

Aplab

APLAB LIMITED

55th ANNUAL REPORT

2019 - 2020

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Aplab Limited

55th Annual Report 2019-2020

CIN : L99999 MH1964 PLC 013018

Board of Directors

P. S. Deodhar	(DIN: 00393117)	Chairman & Managing Director
Amrita P. Deodhar	(DIN: 00538573)	Director
S. K. Hajela	(DIN: 01001987)	Independent Director
Dinesh Kotecha	(DIN: 02115860)	Independent Director

Company Secretary & Finance Controller

Rajesh K. Deherkar (Membership No. A10783)

Registered Office & Works

Aplab House,
A-5, Wagle Industrial Estate,
Thane - 400 604.

Tel. : 67395555 Fax : 25823137
email : response@aplab.com
web : www.aplab.com

Works

A-1, A-3, A-5, A-6 & B-92, Wagle Industrial Estate,
Thane 400 604.

Plot No. 12, TTC Indl. Area, Village Digha,
Thane Belapur Road, Navi Mumbai - 400 708.

Unit No. 37, SDF - II, SEEPZ-SEZ,
Andheri (East), Mumbai - 400 096.

Unit 6 & 18, Electronic Sadan II,
Bhosari, Pune - 411 026.

Sales & Service Centres

Agra	Chennai	Jaipur	Thane	New Delhi	Surat
Ahmedabad	Coimbatore	Kochi	Mysore	Patna	Trivandrum
Bangalore	Guwahati	Kolkatta	Madurai	Pune	Trichy
Bhopal	Goa	Kannur	Mangalore	Raipur	
Bhubaneshwar	Hubli	Lucknow	Nagpur	Ranchi	
Chandigarh	Indore	Ludhiana	Nashik	Secunderabad	

Auditors

Shahade & Associates
Chartered Accountants
Gautam, Plot No. 29,
Road No. 2, Sion (East),
Mumbai - 400 022.

Bankers

Union Bank of India
(Formerly Corporation Bank)
Thane

Registrar & Transfer Agents

M/s. Adroit Corporate Services Pvt. Ltd.
17-20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Mumbai - 400 059.
Tel. 42270400 / 28594060 / 28596060
Fax: 2850378

Stock Exchange Listing

Shares listed on	Bombay Stock Exchange
Scrip Code	517096
ISIN	INE273A01015

NOTICE

NOTICE IS HEREBY GIVEN THAT the 55th Annual General Meeting ('AGM') of the Members of Aplab Limited ('the Company') (CIN: L99999MH1964PLC013018) will be held on Wednesday, 30th September, 2020 at 4.00 p.m. through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') facility, in compliance of provisions of the Companies Act, 2013 ('the Act') and rules thereof read with the General Circular No. 14/2020 dated 8th April, 2020; the General Circular No. 17/2020 dated 13th April, 2020 and the General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 to transact the businesses as mentioned below:

Ordinary Business:-

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account for the year ended 31st March, 2020 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Amrita P. Deodhar (DIN: 00538573), who retires by rotation and being eligible offers herself for re-appointment;
3. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT in accordance with section 139(1) and (2) and any other applicable provisions, if any, of the Companies Act, 2013, Rules, Notifications, Circulars and Orders made/issued thereunder (hereinafter collectively referred to as "the Act"), M/s Puranik Kane & Co., Chartered Accountants (Registration no. 120215W) be and are hereby appointed as Statutory Auditors to Audit the Accounts of the Company for the Financial Years 2020-21 to 2024-25 and hold office as such till conclusion of the Annual General Meeting that will be held for approval of financial statements for the year 2024-2025 and the Chairman & Managing Director be and is hereby authorized to fix their remuneration; in place of M/s Shahade & Associates., Chartered Accountants, (ICAI Registration No. 109840W) existing Statutory Auditors who have expressed their inability to continue as such on the conclusion of the ensuing Annual General Meeting."

Special Business:-

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and such other applicable provisions if any of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Dinesh Kotecha (DIN 02115860) who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 27th May, 2020 and whose term of office expires at the forthcoming Annual General Meeting, is eligible for appointment and the company has received notice in writing pursuant to the provisions of section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the company, and who has consented, if appointed, to act as a Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from 30th September, 2020."

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

Reclassification of the Status of Promoter Shareholding into Public Shareholding

"RESOLVED THAT pursuant to the provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments made thereto) (hereinafter referred to as "**Listing Regulations**") including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions of Listing Regulations and other applicable laws, subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the Members of Company be and is hereby accorded to re-classify **ZEE Entertainment Enterprises Limited** holding 4,75,000 equity shares of Rs 10 each of the Company comprising 9.50% of the paid capital of the Company (hereinafter referred to as "**applicant**") forming part of the Promoter Group from "Promoter and Promoter Group Category" to "Public Category".

RESOLVED FURTHER THAT that the applicant seeking re-classification and persons related to the applicant [as defined under sub-clauses (ii), (iii) and (iv) of clause (pp) of sub-regulation (1) of regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018] seeking re-classification shall not:

- (i) together, hold more than ten percent of the total voting rights in the Company;
- (ii) exercise control over the affairs of the Company directly or indirectly;
- (iii) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) be represented on the board of directors (including not having a nominee director) of the Company;
- (v) act as a key managerial person in the Company;
- (vi) be a 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- (vii) be a fugitive economic offender.

RESOLVED FURTHER THAT any of the Directors of the Company or Mr. Rajesh K. Deherkar, Company Secretary and Finance Controller (ACS Membership Number: A10783) be and is hereby authorized to submit the application for reclassification to the SEBI Board, Stock Exchange, wherein the securities of the company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution.

RESOLVED FURTHER THAT Mr. Rajesh K. Deherkar, Company Secretary and Finance Controller (ACS Membership No.: A10783) of the Company be and is hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution."

Registered Office:
Aplab House, A-5,
Wagle Estate,
Thane – 400 604

Place : Thane
Dated : 30th July, 2020

By Order of the Board

Rajesh K. Deherkar
Company Secretary &
Finance Controller
(Membership No. A10783)

NOTES:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business to be transacted at the AGM is annexed hereto.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive) for the purpose of AGM.
3. Pursuant to the provisions of the Companies Act, 2013; a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM facility pursuant to provisions of the MCA Circular No. 14/2020 dated 8th April, 2020 and the SEBI Circular, the facility to appoint a proxy to attend and cast vote for a Member will not be available for the AGM. Accordingly, proxy form and attendance slip are not annexed to the Notice of AGM.
4. Statement giving details of the Directors seeking appointment/re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) and Secretarial Standard on General Meeting ("SS-2")
5. Members are requested to contact the Registrar and Share Transfer Agents for all matters connected with the Company's shares at: M/s Adroit Corporate Services Pvt. Ltd., 17-20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059. Tel : 42270400/ 28594060 Fax : 28503748
6. Members are requested to notify immediately on any change, if any, in their address/mandate/bank details to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Company's Registrar & Share Transfer Agents in respect of their physical share folios.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent or to the Company.

8. The Company has already transferred, all unclaimed dividend declared up to the financial year ended 31st March, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed their dividend up to the year ended 31st March, 1994 may submit their claim to the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, CBD, Belapur in the prescribed form.
9. Pursuant to the provision of the Companies Act, 2013, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years is to be transferred to the Investor Education and Protection Fund of the Central Government. Accordingly Dividend for the year ended 31st March, 1995, 31st March, 1996, 31st March, 1997, 31st March, 2003, 31st March, 2004, 31st March, 2005, 31st March, 2006, 31st March, 2007, 31st March, 2008 and 31st March, 2009 have already been transferred to the Investor Education and Protection Fund of the Central Government.
10. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
11. The Bodies Corporate is entitled to appoint Authorized Representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
13. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
15. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.aplab.com The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
16. Speaker Registration for the AGM:

A Member, who wish to ask questions or express views at the AGM, may register with the Company as a 'Speaker' by sending a request by providing full name, DP ID and Client ID / Folio Number and contact number from the registered e-mail ID to shares@aplab.com at least seven days in advance. A Member, who has registered with the Company as a speaker, will be allowed to ask questions or express views at the AGM. For smooth conduct of proceedings of the AGM, Members may note that the Company reserves the right to restrict number of questions and speakers during the AGM depending upon availability of time.
17. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Sunday, the 27th September, 2020 at 9.00 A.M. and ends on Tuesday, the 29th September, 2020 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL viz. <https://www.evoting.nsdl.com/>
2. Once the home page is launched, click on the icon 'Login' available under 'Shareholders / Members' section.
3. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. User ID details shall be entered in following manner:

Members holding shares in	Your User ID is:
a) Demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12*****, then your User ID is IN300***12*****
b) Demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) Physical Form	EVSN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVSN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password':
 - a) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8-digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b) If your email ID is not registered, then kindly follow procedure for procuring User ID and password for e-voting and accessing the VC / OAVM facility at the AGM.
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - a) Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address.
 - d) Members can also use OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on “Login” button
9. After you click on the “Login” button, Home page of e-voting will open.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical form, kindly provide your Name, Folio Number, scanned copy of the share certificate (front and back), Income Tax PAN (self-attested scanned copy) and AADHAR (self-attested scanned copy) by email to info@adroitcorporate.com and shares@aplab.com
2. In case shares are held in demat form, kindly provide your name, DP ID and Client ID (16 digit DPID plus Client ID or 16 digit Beneficiary ID), client master or copy of Consolidated Account statement, Income Tax PAN (self-attested scanned copy) and AADHAR (self-attested scanned copy) by email to info@adroitcorporate.com and shares@aplab.com

The Instructions for Members for e-voting on the day of the AGM are as under:

- 1) Procedure for e-voting on the date of the AGM is same as per instructions mentioned above for the remote e-voting.
- 2) Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
- 3) A Member, who has casted the vote by remote e-voting, may also attend the AGM but shall not be entitled to cast the vote again

- 4) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting

Instructions for Members for Attending the AGM through VC/OAVM are as under:

- 1) Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5) Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at shares@aplab.com The same will be replied by the company suitably.

**EXPLANATORY STATEMENT:
(Pursuant to Section 102(1) of the Companies Act, 2013)**

Item No. 3

M/s Shahade & Associates, Chartered Accountants, the Statutory Auditors of the Company have expressed their unwillingness to be re-appointed as Statutory Auditors of the company in the ensuing Annual General Meeting. Based on the recommendation of the Audit Committee, the Board at its meeting held on 3rd September, 2020 has appointed M/s. Puranik Kane & Co., Chartered Accountants (Regn No 120215W) as the Statutory Auditors of the Company subject to approval of the members. The Board recommends that M/s. Puranik Kane & Co. be appointed as the Statutory Auditors of the Company for a period of five years to carry out the audit from financial year 2020-2021 to 2024-2025 and shall hold office as such till conclusion of the Annual General Meeting that will be held for adoption of financial statements for the year 2024-2025. They will be paid a remuneration of Rs. 7,00,000/- p.a. for financial year 2020-2021. The remuneration payable to the new auditor is commensurate with the audit work assigned to them. The Board also seeks an authority to the Chairman & Managing Director for fixing their remuneration.

M/s Puranik Kane & Co. have more than 15 years of experience with 3 partners. They have furnished the requisite certificate for eligibility for appointment under provisions of section 141 of the Companies Act, 2013 and have expressed their willingness to be appointed. The Audit Committee has formed an opinion that the new auditors will be able to discharge their duties in an efficient manner and hence has recommended their appointment to the Board. The resolution seeks the approval of the members for the appointment of M/s Puranik Kane & Co. as Statutory Auditors of the Company and authority to the Chairman & Managing Director to fix their remuneration.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out in the Notice

Item No. 4

Mr. Dinesh Kotecha (DIN:02115860) was appointed as an Additional Director of the company by the Board of Directors at their meeting held on 27th May, 2020. The Board of Directors has proposed the candidature of Mr. Dinesh Kotecha as an Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013.

The Company has received from Mr. Dinesh Kotecha

- i. Consent in writing to act as Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014

- ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and
- iii. A declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Dinesh Kotecha as Independent Director of the Company for a term of 5 (five) consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Dinesh Kotecha proposed to be appointed as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and also the provisions as laid down in listing regulation and he is an independent.

The notice and the statement may be regarded as a disclosure under SEBI regulations of the Listing Regulations.

None of the Directors of the Company in anyway, except Mr. Dinesh Kotecha in his personal capacity for whom the resolution relates, is interested or concerned in the resolution.

Item No. 5

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations, 2015**”), as amended effective 16th November 2018, has provided a regulatory mechanism for re-classification of Promoters as Public Shareholder subject to fulfillment of conditions provided therein.

The Company had received a letter from the following entity falling under the category of “Promoters / Promoter Group” of the Company requesting to be re-classified from the category of “Promoters / Promoter Group” to “Public Category”:

Sr. No.	Name of Entity	No. of Equity shares held	% of Total Equity Share Capital
1	Zee Entertainment Enterprises Limited	4,75,000	9.50

In view of application received from the above entity and in consideration with the proper compliance of Regulation 31A of the Listing Regulations, 2015, the Board of Directors of the

Company at its meeting held on May 27, 2020, has considered the application for re-classification received by the company as above from Promoter Group Category to Public Category subject to approval by the members, SEBI Board, Stock Exchange or any other regulatory body as may required.

