



# SANJAY VASTUPAL & Co.

CHARTERED ACCOUNTANTS

503 / 606, Shitiratna, Panchwati Circle,

C. G. Road, Ahmedabad-380 006.

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Transpares Limited,

### **Report on audit of the standalone Financial Statements:**

#### **Opinion**

We have audited the standalone financial statements of Transpares Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, statement of changes in equity and statement of cash flow for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit and Loss, statement of changes in equity and statement of Cash flow for the year ended on that date.

#### **Basis for Opinion**

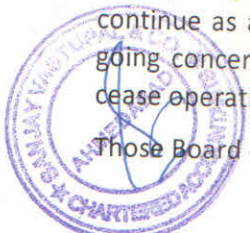
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We 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.

#### **Responsibility of Management for Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 Responsibility for the audit of the Financial Statements:**

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

### **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) 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.
- (b) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement and the notes to accounts dealt with by this Report are in agreement with the books of account.
- (c) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) 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"
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, Sanjay Vastupal & Co.**

**Chartered Accountants**

**FRN 109187W**

**Sanjay V. Shah**

**Proprietor**

**M. No.: 041827**

**Place: Ahmedabad**

**Date: 18<sup>th</sup> May, 2019**



- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For Sanjay Vastupal & Co.  
Chartered Accountants  
Firm's Registration No. 109187W

Sanjay V. Shah  
Proprietor  
Membership No. 041827  
Place : Ahmedabad  
Date : 18<sup>th</sup> May 2019





## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Transpares Limited)

- i. (a) In our opinion and according to the information and explanations given to us, the Company is in the process of updating fixed assets records to show full particulars including quantitative details and situation of its fixed assets and reconciling the same with the general ledger.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed during the physical verification.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, reporting under clause (iii) (a) to clause (iii) (c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company does not have any loans, investments, guarantees, and security which are subject to provisions of section 185 and 186 of the Act. Therefore, reporting under clause (iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.





- vii. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues were in arrears, as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any loans or borrowings from financial institution and government or by way of debentures.
- ix. In our opinion and according to the information and explanations given to us, the Company has neither raised any term loans or by way of initial public offer or further public offer during the year nor was any unutilized amount left on this account, as at the beginning of the year, and therefore, reporting under clause (ix) of the Order is not applicable to the Company.
- x. In our opinion and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The Company being a private company hence the provisions of section 197 read with Schedule V relating to Managerial Remuneration are not applicable and therefore, the provisions of clause (xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with related parties and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and therefore, reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.



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

For Sanjay Vastupal & Co.  
Chartered Accountants  
Firm's Registration No. 109187W

Sanjay V. Shah  
Proprietor  
Membership No. 041827  
Place : Ahmedabad  
Date : 18<sup>th</sup> May 2019





## **Annexure B to the Auditors Report**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Transpares Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

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

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

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



### Meaning of Internal Financial Controls over Financial Reporting

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

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

### Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

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

For Sanjay Vastupal & Co.  
Chartered Accountants  
Firm's Registration No. 109187W

Sanjay V. Shah  
Proprietor

Membership No. 041827

Place: Ahmedabad

Date: 18<sup>th</sup> May 2019





# Transpares Limited

## Balance Sheet as at 31st March, 2019

(Amount in Rs.)

