,472

v. Net (Asset)/ Liability recognized in the Balance Sheet as at year end	Compensated Absences		Gratuity	
	2019	2018	2019	2018
Present value of obligation at the end of the year	50,07,168	42,10,072	3,13,79,956	2,44,22,113
Fair value of plan assets at the end of the year	-	-	75,96,444	83,88,472
Net present value of unfunded obligation	50,07,168	42,10,072	2,37,83,512	1,60,33,641

vi) (Income)/ Expense recognized in the Profit and Loss Statement	Compensated Absences		Gratuity	
	2019	2018	2019	2018
Current Service Cost	16,62,531	18,26,394	49,29,762	41,08,356
Interest Cost	3,26,281	2,96,740	18,92,714	15,99,581
Actuarial (gain)/ loss recognized for the period	(11,91,716)	(17,41,961)	15,77,502	(18,80,244)
Past Service Cost (if applicable)	-	-	0	4,20,757
Expected return on plan assets	-	-	(6,50,107)	(6,17,761)
(Income)/ Expenses recognized in the Profit and Loss Statement	7,97,096	3,81,173	77,49,871	36,30,689



vii) History of defined benefit obligation, plan assets and experience adjustments over 5 years- Gratuity					
	2019	2018	2017	2016	2015
Present value of obligation at the year end	3,13,79,956	2,44,22,113	2,06,39,759	2,10,02,044	1,98,64,918
Fair value of plan assets at end of the year	75,96,444	83,88,472	82,36,807	83,83,291	78,22,051
Funded status- (deficit)/ surplus	(2,37,83,512)	(1,60,33,641)	(1,24,02,952)	(1,26,18,753)	(1,20,42,867)
Experience adjustments on plan liabilities	9,71,684	(10,88,739)	(2,61,370)	(43,42,194)	14,42,347
Experience adjustments on plan assets	(28,420)	(3,213)	27,955	23,941	34,206

The above disclosures are based on information certified by the independent actuary and relied upon by auditors.

### 33 Segment Reporting

The Company operates predominantly in one business segment of Electronics Manufacturing Services and accordingly primary reporting disclosures for business segment, as envisaged in Accounting Standard (AS) 17 on Segment Reporting, are not applicable.

During the year, the Company has ten manufacturing facilities in India and two service facilities operate predominantly in India and export market and accordingly the secondary reporting disclosures is made for geographical segments, as envisaged in "AS-17".

Sales:		
Geographic Segment	2019	2018
Outside India	57,20,34,950	1,36,48,38,305
In India	2,95,63,95,260	2,32,89,07,120
<b>Total</b>	<b>3,52,84,30,210</b>	<b>3,69,37,45,425</b>

All material assets are located in India as export proceeds are also realisable in India, hence no disclosure of segment assets/cost to acquire tangible and intangible asset is given.

### 34 Related Party Disclosures

Disclosure in respect of material transactions with associated parties as required by Accounting Standard (AS) 18 "Related Party Transactions"

#### [A.] Related Parties and their Relationship with the Company

Ref	Description of relationship	Names of Related parties
[1.]	<b>Subsidiary Companies:</b>	Kaynes Embedded System Private Limited Kemsys Technologies Private Limited Kaynes Technology Europe GmbH Kaynes International Design & Manufacturing Private Limited
[2.]	<b>Entity Controlled by Directors:</b>	Kaynes Interconnection Systems India Private Limited
[3.]	<b>Entity where relative of Directors have substantial interest</b>	A ID Systems (India) Pvt Ltd
[4.]	<b>Key Management Personnel:</b>	
	Mr. Ramesh Kunhikannan	Managing Director
	Ms. Savitha Ramesh	Whole Time Director
	Mr. Jairam P Sampath	Whole Time Director
[5.]	<b>Relatives of KMP's:</b>	Ms. Premita Ramesh

#### [B.] Transactions with Related Parties

Transactions / Balances	Subsidiaries / Associates	Entities Controlled by Directors	Key Management Personnel	Relatives of KMP
[i.] <b>Loans and Advances given to:</b>				
Kemsys Technologies - Private Limited	1,07,41,940 (78,25,000)	- (-)	- (-)	- (-)
[ii.] <b>Loans and Advances repaid by:</b>				
Kemsys Technologies - Private Limited	1,07,41,940 (89,10,000)	- (-)	- (-)	- (-)
Kaynes Embedded System Private Limited				