The Company entered into a Termination Agreement (hereinafter referred to as “**The Agreement**”) with the aforesaid applicant and with the other promoter (hereinafter referred to as “**Deodhar Group**”) and the Board of Directors of the Company has considered and approved the Agreement at its meeting held on February 9, 2018 to terminate the two (2) earlier Agreements entered into between the Company, applicant and Deodhar Group, viz., Shareholders Agreement executed on May 29, 2000 and Supplementary Agreement executed on February 18, 2012 to amend the earlier Shareholders Agreement

With the execution of the Agreement, the aforesaid applicant does not exercise any control over the Company and is not

engaged in the management of the Company. Also, the aforesaid applicant neither has any representation on the Board of Directors of the Company nor holds any Key Management Personnel position in the Company. Further, the aforesaid entity does not have any veto rights or special rights as to voting power or control of the Company. Therefore, the Board hereby recommends to the members, the re-classification of status of its shareholding from Promoters to Public.

Further, as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% shareholding and the proposed reclassification is not intended to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

The shareholding pattern of the Company before and after the proposed reclassification is furnished below:

Before proposed reclassification			After proposed reclassification		
After proposed reclassification	Number of shares	Percentage of share capital	Category	Number of shares	Percentage of share capital
Promoter	29,48,351	58.97	Promoter	24,73,351	49.47
Public	20,51,649	41.03	Public	25,26,649	50.53
Total	50,00,000	100.00	Total	50,00,000	100.00

Your Directors recommend the passing of the Resolution in the Notice as an **ORDINARY RESOLUTION**.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out in the Notice except to the extent of their shareholding, if any, in the Company.

INFORMATION AS REQUIRED IN RESPECT OF DIRECTORS BEING APPOINTED/ RE-APPOINTED

Mrs. Amrita P. Deodhar - Director (DIN: 00538573)

Mrs. Amrita Deodhar, belonging to the promoter group, is a commerce graduate of 1967. She is a successful entrepreneur for over four decades having set up Electronic Manufacturing Unit in SEEPZ in 1975. After selling that business, she set up Distribution Company representing several international companies producing high tech electronic test equipment and analytical test instruments. After strengthening the company with a nationwide sales and service network and securing large market share, she sold that enterprise to a US Multi-national in 2011. She brings to Aplab Board her long experience in building business ventures and making them commercial successes. She holds 12,17,564 equity shares in the Company.

She is also Director in Sprylogic Technologies Limited, Origin Instrumentation Pvt. Ltd., Deodhar Electro Design Pvt. Ltd., Printquick Pvt. Ltd, Devize (India) Pvt. Ltd. and Proprietor of Intel Export Corporation

Mr. Dinesh Kotecha (DIN: 02115860)

Mr. Dinesh Kotecha is a Bachelor of Commerce [Hons] from Mumbai University and FCA, Senior Chartered Accountant. He has vast experience of more than 3 decades in Finance, Management and various different fields. He is also an Independent Equity Research Analyst.

He holds 441 equity shares of the Company.
He is not Director in any other company.

Registered Office:
Aplab House, A-5,
Wagle Estate,
Thane – 400 604

Place : Thane
Dated : 30th July, 2020

By Order of the Board

Rajesh K. Deherkar
Company Secretary &
Finance Controller
(Membership No. A10783)

DIRECTORS' REPORT

To the Members,

Your Directors present their 55th Annual Report of the Company together with the Audited Statements of Assets & Liabilities and Profit & Loss Account for the year ended 31st March, 2020.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures are given hereunder:

Rs. in Lakhs		
Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Net Sales /Income from Business Operations	5159.50	5321.41
Other Income	347.43	1898.53
Total Income	5506.93	7219.94
Interest	621.00	806.45
Profit / (Loss) before Depreciation	128.03	843.89
Less Depreciation	102.24	128.75
Profit / (Loss) after depreciation and Interest	25.79	715.14
Less Current Income Tax	-	125.00
Less Deferred Tax	-	-
Net Profit (Loss) after Tax	25.79	590.14
Dividend (including Interim if any and final)		-
Net Profit / (Loss) after dividend and Tax	25.79	590.14
Amount transferred to General Reserve		
Balance carried to Balance Sheet	25.79	590.14
Earning in Rupee per share (Basic)	0.52	11.80
Earning in Rupee per Share(Diluted)	0.52	11.80

1. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Pandemic corona virus COVID 19 and its impact

Due to the COVID19 corona virus pandemic and in response to the call for national lockdown, the company's

units were shut down from 21st March 2020. Later with the permission of the authorities, the Company's units started operations on 8th June, 2020 at a reduced strength of appx. 10%. Even now the lockdown is not called off and the units are still functioning at appx. 10% capacity. During the COVID-19 outbreak, all precautionary measures for business continuity were taken without compromising on the safety norms laid down by the Government of India.

Your Company has been able to provide remote support services to customers through the lockdown. The Company's recurring revenue from Annual Maintenance and Support contracts is also expected to remain intact, although realization of revenue may get delayed due to the lockdown. The lockdowns and travel restrictions imposed in various jurisdictions, have impacted our ability to provide onsite services. This may delay milestone signoffs and revenue receipts in some cases. Most of Company's customers and clients have delayed product and services procurement decisions during the lockdown. There is no visibility on appetite for investments in new projects. This will impact revenue prospects, at least during the first half of FY 2020-2021. However, defense spending, which makes up a large portion of our revenues can be expected to remain at levels like prior years.

The company's order book is very promising and reflects the trust of the market in the company, its technology and the product quality. That's why the pending orders in our book are more than 50% of the sale of the company during the year.

Why then we make such low volume of sale and low profit? The only reason is the poor cash flow that traps us from pushing the production and execute large orders on hand. Careful study of our operation reveals a great potential for the company getting out of red. There are Old losses but matter little in terms of the company's operation. In fact they will help us when we make operational profit.

We have a firm contract for sale of the real estate that we do not need for our operation. Once we realize the sale proceeds for the excess real estate, our bank loans will be a small part of the working capital which largely comprises of the loans given to the company by the majority promoters of the company. That should happen during the next few months if the bank permits the sale and the pandemic gets over.

In the interim period, our bankers have to help us by giving project loans for specific orders. The most important point is our products are rich in technology. We design and produce military grade products and we have large orders from our Armed Forces. We also have large orders from banks for our proprietary product, Automatic Passbook Printers. This has enabled us to keep our value addition very high. In most cases value addition is more than 60%. Bankers have to therefore understand the quality of these orders. They have to realize that we will generate cash of almost 18 crores once we realize the sale of the current orders on hand. We are also expecting much larger number of repeat orders during the New Year.

I wish our bank studies our case carefully to realize that their investments are very safe. In spite of the cash flow issue we have never defaulted on paying the interest on loan in time. This year, we have been paid off our other bank, The Bank of Maharashtra, and closed our account.

Government wants the nation to be Atmanirbhar, self-reliant. Since our birth, Aplab has worked not only to be self-reliant in the field of electronic systems but also developed expertise to make our company as advanced in technology while maintaining the high product quality and endurance. Aplab has been atmanirbhar for the R&D and producing high quality products. Aplab earned its reputation based on our product quality. I hope the country realizes our technology contribution and success in reducing country's dependence on import.

To sum up, with proper support by our bank, we can bounce back to become a profitable high technology company. Vision of those agencies who finance us has to go beyond balance sheet numbers.

Even though your company was profitable during the year, we are aware that it is on account of sale of one of our excess property and we have not yet made trading profit. Distress on liquidity continues to haunt us since we cannot execute large orders on hand and realize the embedded high profits.

Fund liquidity will improve only when the Thane property is sold. Unfortunately the Corporation Bank, for reasons known to them, had been delaying grant of NOC to sell. We are however lucky that we have large orders on hand for power systems for military use as well as for banking automation products.

I am hopeful of operational improvement during the year. We have done comprehensive re-structuring of the company's operations reducing costs, revamping marketing with focus on growth in profitable business, expanding distributor network, strengthening MIS to improve operational efficiency etc. But cash flow is still a bottle neck. Results will therefore show improvement when cash flow eases which is essential for increasing production and execution of very profitable business in hand. From the sales proceeds of Thane premises there will be reduction in the interest burden which will help us create a positive cash flow.

2. MANAGEMENT DISCUSSION AND ANALYSIS:

(a) Industry structure and developments.

The Industrial Electronics market consists of international and regional vendors. Before the breakout of COVID-19 pandemic, a modest growth rate in the electronics market was witnessed globally. After the pandemic, the global electronics industry has faced a dual impact due to disruption in supply chain and multi fold increase in freight costs resulting in erosion of margins. Locally too, the scene is no different.

The developments in the industry will depend on friendly relations with countries and preference for doing business with them. More efforts will be put in Research & Development and workforce management. Transitions and transformations will be the order of the day and those who transform quickly will be the leaders. The developments will be dominated by businesses that strategize in the shorter terms and that are managed with well-defined visions.

(b) Opportunities and Threats.

One of the biggest opportunities of the Covid-19 crisis is that several big investors across multiple sectors are contemplating exiting China and looking to relocate elsewhere. India has a major opportunity waiting to be tapped. The dependence on China is something that every manufacturing company is definitely reviewing and revisiting. Keeping this trend in view, some of the States have already made the right pitch to attract investments into the State, which has an ideal ecosystem for these industries to flourish. If India can capitalize on this opportunity, the 'Make in India' programme announced earlier by the Prime Minister can get a big boost.

Following Prime Minister Narendra Modi's call to go 'vocal for local' through Atmanirbhar Bharat Abhiyan (Self-Reliant India Mission), finance minister Nirmala Sitharaman announced a slew of measures specific to defense production and procurement. These measures, in tandem with other policy initiatives of the past six years, have the potential to promote self-reliance and transform India into a major defense manufacturing hub. The FM's announcement of a ban on import of certain items to be notified and indigenous manufacturing of spares that have been hitherto imported for domestic production, are expected to provide the necessary direction. Company has a strong presence in the defense related market and its products are highly appreciated. Company feels optimistic on this front.

Since the MSME sector would be worst hit, government has announced various measures for hand-holding this sector through troubled times. Some of the measures announced are collateral free automatic loan with 100% guaranteed by the government and which will enjoy a moratorium of 12 months; tenders upto Rs 200 cr relating to government procurement will not be global tenders anymore; Rs 20,000 cr will be infused as subordinate debt for stressed MSME through central government SME trust and other reliefs. Company is in the process of evaluating which of these will be most beneficial and will take necessary steps in the right direction.

The major setback is that the production facilities of the electronics parts have been halted owing to the logistics slowdown and unavailability of workforce. The economy and industry will require lot of time to recover after being shut down for more than three to four months

(c) Segment-wise or product-wise performance.

The company has only one segment of electronic equipment which includes a range of products.

(d) Outlook

India is pitching itself as an alternative Business Continuity Plan destination as multinationals rethink their sourcing plans and re-organize supply chains. India stands at the pedestal of a new growth curve of rapid industrialization. In the COVID-19 pandemic scenario, India has projected a more resilient and diversified economy to fight the crisis and is projected as a major attractive destination.

India, on account of its large domestic market and lowcost production base, is well-positioned to host new investments in a range of sectors which includes electronics and consumer appliances and telecom equipment. This could lead to a competitive environment and will intensify a rise in product extensions, technological innovations and strategic M&A activities. Going digital and social distancing will continue to be the norm for some more time.

The company's operations are not dependent on migrant work force. Once the lockdown norms are eased, the Company is hopeful of resuming operations at the pre-covid19 levels. By taking advantage of the measures announced by the government, the Company will endeavour to cover lost ground in the shortest possible time.

(e) Risks and concerns.

The major concern is to continue operations despite the adverse impact caused due to Covid-19 disruptions and the biggest risk is losing customers to competitors. Every player in the market, locally and globally, has been hit very badly and so in order to stabilize themselves, will focus on sprucing up their efficiency and become very competitive in terms of pricing and time lines.

(f) Internal control systems and their adequacy.

Company has adequate internal control system to optimize the use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and Company policies. The management regularly reviews actual performance with reference to budgets and forecast.

The Company has implemented internal control system at all levels and is confident that Internal control systems implemented are adequate. But continuous efforts are being made to improve further, wherever possible.

(g) Discussion on financial performance with respect to operational performance.

The Company continues to be cash strapped. Despite regular orders in hand, the Company is unable to honour the commitments due to poor cash flow. The support of the promoters in the form of unsecured loan continues.

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

Your Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees. The management is committed to promote safety, occupational health and proper environment in design, planning, training and execution of all tasks. The company's total head count stood at 350 as on March 31, 2020.

(i) Details of changes in key financial ratios are furnished below

Ratio	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Debtors Turnover	0.39	0.36
Inventory Turnover	1.21	1.97
Interest coverage	1.16	1.84
Current ratio	0.61	0.34
Debt Equity Ratio	(2.70)	(2.63)
Operating Profit Margin(%)	(5.68)	(22.32)
Net Profit Margin (%)	0.40	12.92
Return on net worth (%)	(0.79)	(25.02)

3. DIVIDEND

Dividend is not recommended during the year since entire accumulated losses are not wiped yet. (Previous Year – Nil)

4. TRANSFER OF DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, no unclaimed or unpaid Dividend is due for remittance to the Investor Education and Protection Fund established by the Central Government since the company has not declared any dividend after 2008-09.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The business of the company has been disrupted by the coronavirus pandemic since the end of the last quarter of the year under review. Entire first quarter of the financial year 2020-2021 was under lockdown and this will have an adverse impact on the current years' performance. The management is striving hard to ensure that all the stake holders optimize their contribution to minimize the adverse impact.