Particulars	Notes	As at 31st Mar 2019	As at 31st Mar 2018
<b>I. ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipment	7	6,76,58,810	6,67,70,205
(b) Financial Assets			
(i) Investment	8	22,30,360	21,17,500
(ii) Loans	9	13,82,355	20,55,047
(c) Other Non Current Assets	10	58,50,000	1,29,58,000
<b>Total Non Current Assets</b>		<b>7,71,21,525</b>	<b>8,39,00,752</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	3,40,19,740	2,78,71,565
(b) Financial Assets			
(i) Trade receivables	12	15,95,72,984	10,43,95,747
(ii) Cash and Cash Equivalents	13	27,21,125	3,61,279
(iv) Loans	14	-	1,21,166
(v) Others	15	4,01,066	1,50,565
(c) Current Tax Assets (net)	16	-	5,16,934
(d) Other Current Assets	17	7,08,414	9,77,530
<b>Total Current Assets</b>		<b>19,74,23,329</b>	<b>13,43,94,787</b>
<b>Total Assets</b>		<b>27,45,44,854</b>	<b>21,82,95,539</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	18	1,93,68,000	1,93,68,000
(b) Other Equity	19	13,38,82,476	12,12,69,408
<b>Total Equity</b>		<b>15,32,50,476</b>	<b>14,06,37,408</b>
<b>Liabilities</b>			
<b>(1) Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	50,27,199	6,27,935
(ii) Others			
(b) Provisions	21	1,90,658	2,20,744
(c) Deferred Tax Liabilities (Net)	22	56,17,885	60,58,474
<b>Total Non Current Liabilities</b>		<b>1,08,35,742</b>	<b>69,07,153</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	2,81,78,439	50,52,691
(ii) Trade Payables	24	7,37,23,952	6,11,21,788
(iii) Others	25	28,68,059	12,84,891
(b) Other Current Liabilities	26	26,08,065	22,11,708
(c) Short Term Provisions	27	53,760	20,845
(d) Current Tax Liabilities (Net)	28	30,26,361	10,59,056
<b>Total Current Liabilities</b>		<b>11,04,58,636</b>	<b>7,07,50,978</b>
<b>Total Liabilities</b>		<b>12,12,94,378</b>	<b>7,76,58,131</b>
<b>Total Equity and Liabilities</b>		<b>27,45,44,854</b>	<b>21,82,95,539</b>

Significant Accounting Policies and Notes to Financial Statements

1-50

As per our attached report of even date.

For Sanjay Vastupal & Co.

Chartered Accountants

Firm Reg. No.: 109187W

Sanjay V. Shah

Proprietor

Membership No. 041827

Place : Ahmedabad



For and on behalf of the Board

Transpares Limited

H.M. Doshi

Hitendra M. Doshi

Chairman & M.D.

DIN : 00062570

K.J. Mamtara

Karuna J. Mamtara

Director

DIN : 00253549

Place : Ahmedabad

**Transpares Limited**
**Profit and Loss Statement for the year ended on 31st March, 2019**

(Amount in Rs.)

Particulars	Notes	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
I. Revenue from Operations (Gross)	29	31,10,60,565	26,57,84,861
II. Other Income	30	7,32,043	10,77,035
<b>III. Total Revenue (I + II)</b>		<b>31,17,92,608</b>	<b>26,68,61,896</b>
<b>IV. Expenses</b>			
(a) Cost of Materials Consumed	31	20,65,74,646	15,74,60,200
(b) Changes in Inventories of Finished Goods and Process Stock	32	(21,24,051)	53,25,387
(c) Excise & Service Cost		-	(15,92,590)
(d) Employee Benefits Expense	33	87,58,218	80,20,505
(e) Finance Cost	34	73,88,433	59,70,296
(f) Depreciation & Amortization Expense	7	70,58,190	67,75,440
(g) Other Expenses	35	6,44,68,761	6,13,21,687
<b>Total Expenses</b>		<b>29,21,24,197</b>	<b>24,32,80,925</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>1,96,68,411</b>	<b>2,35,80,971</b>
<b>VI. Tax Expenses:</b>	36		
(a) Current Tax relating to:			
- Current Year		71,36,863	65,73,198
- Earlier Years		10,36,568	12,03,147
<b>Net Current Tax Expenses</b>		<b>71,36,863</b>	<b>65,73,198</b>
(a) Deferred Tax		(4,40,589)	(23,72,174)
<b>Net Tax Expenses</b>			
<b>VII. Profit for The Year (V-VI)</b>		<b>1,19,35,569</b>	<b>1,81,76,799</b>
<b>VIII. Other Comprehensive Income (OCI)</b>			
(a) Items that will not be reclassified to profit or loss			
(i) Re-measurement of the defined benefit plans		-	63,965
(ii) Gains from investments in equity instruments designated at fair value through other comprehensive income		1,12,860	2,06,970
Tax impact		(31,398)	(11,084)
<b>IX. Total Comprehensive Income for The Year (VII-VIII)</b>		<b>1,20,17,032</b>	<b>1,84,36,650</b>
<b>X. Earnings Per Equity Share</b>			
(1) Basic (Rs.)	37	6.20	9.52
(2) Diluted (Rs.)		6.20	9.52
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1-50		

As per our attached report of even date.

For Sanjay Vastupal &amp; Co.