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

	(19,50,000)	(-)	(-)	(-)
<b>[iii.] Services Received from:</b>				
Kemsys Technologies Private Limited	12,813 (1,95,500)	- (-)	- (-)	- (-)
Kaynes Interconnection Systems India Private Limited	- (-)	32,384 (57,123)	- (-)	- (-)
<b>[iv.] Commission paid:</b>				
Kaynes Technology Europe GMBH	1,33,83,740 (2,04,90,553)	- (-)	- (-)	- (-)
<b>[v.] Interest on loan advanced</b>				
Kemsys Technologies Private Limited	30,31,550 (33,25,607)	- (-)	- (-)	- (-)
<b>[vi.] Purchase of material:</b>				
Kemsys Technologies Private Limited	35,80,202 (18,67,599)	- (-)	- (-)	- (-)
A ID Systems (India) Pvt Ltd	- (-)	- (6,136)	- (-)	- (-)
Kaynes Interconnection Systems India Private Limited	- (-)	81,73,637 (74,56,238)	- (-)	- (-)
<b>[vii.] Sale of material:</b>				
Kemsys Technologies Private Limited	52,33,038 (15,21,004)	- (-)	- (-)	- (-)
Kaynes Interconnection Systems India Private Limited	- (-)	24,43,624 (11,17,147)	- (-)	- (-)
<b>[viii.] Remuneration and Commission:</b>				
Mr. Ramesh Kunhikannan	-	-	1,43,16,000	-
-Remuneration	(-)	(-)	(2,68,16,000)	(-)
Ms. Savitha Ramesh	-	-	1,43,16,000	-
-Remuneration	(-)	(-)	(2,68,16,000)	(-)
Mr. Jairam P Sampath	-	-	71,50,000	-
	(-)	(-)	(2,50,000)	(-)
Ms. Premita Ramesh	-	-	-	24,00,000
	(-)	(-)	(-)	(60,000)
<b>[ix.] Transaction in current account (net)</b>				
Mr. Ramesh Kunhikannan	-	-	(1,95,550)	-
	(-)	(-)	(1,37,05,709)	(-)
Ms. Savitha Ramesh	-	-	(3,40,257)	-
	(-)	(-)	(1,82,22,293)	(-)



KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

[C.] Balances with Related Parties

Transactions / Balances	Subsidiaries	Entities Controlled by Directors	Key Management Personnel	Relatives of KMP
<b>[i.] Loans and Advances</b>				
Kemsys Technologies - Private Limited (Including Interest Receivable)	4,50,02,877 (4,22,74,482)	- (-)	- (-)	- (-)
Kaynes Embedded System - Private Limited	37,04,722 (37,04,722)	- (-)	- (-)	- (-)
Kaynes Interconnection Systems India Private Limited	- (-)	2,03,33,704 (71,87,879)	- (-)	- (-)
Kaynes Technology Europe - GMBH	61,39,200 (63,95,000)	- (-)	- (-)	- (-)
Kaynes International Design & Manufacturing Private Limited	(2,71,55,469) (-)	- (-)	- (-)	- (-)
<b>[ii.] Investments:</b>				
Kaynes Technology Europe GMBH	92,41,162 (92,41,162)	- (-)	- (-)	- (-)
Kemsys Technologies Private Limited	50,00,000 (50,00,000)	- (-)	- (-)	- (-)
Kaynes Embedded System Private Limited	30,00,000 (30,00,000)	- (-)	- (-)	- (-)
Kaynes International Design & manufacturing Private	14,99,900 (-)	- (-)	- (-)	- (-)
<b>Payable:</b>				
Kaynes Technology Europe GMBH	11,97,916 (10,58,141)	- (-)	- (-)	- (-)
Kemsys Technologies Private Limited	- (-)	- (-)	- (-)	- (-)
Kaynes Interconnection Systems India Private Limited	- (-)	47,37,316 (10,87,288)	- (-)	- (-)
<b>[iv.] Sale of materials Receivable:</b>				
Kaynes Interconnection Systems India Private Limited	- (-)	- (10,56,147)	- (-)	- (-)
Kemsys Technologies Private Limited	47,71,727 (16,89,384)	- (-)	- (-)	- (-)
<b>[v.] Amount Receivable from/ Due to directors:</b>				
Mr. Ramesh Kannan (Dr. Balance)	- (-)	- (-)	1,42,48,642 (1,42,48,642)	- (-)
Ms. Savitha Ramesh (Dr. Balance)	- (-)	- (-)	1,67,22,556 (1,67,22,556)	- (-)
Mr. Jairam P Sampath (Cr. Balance)	- (-)	- (-)	5,71,474 (13,03,121)	- (-)
<b>[vi.] Salaries payable</b>				
Mr. Ramesh Kunhikannan	- (-)	- (-)	3,17,800 (1,44,07,800)	- (-)
Savitha Ramesh	- (-)	- (-)	3,77,800 (1,44,07,800)	- (-)