RECLASSIFICATION OF ZEE ENTERTAINMENT ENTERPRISES LIMITED

An application was made to BSE for reclassifying ZEE Entertainment Enterprises Limited from Promoter Category to Public Category. The application was rejected by BSE due to technical issues and a fresh application for reclassification will be made to BSE soon.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure to the Directors' Report and is attached to this report.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Risk Management Committee is operating throughout the year to identify and evaluate elements of business risks.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

Due to the losses incurred since last many years till previous year, during the year under review, Corporate Social Responsibility could not be implemented. However on improved performances, the same will be implemented.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees or Investments made under Section 186 are furnished in Notes to Financial Statement attached to this report

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties were on arm's length basis and in the ordinary course of business. There were no material significant related party transactions made by the company during the year under review with Promoter/Directors or Key Managerial Personnel. All related party transactions are placed before the Audit Committee and has also been placed at the Board Meeting for approval and omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. The policy on related party transactions as approved by the Board has been uploaded on the website of the company. Form AOC-2 is not annexed with the Directors' Report for the current year since the related party transactions are mentioned in the Notes to Accounts attached with this report.

11. SALE OF COMPANY PREMISE FOR PAYMENT OF STATUTORY LIABILITIES

Sale of Thane premises has been executed during current year however the final payment is yet to be realized since the payments are scheduled in tranches depending on completion of various approvals and formalities. The covid 2019 has affected this process badly. The transaction is expected to be completed during the current year. This proceeds will help reducing interest burden of bank loans.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no adverse comments, qualifications or reservations by the Statutory Auditors in their report in terms of Section 143 as well as by Practicing Company Secretary in the Secretarial Audit Report in terms of Section 204. Respective reports are annexed herewith (please refer Annexure A for Secretarial Audit).

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is being practiced, due to inadequate profit, the present Executive Director is not drawing any remuneration.

14. ANNUAL RETURN

The extracts of Annual Return pursuant to provisions of section 92 read with rule 12 of the companies (Management and Administration) Rules, 2014 is furnished in Annexure – B and attached to this report.

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board met 4 (four) times during the financial year 2019-20 i.e. on 14th May, 2019, 8th August, 2019, 14th November, 2019 and 12th February, 2020. In respect of such meetings proper notices were given in time and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No Circular Resolutions were passed by the company during the financial year under review.

The Board confirms compliance of Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

16. CORPORATE GOVERNANCE REPORT

In terms of SEBI CIRCULAR CIR/CFD/POLICYCELL/7/2014 dated September 15, 2014 which was effective October 1, 2014, the Clause 49 of the Listing Agreement shall be applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the provisions of erstwhile Clause 49 shall not be mandatory, for the time being, in respect of the following class of companies:

Companies having paid up equity share capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs.25 Crore, as on the last day of the previous financial year; provided that where the provisions of Clause 49 becomes applicable to a company at a later date, such company shall comply with the requirements of Clause 49 within six months from the date on which the provisions became applicable to the company.

In view of the above your company is not required to annex the Corporate Governance Report to the Directors Report for the year ended March 31, 2020.

17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

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

18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiary company and no joint ventures during the year under review

19. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

20. DIRECTORS

441 shares are held by the Independent Directors. The details of Promoter Shareholding are available in MGT-9 annexed to this report.

In accordance with the provisions of the Companies Act, 2013, Mrs. Amrita P. Deodhar (DIN: 00538573) is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible has offered herself for re-appointment.

During the year Mr. Naresh K. Joshi (DIN:08471203) has resigned from the Board and Mr. Dinesh Kotecha (DIN: 02115860) was appointed as Additional Director (Independent) on the Board.

21. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

22. STATUTORY AUDITORS

M/s Shahade & Associates, Chartered Accountants, the Statutory Auditors of the Company have expressed their unwillingness to be re-appointed as Statutory Auditors of the company in the ensuing Annual General Meeting. Based on the recommendation of the Audit Committee, the Board at its meeting held on 3rd September, 2020 has appointed M/s. Puranik Kane & Co., Chartered Accountants (Regn No 120215W) as the Statutory Auditors of the Company subject to approval of the members. The Board recommends that M/s. Puranik Kane & Co. be appointed as the Statutory Auditors of the Company for a period of five years to carry out the audit from financial year 2020-2021 to 2024-2025 and shall hold office as such till conclusion of the Annual

General Meeting that will be held for adoption of financial statements for the year 2024-2025. The remuneration payable to the new auditor is commensurate with the audit work assigned to them. The Board also seeks an authority to the Chairman & Managing Director for fixing their remuneration.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members

- i Dr. S.K. Hajela (DIN: 01001987)
- ii Mrs. Amrita P. Deodhar (DIN: 00538573)
- iii Mr. Dinesh A. Kotecha (DIN: 02115860)

The above composition of the Audit Committee consists of independent Directors viz., Mr. Dinesh A. Kotecha (DIN: 02115860) and Dr. S.K. Hajela (DIN: 01001987) who form the majority.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

24. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. RIGHT ISSUE OF EQUITY SHARES

During the year the Board of Directors further passed the resolution for issue of rights shares to the existing share holders. The procedure for issue of right shares is under process.

e. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

f. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013)

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No sexual harassment complaints were received during the year 2019-2020.

g. Statement under section 134(3) of the companies act 2013 read with rule 5(2) of Companies (appointment and remuneration of managerial personnel) rules, 2014 giving details of employees who were employed throughout the year and were in receipt of remuneration not less than Rs. 1,02,00,000/- p. a. or Rs. 8,50,000/- p.m. if employed for part of the year is not attached to this report as there are no employees in this category.

h. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to Bankers, Business Associates, Consultants, Employees and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

P.S. Deodhar
Chairman & Managing Director
DIN: 00393117

Date: 30th July, 2020
Place: Thane

ANNEXURE TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988]

A) ELECTRICAL ENERGY

1. Conservation of Energy:

The Company's production process does not involve any continuous process machinery. As the production involves electronic assembly, power requirements are very minimal.

2. Energy conservation measures taken:

The company is switching over its lighting needs to energy efficient CFL and LED lights. Measures are also taken to watch and correct the load PF as necessary. The company is also working developing phantom loads to reduce power requirements during equipment load testing.

3. Investments are proposed to be made in setting up Solar Panels for power generation to reduce the consumption and cost of purchased power.

B) TECHNOLOGY DEVELOPMENT – R & D

Research & Development in Power Electronics

Most of your company's R&D focus for the next few years will be on green technologies. Your company considers R&D and innovation as key in negating the effects of squeezed margins in the competitive markets it operates in. Some of our R&D efforts this year are on:

1. Automatic Transfer Switch developed presently with 20KVA Capacity
2. Three phase IGBT based 12 element Inverter developed.
3. 20kVA ruggedized UPS developed for P-17A Navy Project
4. DSP base Buck Converter developed

Expenditure on R & D

(Rs. in Lakhs)

	2019-2020	2018-2019
Capital Expenditure	Nil	Nil
Revenue Expenses	30.15	24.13
TOTAL	30.15	24.13
Total R & D Expenses as a percentage to turnover	0.58%	0.45%

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The earnings and outgo in foreign exchange are as follows:
Earnings (FOB Value) (P Y Rs. 411.93 Lakhs)

Rs. 362.45 Lakhs

Outgo (CIF Value of imports plus expenses) (P Y 294.49 Lakhs)

Rs. 337.34 Lakhs

For and on behalf of the Board of Directors

P.S. Deodhar
Chairman & Managing Director
DIN: 00393117

Date: 30th July, 2020
Place: Thane

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2019-2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) 2015]

To
The Members,
Aplab Limited
A-5/6 Aplab House
Wagle Industrial Estate
Thane 400 604

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Aplab Limited for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) and other applicable laws like - Factories Act, 1948, The Payment of Gratuity Act, 1972; Payment of Bonus Act and labour related laws.

During the year under review the company did not attract the provisions of:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (f) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

I have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has largely complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The company has delayed payment of wages; settlement of outstanding gratuity of employees who have resigned/retired from the Company and settlement of outstanding bonus due to employees.
2. The company is yet to comply with the provisions relating to treatment of unclaimed fixed deposits.

I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the board of directors during the year did not affect the composition of the board and the required balance was maintained.

Adequate notice is given to all directors for Board and committee Meetings. Agenda and detailed notes on agenda were sent on time and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried through majority votes while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

CS Rama Subramanian
Company Secretary in Practice
Membership No 15923
Certificate of Practice No 10964
Date: July 28, 2020
Place: Thane
ICSI UDIN A015923B000516016

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members
Aplab Limited
A-5/6 Aplab House
Wagle Industrial Estate
Thane 400 604

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

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

CS Rama Subramanian
Company Secretary in Practice
Membership No 15923
Certificate of Practice No 10964
Date: July 28, 2020
Place: Thane
ICSI UDINA015923B000516016

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L99999MH1964PLC013018
ii	Registration Date	30th September, 1964
iii	Name of the Company	Aplab Limited
iv	Category/Sub-category of the Company	Company Limited by shares
v	Address of the Registered office & contact details	A-5, Aplab House, Wagle Estate, Thane - 400604 Tel.: 022-67395555/67395588 Fax: 022-28523137
vi	Whether listed company	Listed
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate Makwana Road, Marol Naka Andheri (East), Mumbai -400 059 Tel.: 022-28596060/28594442 Fax: 022-28503748

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Uninterrupted Power Supply Systems	850440.04	38.11
2	Regulated DC Power Supply	850440.04	12.89
3	Test & Measuring Instruments	903020.00	9.42
4	Education Products	847290.00	6.97
5	Cable Route Tracers	903020.00	0.06
6	Passbook Printers & Machines	847290.00	7.23
7	Service Income	847290.00	25.32

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
	Not Applicable		Not Applicable		

SHAREHOLDING PATTERN
(Equity Share Capital Breakup as Percentage of Total Equity)
APLAB LIMITED - Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	577152	0	577152	11.54	577152	0	577152	11.54	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporates	519499	0	519499	10.39	519499	0	519499	10.39	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Persons Acting In Concert(Corp.Bodies)	475000	0	475000	9.50	475000	0	475000	9.50	0.00
g) Directors	1217564	0	1217564	24.35	1217564	0	1217564	24.35	0.00
h) Directors Relatives	21333	0	21333	0.43	0	0	0	0.00	-0.43
i) Trusts	137803	0	137803	2.76	137803	0	137803	2.76	0.00
Sub Total : A(1)	2948351	0	2948351	58.97	2927018	0	2927018	58.54	-0.43
(2) Foreign									
a) NRI - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total : A(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoters (A)=(A) (1) + (A)(2)	2948351	0	2948351	58.97	2927018	0	2927018	58.54	-0.43
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	2300	2300	0.05	0	2300	2300	0.05	0.00
b) Banks/FI	3177	0	3177	0.06	3177	0	3177	0.06	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other (Specify)									
Sub Total : B(1)	3177	2300	5477	0.11	3177	2300	5477	0.11	0.00
(2) Non - Institutions									
a) Bodies Corporates									
ai) Indian	53533	10601	64134	1.28	48273	10401	58674	1.18	-0.11
aii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
bi) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	932404	151785	1084189	21.68	942785	148435	1091220	21.82	0.14

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
bii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	861337	0	861337	17.23	884928	0	884928	17.70	0.47
c) Any Other (Specify)									
c-1) Non Resident Indians (Individuals)	14066	22350	36416	0.73	10333	22350	32683	0.65	-0.07
c-2) Clearing Member	96	0	96	0.00	0	0	0	0.00	0.00
Sub Total : B(2)	1861436	184736	2046172	40.92	1886319	181186	2067505	41.35	0.43
Total Public Shareholding (B)=(B)(1) + (B)(2)	1864613	187036	2051649	41.03	1889496	183486	2072982	41.46	0.43
C. Shares held by Custodian for GDRs & ADRs									
a) Promoter & Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
b) Public	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total : (C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Shares held by Custodian for GDRs & ADRs (C)=(C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A + B + C)	4812964	187036	5000000	100.00	4816514	183486	5000000	100.00	0.00

II Shareholding of Promoters

SI No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Printquick Private Limited	76500	1.53	0.00	76500	1.53	0.00	0.00
2	Zee Entertainment Enterprises Ltd	475000	9.50	0.00	475000	9.50	0.00	0.00
3	Deodhar Electro Design (P) Ltd	210338	4.21	28.53	210338	4.21	28.53	0.00
4	P S Deodhar Foundation Trust	137803	2.76	0.00	137803	2.76	0.00	0.00
5	Prabhakar Shankar Deodhar	577152	11.54	0.00	577152	11.54	0.00	0.00
6	Amrita Prabhakar Deodhar	1217564	24.35	0.00	1217564	24.35	0.00	0.00
7	Contech Soft-Tech Solutions Private Limited	6110	0.12	0.00	0	0.00	0.00	-0.12
8	Shirish Prabhakar Deodhar	21333	0.43	0.00	0	0.00	0.00	-0.43
9	Devize (India) Pvt Ltd	220451	4.41	0.00	220451	4.41	0.00	0.00
10	Origin Instrumentation Pvt Ltd	6100	0.12	0.00	12210	0.24	0.00	0.12
	Total	2948351	58.97	2.04	2927018	58.54	2.05	0.43

III Change in Promoters' Shareholding (please specify, if there is no change)