Savitha Ramesh	-	-	3,77,800	-
	(-)	(-)	(1,44,07,800)	(-)
Mr. Jairam P Sampath	(-)	(-)	99,800	(-)
	(-)	(-)	(2,34,800)	(-)
Premita Ramesh	-	-	-	1,54,800
	(-)	(-)	(-)	(5,000)
<b>[vii.] Balance in current account:</b>				
Mr. Ramesh Kannan (Dr. Balance)	-	-	(1,95,550)	-
	(-)	(-)	(-)	(-)
Ms. Savitha Ramesh (Dr. Balance)	-	-	(3,40,257)	-
	(-)	(-)	(-)	(-)

**[Note.]**

1. Numbers in Parentheses represent previous year number.

2. Suspension of recovery of loan for one year has been approved by the company at the extraordinary general meeting held on 30.08.2019.

**35 Operating Lease:**

Company has entered into operating leases in respect of office/factory buildings some of which are effectively non cancellable.

Particulars	2019	2018
Not later than one year	Nil	Nil
One to five years	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**36 Details of Research & Development Expenditure:**

The revenue expenditure incurred in relation to the in house Research & Development Centre has not been included in the respective expense heads in the Profit & Loss Statement.

Particulars	2019	2018
<b>Revenue Expenditure:</b>		
Salaries and Wages	3,95,37,418	2,60,36,119
Staff Welfare Expenses	5,17,159	2,33,540
Raw Materials, Components and Consumables	1,34,66,602	1,11,12,089
Travelling and Conveyance	9,66,563	10,29,657
Communications	4,00,030	2,57,508
Books & Periodicals	-	-
Legal & Professional charges	-	-
<b>Total</b>	<b>5,84,67,301</b>	<b>3,86,68,912</b>

The above includes amount capitalised as intangible assets 3,06,34,165

**37 Foreign exchange exposures not hedged by derivative instruments**

Particulars	2019		2018	
	FC	Amount (₹)	FC	Amount (₹)
<b>Payables :</b>				
EURO	4,52,785	3,54,63,477	2,44,604	1,98,94,265
GBP	9,63,973	8,80,30,030	10,73,501	9,99,96,652
USD	73,77,073	51,35,91,841	33,93,912	22,20,52,550
<b>Receivables :</b>				
EURO	10,73,936	8,23,49,389	5,50,324	4,47,63,678
GBP	4,17,581	3,72,27,328	28,43,510	26,20,21,449
USD	13,90,474	9,52,05,783	9,04,322	5,83,01,685
<b>Loan and Advances :</b>				
EURO	1,00,000	76,74,000	1,00,000	79,93,750

**38 Derivative instruments**

Pursuant to issue of Guidance Note on "accounting for derivative contracts" by the Institute of Chartered Accountants of India which is effective for period commencing from 1 April 2016, the Company, as described in para 14(ii) of this guidance note has accounted for its forward exchange contracts which have not been designated as hedge instruments at fair value and the marked to market loss of ₹. Nil [PY : ₹.57,44,975/-] as valued by the Bank has been recognised in the Profit and Loss Statement.