SI No.		Name of Promoter's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	P S Deodhar Foundation Trust	31/03/2019	137803	2.76	137803	2.76
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	137803	2.76
2	At the beginning of the year	Contech Soft-Tech Solutions Private Limi	31/03/2019	6110	0.12	6110	0.12
	Date wise Increase / Decrease in Promoters Share holding during the year		20/09/2019	-6110	0.12	0	0.00
	At the End of the year		31/03/2020	0	0.00	0	0.00
3	At the beginning of the year	Devize (India) Pvt Ltd	31/03/2019	220451	4.41	220451	4.41
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	220451	4.41
4	At the beginning of the year	Origin Instrumentation Pvt Ltd	31/03/2019	6100	0.12	6100	0.12
	Date wise Increase / Decrease in Promoters Share holding during the year		20/09/2019	6110	0.12	12210	0.24
	At the End of the year		31/03/2020	0	0.00	12210	0.24
5	At the beginning of the year	Printquick Private Limited	31/03/2019	76500	1.53	76500	1.53
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	76500	1.53

SI No.		Name of Promoter's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
6	At the beginning of the year	Zee Entertainment Enterprises Ltd	31/03/2019	475000	9.50	475000	9.50
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	475000	9.50
7	At the beginning of the year	Deodhar Electro Design (P) Ltd	31/03/2019	210338	4.21	210338	4.21
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	210338	4.21
8	At the beginning of the year	Prabhakar Shankar Deodhar	31/03/2019	577152	11.54	577152	11.54
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	577152	11.54
9	At the beginning of the year	Shirish Prabhakar Deodhar	31/03/2019	21333	0.43	21333	0.43
	Date wise Increase / Decrease in Promoters Share holding during the year		10/01/2020	-1	0.00	21332	0.43
			21/02/2020	-21332	0.43	0	0.00
	At the End of the year		31/03/2020	0	0.00	0	0.00
10	At the beginning of the year	Amrita Prabhakar Deodhar	31/03/2019	1217564	24.35	1217564	24.35
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	1217564	24.35

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

SI No.	For Each of the Top 10 Shareholders	Name of Shareholder's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Balram Bharwani	31/03/2019	457460	9.15	457460	9.15
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	457460	9.15
2	At the beginning of the year	Mita Dipak Shah	31/03/2019	64500	1.29	64500	1.29
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	64500	1.29
3	At the beginning of the year	Sharad Kanayalal Shah	31/03/2019	57600	1.15	57600	1.15
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	57600	1.15
4	At the beginning of the year	Hirji Eddie Nagarwalla	31/03/2019	49986	1.00	49986	1.00
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	49986	1.00
5	At the beginning of the year	Behroz Hansotia	31/03/2019	49640	0.99	49640	0.99
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	49640	0.99
6	At the beginning of the year	Anjana Sinha	31/03/2019	49149	0.98	49149	0.98
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2020	0	0.00	49149	0.98

SI No.	For Each of the Top 10 Shareholders	Name of Shareholder's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
7	At the beginning of the year Date wise Increase / Decrease in Share holding during the year	Vandana Lakshminarayan Bhat	31/03/2019	150	0.00	150	0.00
			10/05/2019	1000	0.02	1150	0.02
			21/06/2019	600	0.01	1750	0.04
			28/06/2019	200	0.00	1950	0.04
			05/07/2019	2543	0.05	4493	0.09
			04/10/2019	120	0.00	4613	0.09
			29/11/2019	600	0.01	5213	0.10
			20/12/2019	500	0.01	5713	0.11
			28/02/2020	21490	0.43	27203	0.54
			31/03/2020	0	0.00	27203	0.54
8	At the beginning of the year Date wise Increase / Decrease in Share holding during the year At the End of the year	Chandramohan Dewani	31/03/2019	20825	0.42	20825	0.42
				NIL	NIL		
			31/03/2020	0	0.00	20825	0.42
9	At the beginning of the year Date wise Increase / Decrease in Share holding during the year At the End of the year	Sprit Infrapower & Multiventures Private	31/03/2019	19800	0.40	19800	0.40
				NIL	NIL		
			31/03/2020	0	0.00	19800	0.40
10	At the beginning of the year Date wise Increase / Decrease in Share holding during the year At the End of the year	Ravi Vincent Cunha	31/03/2019	18995	0.38	18995	0.38
				NIL	NIL		
			31/03/2020	0	0.00	18995	0.38
11	At the beginning of the year Date wise Increase / Decrease in Share holding during the year At the End of the year	Neeta U Kothari	31/03/2019	17884	0.36	17884	0.36
				NIL	NIL		
			31/03/2020	0	0.00	17884	0.36

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	420274188	227612669		647886857
ii) Interest due but not paid	0	54030810		54030810
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	420274188	281643479	0	701917667
Change in Indebtedness during the financial year				
Additions	0	13575893	0	13575893
Reduction	1566057	300000	0	1866057
Net Change	-1566057	13275893	0	11709836
Indebtedness at the end of the financial year				
i) Principal Amount	418708131	240112669	0	658820800
ii) Interest due but not paid	0	54806703	0	54806703
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	418708131	294919372	0	713627503

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the MD/WT/Manager			Total Amount
1	Gross salary	P. S. DEODHAR			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	0			0
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0			0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0			0
2	Stock option	NIL			NIL
3	Sweat Equity	NIL			NIL
4	Commission as % of profit others (specify)	NIL			NIL
5	Others, please specify-Sitting Fee	0			0
	Total (A)	0			0
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors				Total Amount
			S. K. HAJELA	A. P. DEODHAR	NARESH JOSHI	
1	Independent Directors					
	(a) Fee for attending board committee meetings		60000	120000	60000	240000
	(b) Commission	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	0	60000	120000	60000	240000
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					0
	(b) Commission	NIL	NIL			NIL
	(c) Others, please specify.	NIL	NIL			NIL
	Total (2)	0	0	0		0
	Total (B)=(1+2)	0	60000	120000	120000	240000
	Total Managerial Remuneration					
	Overall Cieling as per the Act.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO	Total	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		2400000			2400000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		NIL			NIL
2	Stock Option		NIL			NIL
3	Sweat Equity		NIL			NIL
4	Commission as % of profit others, specify		NIL			NIL
5	Others, please specify		NIL			NIL
	Total		2400000			2400000

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NA		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

P.S. Deodhar
Chairman & Managing Director
DIN:00393117

Date: 30th July, 2020
Place: Thane

INDEPENDENT AUDITOR'S REPORT**To the Members of Aplab Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the Standalone financial statements of Aplab Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Profit and Loss, Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements prepared by the Company give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Profit, Changes in Equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has not worked out Impairment Loss nor made necessary provisions as required under Ind AS 36, in spite of continued losses resulting in negative Net Worth over the past 4 years.

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

- a. The Company has incurred an operating loss of Rs. 293.27 lakhs during this year. The Company has accumulated losses and its net worth has continued

to remain negative at Rs. 2638.44 lakhs at this year end. This Net Worth is after sale of two properties in the past 2 years with a net gain of Rs. 1389.05 lakhs. The Company during the year could not pay various statutory dues in time and the delay ranged between 2 to 12 months. The Unpaid Statutory Dues amounted to Rs. 221.66 lakhs and separated employee Unpaid Gratuity / other dues are Rs. 856.00 lakhs at the year end.

This situation has resulted in Company facing difficulty to generate adequate operational inflows to finance its activities and to continue as a going concern. The promoters have advanced substantial unsecured loans including unpaid interest of Rs. 2887.19 lakhs to sustain operations.

- b. We invite attention Management Note in the Standalone Financial Results regarding the uncertainties arising out of the outbreak of COVID – 19 pandemic and assessment made by the Management on its business and financials, including valuation of assets, Contractual and Contingent Liabilities for the year ended 31st March, 2020. This assessment and the outcome of the pandemic is as made by the Management and is highly dependent on the circumstances as they evolve in the subsequent periods and also they are highly uncertain.
- c. The Company has not made any provision for Impairment in recovery from customers and inventory against customer specific orders. Uncertainties about severity and duration of the pandemic may impact reduction in carrying value of these financial assets, the financial position and going concern ability of the Company.
- d. Due to declaration of sudden shutdown (related to COVID- 19 pandemic) of Company Offices at March 2020 end, the year end System processes as laid down by the System Provider could not fully been carried out by the Company. Though necessary adjustments as suggested by the System Provider have been made by the Company, it is not possible to ascertain the impact, if any, it may still have on valuation of Inventory & Cost of Sales.
- e. Based on the opinion obtained by the Company, Income tax will not be attracted on Capital Gain from Sale of Thane Unit property due to unabsorbed carry forward losses. Therefore, no provision for tax is made by the Company.

Our opinion is not modified on the above matters.

Key Audit Matters

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

Key Audit Matters	How our audit addressed the Key Audit Matters
There are various Key Audit Matters which were observed as most significant in our audit of Financial statements and specifically these are as under.:	<p>Our Audit Procedures on various areas in general primarily included :</p> <ul style="list-style-type: none"> • Obtaining an understanding of design, ERP system, processes and internal controls implemented by the management across its manufacturing & sales / service divisions, • Review of Company's interaction with ERP System Administrators to assess the effectiveness of various process controls, • Testing IT and other controls for its completeness & accuracy of financial transactions, • Testing on a sample basis various types of transactions across business verticals & sales / service units. • Examination of system outputs, management reports, major contracts, sale deeds and obtaining necessary explanations / clarifications from the concerned officials <p>We give below how specifically each Key Audit Matter has been dealt with by us in our Audit :</p>
<p>The Company has incurred an operating loss of Rs. 293.26 lakhs during this year. Since last 5 years company is incurring Operating losses. The Company has made a Profit during the year due to certain exceptional items Rs. 314.02 lakhs, however, due to substantial accumulated losses, its net worth has continued to remain negative at the end of the year at Rs. 2638.44 lakhs.</p> <p>The Current Liabilities have exceeded Current Assets by Rs.4284.22 lakhs at the year end.</p>	<p>We have analysed the major reasons which are contributing to the continued operating losses & those were high cost of debt, continuous decline in turnover and high fixed costs.</p> <p>With retiring of some of the bank & other borrowings, company projects to save interest costs. This is in addition to Interest free unsecured loans advanced by one of the directors. As per presentation made by the Company in the Audit Committee Meeting and the Management Representation given to us, Company plans to increase the turnover as funds would be available through retiring of bank debts for its operations.</p> <p>However, the management could not exhibit these claims by way of projections.</p>

Key Audit Matters	How our audit addressed the Key Audit Matters
<p>During the year, the Company has executed sale deed for Thane Unit 1 for Rs. 3500 lakhs at a gain of Rs. 314.02 lakhs. Out of the sale proceeds, Rs. 2450 lakhs are outstanding to be received at Balance Sheet date.</p> <p>Company continued to occupy the said premises, pending receipt of balance funds. However depreciation / amortisation has been claimed on Building & Land till date of sale. For all the other assets at this premises, the company being legal owner, claimed deprecation for the full year</p> <p>The Company has not made a provision for approximately Rs. 40 lakhs towards brokerage on sale. The above gain amount is sans this expenditure. The matching principle of accounting has not been followed.</p> <p>The Company has not made a provision for tax on this gain based on an opinion obtained from their tax consultants.</p>	<p>The sold property is the prime property being used by the Company as its headquarters and main manufacturing unit housing three business verticals. We have examined the property sale deed, other related sale documents.</p> <p>The Company has initiated necessary expansion work for relocating the headquarters and three mfg. units to its Unit at Digha, Thane. Once completed it will ensure that there will not be any hindrance to manufacturing operations.</p> <p>The gain on sale of Property has been considered as an Exceptional Item. This is a non operational income generated having substantial impact on profitability of the company and therefore shown separately.</p> <p>Non provision items of brokerage & Income Tax has been highlighted to the Audit Committee. We also expressed our opinion regarding taxability of Capital gain to the committee.</p>
<p>Inventory includes Rs. 985.79 lakhs which is non-moving and may include some obsolescence. It includes un-reconciled and unconfirmed stocks worth Rs. 599.50 lakhs. The Company has valued entire old inventory at cost instead of least of Cost or NRV. (Refer Note no. 10).</p>	<p>We have analysed inventory records for past 3 years to ascertain its non moving character as also the periodical physical verification records. In addition, we have obtained the saleability or usability of all such non moving items from the company for terming the same as obsolete.</p> <p>The Company claims that there is no obsolescence in electronics industry as such items are required during servicing etc. and therefore valued inventory at Cost.</p> <p>However, based on the inventory records we have ascertained these as "Non Current Assets"(Refer Note no. 10)</p>
<p>Receivables of Rs.386.37 lakhs are overdue for more than a year and include Rs. 315.62 lakhs over 3 years. These are not reconciled or confirmed by the parties. Some of these may have become doubtful or bad.</p>	<p>We have reviewed the status of subsequent realisation for the old debts. However, the Company has not made identification or provision for doubtful debts in the financial statements. However, based on these facts and records we have ascertained that these as "Non Current Assets"(Refer Note no. 10)</p>
<p>The Company during the year could not pay various statutory dues in time and the delay ranges between 2 to 12 months. Statutory Dues of Rs. 221.66 lakhs and separated employee Unpaid Gratuity / other dues are Rs. 856 lakhs are outstanding at the year end.</p> <p>The balance amount of matured Public Deposits including interest remaining unpaid is Rs. 30.26 lakhs</p>	<p>Interest on statutory unpaid dues has been computed and company has made a provision of the same in the financial statements. This computation has been verified by us.</p> <p>The Company has informed us that the pending public deposits are due to non receipt of necessary documents from policyholders. On receipt of the same, the payment is being made.</p>
<p>In spite of cash losses, Impairment of Assets has not been worked out or provided as required under IndAS36</p>	<p>The Company has not worked out this impairment and therefore we have reported this matter to the Audit Committee as well as qualified the opinion in our audit report</p>

Key Audit Matters	How our audit addressed the Key Audit Matters
The Company has not funded Gratuity Policy to the extent of Rs. 851.35 lakhs. In addition, there are unpaid Gratuity and other dues of separated employees of Rs. 856 lakhs on the Balance Sheet date and includes some dues over 5years (Refer Note no.23). No interest has been provided on these outstanding.	<p>The company has obtained Actuarial valuation of Employee Benefits (Gratuity) as per Ind AS 19 and made necessary provision in the financial statements.</p> <p>We have examined the employee data provided for this purpose as also sought clarifications on this valuation from the valuers.</p> <p>The management has stated that due to non availability of funds the policy could not be funded or liabilities paid. The liabilities are being paid as and when some funds are available.</p>
We have observed that the related party transactions entered into by the company have not been adequately supported with documentation for determining with arm's length.	The company has mentioned that Board approval is being sought in this Board Meeting for entire year as well as omnibus approval will be taken for next year transactions within specified limits. This matter has been brought by us to the notice of Audit Committee.
The Company during the year could not fully reconcile some of the important accounts. These are receipts from debtors Rs. 772.79 lakhs, payments to creditors Rs. 236.78 lakhs, Inter unit transactions Rs. 594.11 lakhs and most of the other current assets & current liabilities accounts. In addition, GST, Excise, Service Tax & VAT liabilities have not been reconciled with the respective returns filed.	<p>This matter has been reported by us to the Audit Committee.</p> <p>The Management in their Representation has stated that the company will reconcile these accounts on a priority basis.</p>
The ERP System introduced during FY 2015-16 is not fully established or adequately tested for various reports and daybooks. Due to declaration of sudden shutdown (related to COVID- 19 pandemic) of Company Offices at March 2020 end, the year end System processes as laid down by the System Provider could not fully been carried out by the Company.	<p>We have obtained necessary clarifications from the System Administrators to understand the issues in process completion / un-reconciliation aspects.</p> <p>The system data just before the lockdown was reviewed by the System Administrators and they suggested certain closing procedures. Though necessary adjustments as suggested by the System Provider have been made by the Company, it is not possible to ascertain the impact, if any, it may still have on valuation of Inventory & Cost of Sales</p> <p>For the interim system ledger accounts, we have relied upon the guidance given by the system providers for giving necessary effects to certain financial transactions and Interim System Account balances. These were mainly in the areas of inventory and cost of sales.</p>

Responsibility of Management for 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 of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, 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 the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not provided the impact of pending litigations in its financial statements. The total value of such litigations has been given in para vii(b) of the Annexure A to this report to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Rs. 0.03 lakhs are remaining to be transferred to the Investor Education and Protection Fund by the Company

For Shahade & Associates
Chartered Accountants
(ICAI Firm Reg. No. 109840W)

Shubhada Shahade
Partner
M. No. 038342
UDIN : 20038342AAAAAL9021

Place: Mumbai,
Date: 30th July, 2020

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

(Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of Aplab Limited for the year ended on 31st March 2020.)

- i. (a) The Company has maintained reasonable records showing particulars including quantitative details and situation of fixed assets. This record is reconciled with the Books of Account.
- (b) Physical verification of items of the fixed assets was not fully conducted by the management during the year as per the programme, however, we are informed that no material discrepancies were noticed in the completed verification. The verification results are being reconciled with Fixed Assets Register by the Company.
- (c) The Company has immovable properties of freehold and leasehold land and buildings and the original title deeds are given to the Banks as security against various loans obtained. The Company has copies of these title deeds and on examination of these copies and other documents, we observed that all the title deeds of the properties are held in the name of the Company or amalgamated subsidiary.
- ii. As explained to us, the inventory has been physically verified during the year by the Management at the various locations. In our opinion, the frequency of such verification needs to be substantially improved at regional offices. As informed to us, the discrepancies noticed in physical verification of inventory as compared to the book records were Rs.2586 lakhs at various locations and the Company is in the process of reconciling the same with the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loans to the parties listed in the Register maintained under Section 189 of the Companies Act, 2013. Consequently, the requirements of Clause (a) to (c) are not applicable.
- iv. The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause 3 (iv) of the Order is not applicable.
- v. The Company has not accepted any Public Deposits during the year. In the past, the Company had taken public deposits, however, all these deposits have matured two years back. The Company is yet to repay matured Public deposits of Rs. 30.26 Lakhs including interest as on 31st March 2020, mainly due to non receipt of necessary documentation from the deposit holders.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central government u/s 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the Cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company and information and explanations given to us, the Company had not been regular in depositing statutory dues including Provident Fund, Employees State Insurance, TDS, GST, and other statutory dues with the appropriate authorities during the year, as there were cases of delay throughout the year. Total outstanding of all these statutory dues is Rs. 221.66 lakhs on the year end date. There are undisputed statutory dues of Rs. 151.28 lakhs outstanding as of March 31, 2020 for a period of more than six months since they became payable. The Company has not transferred necessary amount to Investor Education and Protection Fund as on Balance Sheet date.
- (b) As at the year-end, according to the records of the Company and information and explanations given to us, the following are particulars of disputed amounts on account of various Statutory Dues :-

Nature of Dues	Rs. in Lakhs	F.Y.	Forum where dispute is pending
Excise Duty	6.60	2012-13	Appeal Pending with Commissioner of Central Excise (Appeals) CBD Belapur
Excise Duty	3.53	2013-14	Appeal Pending with Asst. Commissioner of Central Excise (Appeals)
Excise Duty	3.81	2014-15	Appeal Pending With CESTAT
Sales Tax	6.11	2002-03	Dy. Commissioner Appeals, New Delhi.
Sales Tax	2.10	2003-04	Dy. Commissioner Appeals, New Delhi.
Sales Tax	2.18	2004-05	Joint Commissioner Appeals, New Delhi.
Sales Tax	3.48	2004-05	Joint Commissioner Appeals, New Delhi.
Sales Tax	0.83	2005-06	Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow)
Sales Tax	1.70	2006-07	Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow)
Sales Tax	1.09	2007-08	Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow)
Sales Tax	3.55	2008-09	Sales Tax Tribunal – Mumbai VAT
Sales Tax	109.15	2008-09	Sales Tax Tribunal – Mumbai VAT
Income Tax	7.28	2004-05	Additional Commissioner Grade II, Appeal filed with Tribunal Mumbai
Income Tax	125.40	2009-10	Additional Commissioner Circle 1, Thane
Income Tax	682.31	2010-11	Commissioner of IT Range 1
Income Tax	124.02	2011-12	CIT II Thane
Total	1083.14		
Gratuity	Many separated employees have filed cases in District Court for non payment of their Gratuity dues. Though the Gratuity amount has been provided, there would be claims of Interest and other charges, amount could not be determined at this stage.		

viii. The Company had taken Working Capital Loans from banks, but has not issued any debentures. During the year, Company defaulted as these loans accounts were overdrawn when compared with the drawing power. The details of these overdrawn amounts are as under:

Particulars	Amt of Default as on 31st March 2020 Rs. in lakhs	Period of Default	Remarks
Corporation Bank – Working Capital & WDCL Loans	Cash Credit Rs 72.51 Lacs & WCDL Rs.181.76 lacs. (sum of overdrawn amount in various months)	This default is observed since last 4 years and in various months.	Default is the excess amount drawn over the Drawing Power each month. During the year, in most of the months the account was overdrawn. This was mainly due to monthly interest charged to these accounts.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the period.

xi. The Company has employees covered under section 197 of the Act and the remuneration paid is below the limit specified under section 197 read with Schedule V of the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable

xiii. The company takes approval of Audit Committee and Board of Directors for Related Party Transactions during the year. The company has mentioned that Board

approval is being sought in this Board Meeting for entire year as well as omnibus approval will be taken for next year transactions within specified limits. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, for a few of the transactions with the related parties. The details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the period the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the period the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Reg. No. 109840W)

Shubhada Shahade
Partner
M. No. 038342
UDIN : 20038342AAAAAL9021

Place: Mumbai,
Date: 30th July, 2020

ANNEXURE - B

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF APLAB LIMITED

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

We have audited the internal financial controls over financial reporting of Aplab Limited, as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2020 :

- (a) The ERP system was not properly established and all periodical process are completed and appropriate reports not available leading to inherent weakness to obtain and test the desired level of internal financial controls.
- (b) The Company did not have appropriate internal controls for periodic reconciliation of physical inventory with the inventory records, which may have resulted in misstatement of inventory values in the books of account.
- (c) The consumption of material for production and other purposes is not reconciled with Cost of Goods sold as appearing in the ERP System, mainly due to lack of production batch closing procedures.
- (d) The adequacy of internal financial control over Servicing and Rental of Machines Income is inadequate in terms of In Warranty & Out of Warranty / AMC billing, consumption of spares and its invoicing, follow up on renewals etc.
- (e) Documentation for establishing arm's length pricing with related party transactions was found to be inadequate.
- (f) Inadequate internal controls in recording of financial transactions including Bank and other account reconciliations

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2020.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Reg. No. 109840W)

Shubhada Shahade
Partner
M. No. 038342
UDIN : 20038342AAAAAL9021

Place: Mumbai,
Date: 30th July, 2020

Statement of Assets & Liabilities as at 31st March , 2020

Particulars	Note	As at 31/03/2020 RUPEES	As at 31/03/2019 RUPEES
ASSETS			
Non Current Assets			
Property, Plant and Equipment	5	355,90,771	412,14,971
Capital work-in-progress	5	359,35,722	234,75,415
Investment Properties	6	11,67,292	11,67,292
Other intangible asset	7	1,93,972	1,93,972
Financial Assets			
i) Investment	8A	2,36,150	2,36,150
ii) Other Financial Asset	8C	178,65,767	169,70,029
Non Current Tax Asset	9A	478,04,655	412,68,267
Deferred tax asset	9B	12,01,057	12,01,057
Other non-current asset	10	1301,41,423	1677,92,203
Total Non Current Asset		2701,36,810	29,52,17,469
Current Assets			
Inventories	10	1601,05,145	1302,81,319
Financial Assets			
i) Investments			
ii) Trade Receivables	10	1892,75,819	1922,44,958
iii) Cash and Cash Equivalents	11	355,04,493	358,14,657
iv) Bank Balances	12	3,035	3,035
v) Loans	8B	21,61,978	16,98,112
vi) Other Financial Assets			
Other Current Assets	13	27,80,05,609	471,46,213
Asset Classified as held for Sale	5	-	33,16,66,982
Total Current Asset		66,50,56,079	40,71,88,294
Total Assets		93,51,92,889	1,03,23,74,632
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	500,00,000	500,00,000
(b) Other Equity	14	(3138,44,005)	(3163,87,488)
Total Equity		(2638,44,005)	(2663,87,488)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings			-
(ii) Other Financial Liabilities			
Provisions	14	110,00,000	75,00,000
Employee Benefit	14	945,58,221	917,12,961
Other Non-Current Liabilities			
Total Non Current Liability		1055,58,221	992,12,961
Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	7136,27,503	7019,17,667
(ii) Trade Payables	14	873,45,474	1076,02,201
(iii) Other Financial Liabilities			-
Provisions	14	38,00,000	35,00,000
Employee Benefit Obligation	14	880,08,239	831,83,152
Current Tax Liabilities (Net)			
Other Current Liabilities	14	2006,97,458	2083,46,140
Total Current Liabilities		1,09,34,78,673	1,10,45,49,159
Liabilities directly associated with assets classified as held for sale	15	-	950,00,000
Total Liabilities		1,19,90,36,894	12987,62,120
TOTAL EQUITY AND LIABILITIES		93,51,92,889	1,03,23,74,632

As per our report attached
For Shahade & Associates
Chartered Accountants
(Firm Reg.No.-109840W)

Shubhada Shahade
Partner
M No.038342
UDIN:20038342AAAAAL9021
Mumbai : 30th July , 2020

For and on behalf of the Board

Rajesh K Deherkar
Company Secretary & Finance Controller
Membership No. A10783

Thane : 30th July , 2020

P.S.Deodhar
Chairman and Managing Director
DIN : 00393117

Thane : 30th July , 2020

Statement of Profit & Loss Account for the year ended 31st March, 2020

Particulars	Note	Year ended 31-03-2020 RUPEES	Year ended 31-03-2019 RUPEES
INCOME			
I Revenue From Operations	16	5159,50,090	5321,41,451
II Other Income	17	28,37,315	31,57,556
III Total Income		51,87,87,405	5352,99,007
IV EXPENDITURE			
Cost of Materials Consumed	18	1936,58,686	2571,80,103
Employee Benefit Expenses	19	1339,75,795	1397,31,348
Finance Costs	20	6,21,00,471	806,45,449
Depreciation and Amortisation Expenses	21	102,24,673	128,74,908
Other Expenses	22	1481,54,331	1600,47,049
Total Expenditure		54,81,13,956	6504,78,857
V Profit / (Loss) before exceptional items and tax (III-IV)	-	(2,93,26,550)	(1151,79,850)
VI Exceptional Items		314,02,714	1818,18,655
VII Profit / (Loss) before exceptions items and tax (V-VI)		20,76,163	666,38,805
VIII Tax Expense :			
(1) Current Tax			125,00,000
(2) Deferred Tax			-
IX Profit / (Loss) for the period from continuing operations (VII-VIII)		20,76,163	541,38,805
X Other Comprehensive Income			
A. (i) Items that will not be reclassified to Profit Or Loss		5,03,320	48,75,534
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
B. (i) Items that will be reclassified to Profit or Loss			
(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
XI Total Comprehensive Income for the period (IX + X) comprising Profit/(Loss) and Other Comprehensive Income for the period		25,79,483	590,14,339