Particulars	2019		2018	
	FC	Amount (₹)	FC	Amount (₹)
<b>Receivables :</b>				
EURO	-	-	2,00,000	1,51,78,000
GBP	-	-	6,92,000	6,01,69,600

39 Earnings Per Share

Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 "Earnings per Share"

Particulars	2019		2018	
<b>Basic and Diluted:</b>				
Net Profit After Tax as per Profit and Loss Account (₹.) - (A)		9,25,18,675		14,66,73,420
Weighted Average Number of Shares outstanding for Basic & Diluted EPS (Nos.) - (B)		67,99,992		67,99,992
Basic earnings per share (₹.) (A) / (B)		13.61		21.57
Diluted earnings per share (₹.) (A) / (B)		13.61		21.57
Nominal value per share (₹.)		10		10

40 Production, stock and sales

[A.] Raw materials consumption: [Bare Printed Circuit Boards' (PCB's) , Integrated Circuits (IC's), etc.]

Particulars	2019		2018	
	Quantity (No's)	Value	Quantity (No's)	Value
Integrated Circuits	1,71,89,484	62,15,26,354	1,60,37,081	61,44,20,687
Printed Circuit Boards	99,40,907	29,69,75,866	77,31,964	21,12,67,265
Others Components (individually less than 10% of total consumption)	-	1,46,92,65,316	-	1,67,80,76,695
<b>Total</b>		<b>2,38,77,67,536</b>		<b>2,50,37,64,648</b>

Particulars	Value		Percentage (%)	
	2019	2018	2019	2018
Imported	1,69,31,61,926	1,64,02,09,008	71%	66%
Indigenous	69,46,05,610	86,35,55,640	29%	34%
<b>Total</b>	<b>2,38,77,67,536</b>	<b>2,50,37,64,648</b>	<b>100%</b>	<b>100%</b>

[B.] Stock of finished goods

Particulars	Finished Goods	
	2019	2018
Manufactured goods	6,26,57,772	6,45,69,389
<b>Total</b>	<b>6,26,57,772</b>	<b>6,45,69,389</b>

\* The company has only one major product i.e. Populated PCBs. Hence no category wise break-up is given.

41 CIF Value of Imports

Particulars	Value	
	2019	2018
Raw Materials	1,68,88,81,777	1,63,77,32,225
Components & Spare parts	51,38,858	70,43,290
Capital Goods	77,53,070	67,32,797

42 Earnings in Foreign Currency

Particulars	Value	
	2019	2018
Earnings in Foreign Currency - Export of goods (FOB)	57,20,34,950	1,36,48,38,305





KAYNES TECHNOLOGY INDIA PRIVATE LIMITED  
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

43 Expenditure in Foreign Currency	Particulars	Value	
		2019	2018
	Commission	1,33,83,740	2,06,41,427
	Travel	25,43,121	24,53,147
	Advertisement & Business Promotion	34,86,043	43,90,336
	Legal & Professional charges	10,83,104	20,44,851

44 Corporate Social Responsibility:

[i.] Pursuant to section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are promoting education, rendering help at the time of natural calamities, and helping under privileged people etc. which are in compliance with Schedule VII of Companies Act, 2013.

[ii.] The details of amounts spent during the year and remaining unspent on CSR project are as below:

Particulars	Amount [₹.]	
	2019	2018
<b>Amount spent for eligible CSR projects :</b>		
Gross Amount required to be spent by the company during the year	27,11,002	21,52,353
Budget allocated by the Board during the year	30,00,000	30,00,000
Amount Spent during the year	29,77,495	29,79,529
Cumulative amount Unspent	-	-

45 Post implementation of Goods and Service Tax ("GST") with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017 disclosed in Note No. 20. Accordingly, revenue from operations for the year ended March 31, 2019 are not fully comparable with the previous year figures.

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

(Signatures to all significant notes forming part of Financial Statements)

For and on behalf of the Board of Directors of  
Kaynes Technology India Private Limited  
CIN: U29128KA2008PTC045825

As per our report of the even date attached

  
Ramesh Kunhikannan  
Managing Director  
[DIN: 02063167]

  
Jiram P Sampath  
Whole Time Director  
[DIN: 08064368]

For VARMA & VARMA  
Chartered Accountants  
Firm Registration No: 0045325

  
N Srividhya  
Company Secretary



Cherian K Baby  
Partner  
M. No.016043

Place: Mysore  
Date: 16.09.2019

Place: Mysore  
Date: 16.09.2019



Place: Bangalore  
Date: 16.09.2019