Earnings per Equity Share (Face Value of Rs. 10/- each)

Basic	0.52	11.80
Diluted	0.52	11.80

The accompanying notes form an integral part of these financial statements 1 to 23

As per our report attached
For Shahade & Associates
Chartered Accountants
(Firm Reg.No.-109840W)

Shubhada Shahade
Partner
M No.038342
UDIN:20038342AAAAAL9021
Mumbai : 30th July , 2020

For and on behalf of the Board

Rajesh K Deherkar
Company Secretary & Finance Controller
Membership No. A10783

Thane : 30th July , 2020

P.S.Deodhar
Chairman and Managing Director
DIN : 00393117

Thane : 30th July , 2020

Cash Flow Statement For the year ended 31st March 2020

	2019-20 RUPEES	2018-19 RUPEES
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	25,79,483	5,90,14,339
Adjustments For :		
Depreciation and Amortisation	1,02,24,673	1,28,74,908
Interest Expense	6,57,41,462	7,50,11,343
Unrealised Foreign Exchange (Gains)/Loss (net)		
Interest Income	(9,40,113)	(11,12,477)
(Profit)/Loss On Sale/Discard Of Property, Plant And Equipment (net)	(3,14,02,714)	(10,75,02,307)
Rent Income	(12,23,850)	(11,86,050)
Operating Profit before working capital changes	4,49,78,942	3,70,99,757
Adjustments for :		
(Decrease) / Increase in Working Capital	(24,43,94,358)	(1,39,39,939)
Cash generated from Operations	(19,94,15,416)	2,31,59,817
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(16,07,154)	(11,57,602)
Capital Work in Progress	(24,29,930)	(1,52,77,777)
Sale of Fixed Assets	31,86,07,286	11,35,63,947
Proceeds from Sale Of Property, Plant & Equipment And Intangibles	3,14,02,714	10,75,02,307
Interest Received	9,40,113	11,12,477
Rent Received	12,23,850	11,86,050
Net Cash used in Investing Activities	34,81,36,879	20,69,29,402
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Decrease) in Borrowings	(8,32,90,165)	(16,52,22,520)
Prior Period Reversal		65,54,551
Interest Paid	(6,57,41,462)	(7,50,11,343)
Net Cash from Financing Activities	(14,90,31,626)	(23,36,79,312)
Net Increase / (Decrease) in Cash and Cash Equivalent (A+B+C)	(3,10,164)	(35,90,092)
Opening Balance of Cash and Cash Equivalent	3,58,17,692	3,94,07,784
	3,58,17,692	3,94,07,784
Closing Balance of Cash and Cash Equivalent	3,55,07,528	3,58,17,692
Net Increase / (Decrease)	(3,10,164)	(35,90,092)

Notes:

- 1) The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard Ind AS - 7 "Statement of Cash Flow"
- 2) Figures in brackets indicate outflow.

As per our report attached
For Shahade & Associates
Chartered Accountants
(Firm Reg.No.-109840W)

Shubhada Shahade
Partner
M No.038342
UDIN:20038342AAAAAL9021
Mumbai : 30th July , 2020

For and on behalf of the Board

Rajesh K Deherkar
Company Secretary & Finance Controller
Membership No. A 10783

Thane : 30th July , 2020

P.S.Deodhar
Chairman and Managing Director
DIN : 00393117

Thane : 30th July , 2020

Notes to the Standalone Financial Statements for the year ended 31st March, 2020**1. Corporate information**

Aplab Limited is a public limited company domiciled and incorporated in India having its registered office at Aplab House, A-5, Wagle Estate, Thane 400 604 . The Company's equity shares are listed and traded on BSE Limited. The Company is engaged in the manufacturing & marketing of Professional Electronic Equipment business.

2. Application of new and revised Indian Accounting Standards

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

2.1 Standards / Amendments issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows 'and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively.

3. Significant accounting Policies**3.1 Statement of Compliance**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The date of transition to Ind AS is April 1, 2016. Refer note 3.19 for details of first time adoption mandatory exceptions and optional exemptions availed by the Company. Previous period figures in the financial statements have been restated in compliance with Ind AS. Upto the year ended March 31, 2017, the Company had prepared its financial statements under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The financial statements are presented in Indian Rupees and all values are rounded to the nearest rupee except otherwise stated.

Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

3.3 Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

3.4 Revenue Recognition

- Sales are recognized when risks and rewards (transfer of custody of goods) are passed to customers and include all statutory levies except Value Added Tax (VAT) and is net of discounts.
- Service Income resulting from achievement of milestone events stipulated in agreements is recognized when the milestone is achieved. Milestones are based on the occurrence of a substantive element specified in the contract or as a measure of substantive progress made towards completion under the contract.
- Dividend income is recognized when the right to receive the dividend is established.
- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition).
- For non financial assets, interest income is recognized on a time proportion basis.
- Revenue from sale of scrap is recognized when risks and rewards (transfer of custody of goods) are passed to customers.
- Revenue in respect of Liquidated Damages from contractors/ suppliers is recognized when determined as not payable.

3.5 Leases

- Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- Leasehold lands where the ownership of the land will not be transferred to Company at the end of lease period are classified as operating leases. Upfront operating lease payments are recognized as prepayments and amortized on a straight-line basis over the term of the lease. Leasehold lands are considered as finance lease where ownership will be transferred to the Company as at the end of lease period. Such leasehold lands are presented under property, plant and equipment and not depreciated.

3.6 Foreign currencies

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates. Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated using closing exchange rate prevailing on the last day of the reporting period.

3.7 Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged in the statement of profit and loss.

3.8 Employee Benefits

Employee benefits include provident fund, gratuity fund, compensated absences and resettlement allowances.

3.9 Defined contribution plans

Employee benefit under defined contribution plans comprising of provident fund is recognized based on the amount of obligation of the Company to contribute to the plan. The same is paid to a Provident Fund Trust authorities and to Life Insurance Corporation of India respectively, which are expensed during the year.

Defined benefit plans

Defined retirement benefit plan of gratuity is recognized based on the present value of defined benefit obligation and is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognized in the statement of profit and loss except those included in cost of assets as permitted. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding

net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss. The Company contributes all ascertained liabilities with respect to Gratuity to the Life Insurance Corporation of India.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

3.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax

is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred taxes are recognized in respect of temporary differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference is determined using first in first out method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

Current and deferred tax for the year

Current and deferred tax are recognized instatement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.11 Property, Plant and Equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses if any. Freehold land is not depreciated.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. It includes professional fees and borrowing costs for qualifying assets capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and material value as assessed by management and subsequent capital expenditure on Property, Plant and Equipment are accounted for as separate components.

PPE are stated at cost less accumulated depreciation and accumulated impairment losses if any.

Depreciation of PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using Straight Line Method, over the useful life of component of various Assets as specified in Schedule II to the Companies Act, 2013.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs. 5,000/-

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

An item of property, plant and equipment is derecognized upon disposal, replacement or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.12 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses if any.

De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Sr. No.	Particulars	Useful lives (in years)
1.	Computer software	3-10
2.	Licence and franchise	2-10

3.13 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of

transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

3.14 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories comprises of purchase cost and other costs incurred in bringing inventories to their present location and condition. The cost has been determined as under:

Raw material	Weighted average cost basis.
Finished products	Raw material and Conversion cost
Stock-in-process	Raw material and Proportionate Conversion cost.
Stores and spares	Weighted average cost basis.

3.15 Provisions, Contingent Liabilities and Contingent Assets.

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

3.16 Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.17 Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

- **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

- **Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial

assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

- **Impairment of financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

- **De-recognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

3.18 Insurance Claims

In case of total loss of asset, on intimation to the insurer, either the carrying cost of the asset or insurance value (subject to deductible excess) whichever is lower is treated as claims recoverable from insurance company. In case insurance claim is less than the carrying cost

of the asset, the difference is charged to statement of profit and loss.

In case of partial or other losses, expenditure incurred / payments made to put such assets back into use, to meet the third party or other liabilities (less deductible excess) if any, are accounted for as claims receivable from insurance company. Insurance Policy deductible excess are expensed in the year in which corresponding expenditure is incurred.

As and when claims are finally received from the insurance company, the difference, if any, between the claim receivable from insurance company and claims received is adjusted to statement of profit and loss.

All other claims and provisions are booked on the merits of each case.

3.19 First-time adoption – mandatory exceptions and optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS, as of April 1, 2016 (the 'transition date') by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS, as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

- **De-recognition of financial assets and financial liabilities**

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016.

- **Business combinations**

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015.

- **Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of amortized cost criteria based on the facts and circumstances that existed as of the transition date.

- **Impairment of financial assets**

The Company has applied impairment requirement of Ind AS 109 prospectively from the transition date.

- **Deemed cost for property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognized as of April 1, 2016 measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date.

- **Non-current assets held for sale**

The Company has measured non-current assets held for sale at the lower of carrying value and fair value less cost to sell at transition date in accordance with Ind AS 105.

4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the financial statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment, employee benefit obligations, provision for income tax and measurement of deferred tax assets.

4.1 Assumptions and key sources of estimation uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

- **Useful lives of property, plant and equipment and intangible assets**

Management reviews its estimate of the useful lives of PPE and intangible assets at each reporting date, based on the future economic benefits expected to be consumed from the assets.

- **Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Provision for income tax**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

- **Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties.

4.2 Impact of COVID-19 (Global Pandemic)

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and inventories. In developing the assumptions relating to the possible future uncertainties in the global and domestic economic conditions because of this pandemic. The company, as at the date of approval of these financial statements expects the carrying amount of these assets are fully recoverable.

Note 5 Property, Plant and Equipment

Year Ended 31st March 2020

Particulars	Leasehold Land	Factory Buildings	Residential Premises	Office Premises	Plant and Machinery	Electrical Installations	Furniture and Fixtures	E.D.P. Systems /Computers	Vehicles	Total	Capital WIP
Gross carrying amount on April 2019	37,01,45,465	8,55,07,345	7,43,670	83,85,625	2,95,83,637	1,53,62,574	7,28,38,903	3,66,83,208	89,85,572	62,82,35,999	2,34,75,415
Deemed cost											
Additions					22	36,456		1,98,676	13,72,000	16,07,154	24,29,930
Assets included in a Investment property group	6,61,009	23,34,843								29,95,852	
Disposals	35,10,25,772	4,06,51,508	-	-	-	-	-	-	-	39,16,77,280	
Closing Gross Carrying amount(A)	1,91,19,693	4,48,55,837	7,43,670	83,85,625	2,95,83,659	1,53,99,030	7,28,38,903	3,68,81,884	1,03,57,572	23,81,65,872	2,59,05,345
Accumulated Depreciation	4,16,80,403	5,88,03,924	3,14,381	30,79,243	2,73,80,273	1,22,00,175	6,67,52,524	3,57,22,124	80,59,735	25,39,92,782	
Depreciation charge during the year											
Assets included in a Investment property group	5,89,902	13,95,745	11,775	1,32,744	4,81,875	5,92,164	5,50,575	3,31,438	1,28,178	42,14,396	
Assets included in a disposal group classified as held for sale	79,707	17,48,850								18,28,557	
Disposals	3,85,78,752	2,84,44,965								6,70,23,717	
Closing accumulated depreciation(B)	37,71,260	3,35,03,554	3,26,156	31,99,169	2,78,62,148	1,27,92,339	6,73,03,099	3,60,53,562	81,87,913	19,11,83,461	
Net carrying amount as on 31st March, 2020 (A-B)	1,53,48,432	1,13,52,282	4,17,514	51,73,638	17,21,511	26,06,691	55,35,804	8,28,322	21,69,659	4,69,82,412	2,59,05,345

Notes:

- These leasehold lands are considered as finance lease in nature as the ownership will be transferred to the Company at the end of the lease period. Being mortgaged with banks, all the original documents are in custody of banks.
- Property, Plant and Equipment mortgaged as security.
- Working Capital financial assistance availed from Union Bank of India (formerly Corporation Bank) is secured by first charge over immovable property, plant and equipments and movable property, plant and equipments both present and future. Working Capital borrowings from banks are secured by way of hypothecation of company's stocks of raw material, finished goods, stock-in-process, stores, spares, components, trade receivables, outstanding money receivables, claims, bills, contract, engagements, securities both present and future and further secured by second charge over company's movable and immovable property, plant and equipments both present and future.
- Properties at Plot Nos. A-1, A-3, A-5 and A-6 at Thane are being sold. Agreement with the respective purchasers are executed. Depreciation is charged on other properties.
- The Company has elected to continue with the carrying value of its property, plant and equipments recognized as of 1st April, 2016 measured as the previous GAAP and used the carrying value as its deemed cost as on the transition date as per Indian AS 101, first time adoption of Indian Accounting Standards.
- CWIP represent ongoing construction costs at Digha. No depreciation has been charged during the construction period.

Notes to Financial Statement

(Amount in Rs.)

	As At 31-03-2020	As At 31/03/2019
Note 6 Investment Properties		
(Properties given on Rent / Lease)		
Gross carrying amount	29,95,852	29,95,852
Additions	-	-
Closing Gross Carrying amount	29,95,852	29,95,852
Accumulated Depreciation		
Opening accumulated depreciation	(18,28,559)	(17,52,365)
Depreciation charge during the year	(35,344)	(76,194)
Closing accumulated depreciation	(18,63,903)	(18,28,559)
Net Carrying amount	11,31,949	11,67,292

Note

Value of Properties given on rent to related party has been computed on area occupied basis.

Note 7 Intangible assets		
Gross carrying amount		
Deemed cost	64,57,650	64,57,650
Closing Gross Carrying amount	64,57,650	64,57,650
Accumulated amortization	62,63,678	62,63,678
Amortization charge during the year		
Closing accumulated depreciation	62,63,678	62,63,678
Net Carrying amount	1,93,972	1,93,972

Note

Intangible assets represents softwares capitalised.

Note 8 Financial Asset

8A Non current investment			
Investment in Equity Instruments(fully paid-up)			
Quoted			
4,700 equity Shares of Bank of Maharashtra	(A)	1,08,100	1,08,100
Equity investments at FVOCI			
Unquoted			
2000 Ordinary Shares of Saraswat Co-Op Bank Ltd.		20,000	20,000
1001 Ordinary share of The Thane Janata Sahakari Bank Ltd		50,050	50,050
	(B)	70,050	70,050

Notes to Financial Statement

(Amount in Rs.)

	As At 31-03-2020	As At 31/03/2019
Investment in Government Securities		
National Savings Certificate	58,000	58,000
(Deposited with various Government Authorities)		
Out of above, NSC worth Rs. 58,000/- are matured		
(C)	58,000	58,000
Total (A+B+C)	2,36,150	2,36,150

- a) The Company has elected to continue with the carrying value of its investments recognized as of 1st April, 2016 measured as per the previous GAAP and used the carrying value as its' deemed cost as on the transition date as per Ind AS 101" first time adoption of Indian Accounting Standards" (refer Note No. 3.19).
- b) Market value of shares of Bank of Maharashtra is Rs. 41,877/- (p.y. Rs. 64,343/-) diminishing value of investment not provided being traded shares.
- c) Unquoted shares are stated at cost.
- d) National Saving Certificates are matured pending realization.

8B Loans Unsecured,considered good

Loan to employees	21,61,978	16,98,113
Total	21,61,978	16,98,113

Note

Loans are interest free hence not amortised but stated at cost.

8C Other Financial Assets

Security deposits	178,65,767	169,70,029
	178,65,767	169,70,029

Note

Security deposits are interest free hence not amortised but stated at cost.

Note 9A Tax assets /Liabilities

Tax assest(a)		
Advance tax	1426,56,507	1361,20,119
Tax liabilities(b)		
Income tax	948,51,852	948,51,852
Total (a-b)	478,04,655	412,68,267

Note

This tax asset does not include any tax paid under dispute

Notes to Financial Statement

(Amount in Rs.)

	As At 31-03-2020	As At 31/03/2019
Note 9B Deferred Tax Assets /(Liabilities)		
Deferred Tax Assets	12,01,057	12,01,057
	12,01,057	12,01,057

Note

In view of current year loss and carried forward business losses deferred tax assets has not been recognised.

Note 9C Non Current Assets

(Unsecured, considered good, except otherwise stated)

Inventory	9,85,79,295	13,96,22,240
Trade Receivables	3,15,62,128	2,81,69,963
	13,01,41,423	16,77,92,203

Note 10 Inventories

Raw material	1049,58,267	1363,55,969
Work in progress	542,52,887	439,25,558
Finished goods	994,73,286	896,22,032
Total	2586,84,440	2699,03,559
Non Current	985,79,295	1396,22,240
	1601,05,145	1302,81,319

Note

- As per records maintained, physically verified and valued lower of cost or market value and certified by the Management.
- Non Current inventory includes over three years and items under reconciliation.
- Management is in the process of technical evaluation to identify obolence.

Trade Receivable

Trade Receivable	21,96,52,155	21,93,63,529
Receivable from related parties	11,85,792	10,51,392
Total	22,08,37,947	22,04,14,921
Non Current	3,15,62,128	2,81,69,963
Total	18,92,75,819	19,22,44,958

Note

- Trade receivables are unsecured, considered good and subject to confirmation and reconciliation.
- Recoveries are not always as per agreed credit terms however no interest is collected on delayed collection.
- Non current receivables include bills remain uncollected over three years, unreconciled balances and disputed LDs.
- No provision has been made for doubtful debts in view of the continued efforts of recovery.

Notes to Financial Statement

(Amount in Rs.)

	As At 31-03-2020	As At 31/03/2019
Note 11 Cash and cash Equivalents		
Balances with Bank		
Current account	235,94,624	161,43,978
Bank deposits	114,36,993	192,96,937
cash on hand	4,72,876	3,73,742
Total	355,04,493	358,14,657

Note

- a) Bank deposit included Rs. 1,13,30,320/- having maturity between 3 to 12 months. (p.y. Rs. 1,92,96,937/-)
b) All the bank deposits are under lien for bank guarantees availed by the company

Note 12 Bank balances		
Dividend bank account balance	3,035	3,035
Total	3,035	3,035

Note 13 other current asset		
Advances to others	105,37,506	2,63,63,593
Advances to suppliers	33,52,059	15,23,030
Receivable for Sale of Thane Unit I	2450,00,000	
Taxes recoverable	191,16,045	192,59,590
Total	27,80,05,610	471,46,213

Note

The taxes paid / recoverable are not adjusted against liability pending reconciliations with returns filed.

Note 14 SHARE CAPITAL		
Authorised:		
100,00,000 (March 31, 2020, 100,00,000)Equity Share of Rs,10 each	1000,00,000	1000,00,000
Issued:		
50,00,000 (March 31, 2020, 50,00,000)Equity Share of Rs,10 each	500,00,000	500,00,000
Subscribed and Paid up:		
50,00,000 (March 31, 2020, 50,00,000)Equity Share of Rs,10 each	500,00,000	500,00,000
	500,00,000	500,00,000

Equity Shares : The Company has one class of equity shares having a par value of Rs.10 per share.

There is no change in share capital of the Company during the year.

Each shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Financial Statement

(Amount in Rs.)

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

Name of Shareholder	As at 31-03-2020 No. of shares	As at 31-03-2020 % of shares	As at 31-03-2019 No. of shares	As at 31-03-2019 % of shares
Prabhakar Shankar Deodhar	5,77,152	11.54	5,77,152	11.54
Amrita Prabhakar Deodhar	12,17,564	24.35	12,17,564	24.35
Zee Entertainment Enterprises Ltd.	4,75,000	9.50	4,75,000	9.50
Balram Bharwani	4,57,460	9.15	4,57,460	9.15

Other Equity

Particulars	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earnings	Total
Balances at 1st April, 2019	342,83,549	1291,81,200	1,08,011	1276,30,982	(6075,91,230)	(3163,87,488)
(Loss) / Profit for the year					25,79,483	
Other comprehensive Income			36,000			
Balances as at 31st March, 2020	342,83,549	1291,81,200	72,011	1276,30,982	(6050,11,747)	(3138,44,005)

Note:

- Capital reserve was created due to difference in fair value on merging of subsidiary, pursuant to Mumbai High Court order.
- Share Premium Reserve was created while making preferential allotment of shares during year 2000

Borrowings

Secured

	As At 31-03-2020	As At 31-03-2019
Bank Cash Credit cum Working Capital Demand Loan	2832,28,484	2858,14,723
Bank bill discounting	1099,94,541	1099,52,502

Unsecured

	As At 31-03-2020	As At 31-03-2019
Loan from Director	2887,19,372	2754,43,479
Intercompany Deposits	62,00,000	62,00,000
NSIC line of credit	254,85,106	245,06,963
Total current borrowings	7136,27,503	7019,17,667

Notes to Financial Statement

(Amount in Rs.)

Note :

Cash credit cum Working Capital Demand Loan

- 1) From Corporation Bank Secured by hypothecation of all stocks and book debts and further secured/ to be secured by Second charge on Land & Buildings at Thane, Digha and Bangalore.
Rate of Interest 13.10%p.a. as per sanction letter
- 2) Local Bills Discounting Secured by Bills discounted with Corporation Bank Rate of Interest 13.10%p.a. as per sanction letter
- 3) Interest on unsecured loan from another Director is @10% and 13%.
- 4) Unsecured Loan from one of the Director is interest free

Provision

	31-03-2020		31-03-2019	
	current	non current	current	non current
Service Warranties	38,00,000.00	110,00,000.00	35,00,000	75,00,000
Total	38,00,000.00	110,00,000.00	35,00,000	75,00,000

Note :

Service Warranties are computed on the applicable turnover, estimated warranty expenses and warranty period.

Trade payable

	As At 31-3-2020	As At 31-3-2019
Trade payable	873,45,474	1076,02,201

Note

- a) Trade payable are after netting unadjusted payment of Rs.242,05,912/-
- b) Vendors are generally giving credit in the range of 30 to 90 days.
- c) These are unsecured.
- d) No payable belong to Micro, Medium & Small industries as per responses received.

Employee Benefit provisions

	As At 31-3-2020		As At 31-3-2019	
	Current	Non current	Current	Non current
Leave obligations	28,70,992	137,88,684	34,03,450	130,62,422
Gratuity	43,66,344	807,69,537	42,26,536	786,50,539
Other employee liability	807,70,903	-	755,53,166	-
Total	880,08,239	945,58,221	831,83,152	917,12,961

Note :

Employee benefits provisions are made as per Ind AS Actuarial valuation Other liability comprises of amounts owed to separated employees

Notes to Financial Statement

(Amount in Rs.)

Other Current liabilities

	As At 31/03/2020	As At 31/03/2019
Advance from customer	770,58,210	1065,82,711
Statutory taxes payable	635,99,694	419,36,010
Other Liabilities	600,39,553	598,27,419
Total	2006,97,457	2083,46,140

Note - The taxes paid/recoverable are not adjusted against liability, pending reconciliations with returns filed.

Note 15

	As At 31-12-2020	As At 31/03/2019
Liabilities directly associated with Assets classified as held for sale		
Advance received for Thane premises		950,00,000
Total	-	950,00,000
	2019-20	2018-19

Note 16

Revenue from Operations

Sale of Products	3817,32,912	3984,45,805
Net Sales	3817,32,912	3984,45,805
Income from Services	1342,17,177	1336,95,646
Total	5159,50,090	5321,41,451

Note 17

Other Income

Interest on Bank Deposits	9,40,113	11,12,477
Miscellaneous Receipts	6,73,353	8,59,029
Rent Received	12,23,850	11,86,050
Profit / (Loss)on Sale of Assets	314,02,714	1075,02,307
Provision No Longer Req.	-	575,97,077
Excess Provision of Gratuity Reversal	-	190,38,448
Prior period interest claim acknowledged		-23,19,177
Total	342,40,029	1849,76,212

Notes to Financial Statement

(Amount in Rs.)

	2019-20	2018-19
Note 18		
Materials Consumed		
Material Consumed	1936,58,686	2571,80,103
Total	1936,58,686	2571,80,103
Note 19		
Employee Benefit Expenses		
Salaries, Wages and Bonus	1062,52,735	1139,40,216
Contribution to Provident and Other Funds	84,81,186	89,47,046
Gratuity	151,17,085	120,97,124
Staff Welfare Expenses	41,24,789	47,46,962
Total	1339,75,795	1397,31,348
Note 21		
Depreciation & Amortization expenses	102,60,673	129,10,908
Less : Transferred from Revaluation Reserve	36,000	36,000
	102,24,673	128,74,908
Note 20		
Finance Cost		
Interest on Fixed Period Loans	6,21,702	102,23,871
Interest on Other Loans/Deposits	651,19,760	647,87,472
Bank Charges	35,42,467	54,00,026
Exchange Variation (gain) / Loss - net	-6,59,077	2,34,079
Total	686,24,852	806,45,449

Notes to Financial Statement

(Amount in Rs.)

	2019-20	2018-19
Note 22		
Other Expenses		
Labour Charges	422,90,673	408,84,013
Rates and Taxes	37,32,675	37,64,751
Power and Electricity	89,97,903	93,13,885
Insurance Charges	5,15,438	8,15,130
Repairs to Plant and Machinery	46,057	53,022
Repairs to Factory Building	60,893	5,69,369
Miscellaneous Work Expenses	65,80,447	58,76,129
Rent for Office/Residential Premises	79,65,025	80,66,750
Printing and Stationery	13,94,455	15,24,139
Postage and Telephones	40,48,511	41,13,556
Travelling and Conveyance	160,26,087	169,35,963
Vehicle Expenses	6,82,984	8,46,684
Legal and Professional Charges	226,64,947	425,81,161
Transport Outward and Other Charges	166,55,652	194,30,850
Sales Tax, Purchase Tax	13,39,829	1,52,073
Office Maintenance Charges	19,24,773	16,86,578
Repairs and Maintenance - Other Assets	17,79,780	8,64,891
Miscellaneous Expenses	23,37,799	19,47,520
Bad Debts and Other amounts written off / back	25,86,020	6,20,584
Total	1416,29,950	1600,47,049

Notes to Financial Statement

(Amount in Rs.)

ADDITIONAL NOTES: 23

1. Auditor's Remuneration:

Particulars	2019-20 Rs.	2018-19 Rs.
Audit Fees	9,00,000	8,50,000
Limited Review, Corporate Governance and other certification	3,00,000	50,000
Total	12,00,000	9,00,000

2. Suppliers / Service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is given to the extent available:-

Sr. No.	Particulars	2019-20 Rs.	2018-19 Rs.
(i)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
(v)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL

3. Foreign Exchange Earnings and Expenditure:

Sr. No.	Particulars	2019-20 Rs.	2018-19 Rs.
4.1	Value of Imports calculated on CIF basis		
	Components and Spares & Outsourced Items	3,37,34,499	2,94,48,664
	Capital Goods	NIL	NIL
	Others	NIL	NIL
4.2	Earnings in foreign Exchange:		
	FOB Value of Exports	3,62,44,920	4,11,92,731
	Other Charges	NIL	NIL
4.3	Expenditure in foreign Currency	NIL	NIL

Notes to Financial Statement

(Amount in Rs.)

- None of the items in raw material individually accounts for 10% or more of the total value of material consumed. In the absence of verifiable records the Auditors have relied upon the management's representation of this behalf.

5. Additional Information of Note No. 18:

- Value of Raw Material and Components consumed:

Particulars	2019-20		2018-19	
	Rs	Percent	Rs.	Percent
Imported	337,34,499	29.05	2,94,48,664	17.16
Indigenous	823,73,586	70.95	14,21,71,175	82.84
Total	11,61,08,085	100.00	17,16,19,839	100.00

- Value of Stores and Spares consumed:

Particulars	2019-20		2018-19	
	Rs.	Percent	Rs.	Percent
Imported	-	-	-	-
Indigenous	45,81,555	100.00	65,95,090	100.00
Total	45,81,555	100.00	65,95,090	100.00

(iii) Total value of Material consumption:

Sr. No.	Particulars	2019-20 Rs.	2018-19 Rs
1.	Raw Material	11,61,08,085	17,16,19,839
2.	Store & Spares	45,81,555	65,95,090
3.	Outsourced Items	7,29,69,046	7,89,65,175
	Total Material Consumption	19,36,58,686	25,71,80,104

Notes to Financial Statement

(Amount in Rs.)

6. Contingent Liabilities:

Sr. No.	Particulars	2019-20 Rs.	2018-19 Rs.
1.	Disputed Tax / Duty demands not provided for	10,83,14,350	10,83,14,350
2.	Bank guarantees given on behalf of Company to third parties	9,31,97,190	9,70,39,997
3	Cases filed by separated employees for their unpaid gratuity includes recovery on interest on delayed payment.	Interest amount not ascertained.	

7. Employee Benefit:-

The Company provides benefits to its employees under the Leave Encashment pay plan which is a non-contributory defined benefit plan. The employees of the company during the tenure of their employment are entitled to receive leave encashment in excess of 60 days leave to the credit of their account as on 1st January every year. The benefit of Gratuity is funded defined benefit plan. For this purpose of Company has obtained a qualifying Insurance policy from LIC of India, however the same is not refunded by the Company.

Particulars	Gratuity (Funded)	
	31/03/2020 Rs.	31/03/2019 Rs.
The major categories of plan assets as a percentage of total plan		
Qualifying Insurance Policy No.	611868	611868
Changes in the present value of the obligation *		
1 Opening Present Value of obligation	8,33,73,029	11,35,30,958
2 Interest Cost	56,46,659	76,26,562
3 Current Service Cost	40,46,465	44,70,562
4 Past Service Cost		0
5 Benefits Paid	(69,30,998)	(70,21,874)
6 Benefits Payable	0	(3,03,93,530)
7 Actuarial (gain) / Loss on Obligation	(5,03,320)	(48,75,534)
8 Closing Present Value of Obligation	8,51,35,881	8,28,77,075
Changes in the Fair Value of Assets (LIC Policy)		
1 Opening Fair Value of plan Assets	4,95,954	4,60,069
2 Expected Return on Plan Assets	0	0
3 Contributions	0	0
4 Benefits Paid	0	0
5 Actuarial Gain / (Loss) [Interest Credited for the year]	35,709	35,525
6 Closing Fair value of plan assets	5,31,663	4,95,594
Profit & Loss – Expenses *		
1 Current Service Cost	40,46,465	44,70,562
2 Interest Cost	56,46,659	76,26,562

Notes to Financial Statement

(Amount in Rs.)

Particulars	Gratuity (Funded)	
	31/03/2020 Rs.	31/03/2019 Rs.
3 Expected Return on Plan assets	0	0
4 Net Actuarial gain (loss) recognized in the year	(5,03,320)	(48,75,534)
5 Past Service Cost	0	0
6 Expenses Recognized in the Profit & Loss Account	91,89,804	72,21,590
Actuarial Assumptions *		
1 Discount Rate	6.45%	7.20%
2 Expected Rate of Return on Plan Assets	6.45%	7.20%
3 Expected Rate of Salary Increase	6.00%	6.00%
4 Attrition Rate	1 to 3%	1 to 3%
5 Mortality Post-retirement	Indian Assured Lives Mortality	Indian Assured Lives Mortality
To be added in Previous year & Current year	(2012-2014) Table	(2006-08) Table

As per Actuarial Valuation Report.

Actuarial Assumptions for Gratuity of Past 5 years

Sr. No.	Particulars	31/03/2020	31/03/2019	31/03/2018	31/03/2017	31/03/2016
1.	Discount Rate (p.a.)	6.45%	7.20%	7.30%	6.80%	7.90%
2.	Expected rate of return on Asset (p.a.)	6.45%	7.20%	7.30%	6.80%	7.90%
3.	Expected Rate of Salary Increase *6%	6.00%	6.00%	6.00%	6.00%	6.00%

Defined Benefit Plan for 5 years:

Net Asset (Liability) as per actuarial valuation given by the Actuary.

Sr. No.	Particulars	31/03/2020	31/03/2019	31/03/2018	31/03/2017	31/03/2016
1	Present value of obligation As at the close of the year.	8,56,67,544	8,33,73,029	11,35,30,958	10,78,83,260	10,58,62,890
2.	Fair value of plan asset as at the close of the year	5,31,663	4,95,954	4,60,069	4,27,375	3,94,804
3.	Asset / (Liability) recognized in the Balance Sheet	0	0	0	0	0
Change in the Fair Value of Plan Asset						
	Actuarial Gain / (Loss)	-	-	-	-	-
Change in the Fair Value of Plan Asset						
	Actuarial Gain / (Loss)	(5,03,320)	(48,75,534)	(92,16,869)	(1,11,90,050)	(1,29,34,550)

Note: Negative Amounts are shown in bracket.

Notes to Financial Statement

(Amount in Rs.)

8. Segment Reporting (Accounting Standard- As 17):

The Company is engaged in business / operations of manufacture, sale and servicing of professional electronic equipment. Though the Company has a range of products, they all fall within the single segment of electronic equipment. It is considered view of the management that the Company has no reportable segments envisaged in the accounting standard (AS17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.

9. Related Party Disclosure (Accounting Standard AS 18):

List of Related Parties and Relationship

Associates: (enterprise where Aplab Limited and its subsidiaries have 20% holding or, investing parties who have over 20% holding in Aplab Limited)

Zee Entertainment Enterprises Ltd (Formerly Zee Telefilms Ltd)

During previous year the holding was reduced below 20%

Key Management Personnel:

Mr. P.S. Deodhar	Chairman & Managing Director
Mrs. Amrita Deodhar	Director
Mr. Rajesh Deherkar	Company Secretary and Finance Controller

Relatives of Key Management Personnel:

Mr. Nishith Deodhar
Mrs. Aruna Narayanan

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Sr. No	Name of the Party
1	Deodhar Electro Design Pvt. Ltd
2	Intel Exports Corporation
3	Telemetric Equipments Pvt. Ltd
4	Print Quick Private Limited
5	Origin Instrumentation Private Limited
6	Contech Soft-Tech Solution Pvt. Ltd
7	Telematra Systems Pvt. Ltd
8	Mitramax Energy Pvt. Ltd
9	Spylogic Technologies Ltd

Notes to Financial Statement

(Amount in Rs.)

The following transaction were carried out with the related parties in the ordinary course of business

Nature of Transaction	Subsidiaries	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Sale of Material / Finished Goods				3,694
Deodhar Electro Design P Ltd				(315)
Intel Exports Pvt. Ltd				54,42,397
				(14,42,647)
Total	-	-	-	54,46,091
				(14,42,962)
Purchase of Material / Finished Goods				
Deodhar Electro Design P Ltd				89,03,416
				(1,65,68,587)
Print Quick Pvt. Ltd.				52,49,440
				(NIL)
Sprylogic Technologies Ltd				1,07,616
				(2,78,598)
Total	-	-	-	142,60,472
				(168,47,185)
Rent Received				
Sprylogic Technologies Ltd				6,24,000
				(6,24,000)
Total	-	-	-	6,24,000
				(6,24,000)
Service / Labour / Royalty / Other Charges paid / Payable				
Telemetric Equipments Pvt. Ltd				1,03,500
				(NIL)
Mitramax Energy Pvt. Ltd				NIL
				(2,310)
Deodhar Electro Design P Ltd				1,75,894
				(1,87,114)
Sprylogic Technologies Pvt. Ltd				84,27,839
				(2,38,94,945)
Total	-	-	-	87,07,233
				(2,40,84,369)
Unsecured Loans Received	-		-	
Mrs. Amrita Deodhar		NIL		
		(NIL)		
Mr. P.S. Deodhar		1,25,00,000		
		((NIL)		
Total		1,25,00,000		
		(Nil)		

Notes to Financial Statement

(Amount in Rs.)

Nature of Transaction	Subsidiaries	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Short Term Funding Obtained				
Print Quick Pvt. Ltd.				1,21,10,000 (1,72,50,000)
Deodhar Electro Design Pvt . Ltd.				1,10,05,705 (64,10,000)
Total				2,31,15,705 (2,36,60,000)
Interest on Loans and Fixed Deposits				
Mrs. Amrita Deodhar		NIL		
To be confirmed previous year		(4,34,108)		
Mr. P.S. Deodhar		11,95,441 (11,27,427)		
Total		11,95,441 (15,61,535)		
Salary & Perquisites				
Mr. Rajesh Deherkar		24,00,000 (18,00,00)		
Total		24,00,000 (18,00,000)		
Other Payments				
Mrs. Amrita Deodhar (Sitting Fees)		1,20,000 (1,27,500)		
Total		1,20,000 (1,27,500)		
Debit Balances as on 31.03.2020				
Deodhar Electro Design P Ltd				6,14,243 (6,10,549)
Intel Exports Corporation				690 (NIL)
Sprylogic Technologies Ltd				4,38,034 (4,40,843)
Mitramax Energy Pvt. Ltd.				1,32,825 (NIL)
Total	-	-	-	11,85,792 (10,51,392)

Notes to Financial Statement

(Amount in Rs.)

Nature of Transaction	Subsidiaries	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Credit Balance as on 31.03.2020				
Deodhar Electro Design Pvt. Ltd				41,78,106 (9,97,715)
Mitra Max Energy Pvt Ltd				9,96,680 (2,310)
Telemetra Systems Pvt. Ltd				39,768 (NIL)
Print Quick Pvt. Ltd.				52,49,440 (NIL)
Sprylogic Technologies Ltd				32,99,130 (87,41,084)
Mrs. Amrita Deodhar (Loan and Interest)		24,99,99,367 (25,02,99,367)		
Mr. Prabhakar S Deodhar (Loan and Interest)		3,87,20,005 (2,51,44,112)		
Deodhar Electro Design Pvt. Ltd. (Inter Corporate Deposit)				62,00,000 (62,00,000)
Total	-	28,87,19,372 (27,54,43,479)		1,99,63,124 (1,59,41,109)

Previous year figures are shown in bracket

10. Earning per Share (Accounting Standard – AS 20):

	2019-20	2018-19
Profit computation for both Basic and Diluted Earnings per Equity Share of Rs. 10 each		
Net profit/ (Loss) after tax as per Profit and Loss Account available for Equity Shareholders	25,79,483	5,90,14,339
Number of shares for Basic and diluted EPS as above	50,00,000	50,00,000
Earning per Share:		
Basic and Diluted (Rs.)	0.52	11.80

11. Taxes on Income

- Provision is not made for current tax in view of the carry forward business losses.
- Deferred Tax Liability/ (Assets) at the year end comprises of timing difference on account of Depreciation and Expenditure / Provision.
- Deferred tax asset on the balance of such carried forward losses has not been recognized in the absence of virtual uncertainty of future taxable income.

Notes to Financial Statement

(Amount in Rs.)

Following Notes to be added :**12A.Fair Value Measurement – Objective & Basis****12B.Financial Risk Measurement**

- Market Risk
- Sensitivity Analysis of Exchange Rates Fluctuations & impact on Profit
- Interest Rate Risk
- Credit Risk – Receivables
- Liquidity Risk

13. Risk Management

- Debt to Equity ratio
- Loan Covenants (various ratios to be maintained for Borrowings done)

14. Approval of Financial Statements (Board Approval date)**15. Previous year figures have been re-grouped and re-classified wherever necessary.****Signature to Note 23**

As per our report attached
For Shahade & Associates
Chartered Accountants
(Firm Reg.No.-109840W)

Shubhada Shahade
Partner
M No.038342
UDIN:20038342AAAAAL9021
Mumbai : 30th July , 2020

For and on behalf of the Board

Rajesh K Deherkar
Company Secretary & Finance Controller
Membership No. A10783

Thane : 30th July , 2020

P.S.Deodhar
Chairman and Managing Director
DIN : 00393117

Thane : 30th July , 2020