Chartered Accountants

Firm Reg. No.: 109187W

 Sanjay V. Shah  
 Partner  
 Membership No. 041827

Place : Ahmedabad

Date: 18/05/2019


 For and on behalf of the Board  
 Transpares Limited

H.M. Doshi

 Hitendra M. Doshi  
 Chairman & M.D.  
 DIN : 00062570

R.J. Mamtora

 Karuna J. Mamtora  
 Director  
 DIN : 00253549

Place : Ahmedabad

Date: 18/05/2019



Transpares Limited  
Statement of Cash Flow for the year ended on 31st March, 2019

(Amount in Rs.)

	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
<b>(A) Cash flow From Operating Activities</b>		
1. Net Profit Before Tax	1,96,68,411	2,35,80,971
2. Adjustments for:		
(a) Depreciation and Amortisation	70,58,190	67,75,440
(b) Finance Cost	73,88,433	59,70,296
(c) Interest Income	(31,182)	(5,58,633)
(d) Dividend Income	-	(15,000)
(e) Loss on Sales of Property, Plant and Equipment	77,362	38,012
(f) Amortisation of Guarantee Fees	5,64,639	5,62,500
(g) Re-measurement of the defined benefit plans debited to OCI	39,801	63,965
	<b>1,50,97,243</b>	<b>1,28,36,580</b>
<b>Operating Profit Before Working Capital Changes (1 + 2)</b>	<b>3,47,65,654</b>	<b>3,64,17,551</b>
3. Adjustments for Working Capital Changes:		
(i) (Increase)/ Decrease in Operating Assets		
(a) Trade receivables	(5,51,77,237)	(59,35,568)
(b) Long term Loans & Advances	5,02,107	(19,425)
(c) Short term Loans & Advances	2,91,751	(32,155)
(d) Other Non Current assets	71,08,000	(17,60,035)
(e) Other Current assets	2,69,116	18,04,117
(f) Other Financial assets	(2,50,501)	6,24,152
(ii) (Increase)/ Decrease in Operating Liabilities		
(a) Trade Payables	1,26,02,164	1,59,31,170
(b) Other Long Term Liabilities	(30,086)	(1,58,385)
(c) Long Term Provisions	15,83,168	10,66,551
(d) Other Financial Liabilities	32,915	(6,074)
(e) Short Term Provisions	3,96,357	2,69,600
(f) Other Current Liabilities		
(iii) (Increase)/ Decrease in Inventories	(61,48,175)	(16,38,926)
Cash generated from operations	<b>(40,54,765)</b>	<b>4,65,62,572</b>
Less: Direct Taxes Paid (net)	57,28,993	1,26,87,142
<b>Net Cash from Operating Activities (A)</b>	<b>(97,83,758)</b>	<b>3,38,75,430</b>
<b>(B) Cash flow from Investing Activities</b>		
(a) Purchase of fixed assets	(82,42,157)	(29,45,073)
(b) Sale of fixed assets	2,18,000	(38,012)
(c) Interest received	31,182	5,58,633
(d) Sale of current investments (Net)	-	1,25,000
(e) Dividend received	-	15,000
<b>Net Cash from Investing Activities (B)</b>	<b>(79,92,975)</b>	<b>(22,84,452)</b>
<b>(C) Cash flow From Financing Activities</b>		
a) Proceeds from Long term Borrowing	43,99,264	(2,30,724)
b) Proceeds from Short term Borrowing	2,31,25,748	(2,52,12,531)
c) Finance Cost	(73,88,433)	(59,98,562)
<b>Net Cash From Financing Activities (C)</b>	<b>2,01,36,579</b>	<b>(3,14,41,816)</b>
<b>(D) Net Increase/(Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>23,59,846</b>	<b>1,49,163</b>
<b>(E) Cash &amp; Cash Equivalents-Opening Balance</b>	<b>3,61,279</b>	<b>2,12,117</b>
<b>(F) Cash &amp; Cash Equivalents-Closing Balance</b>	<b>27,21,125</b>	<b>3,61,279</b>



H.M. Dasli

	As at 31st Mar 2019	As at 31st Mar 2018
<b>Note :</b>		
<b>1 A) Components of Cash &amp; Cash Equivalents :</b>		
Cash on hand	56,166	82,581
Balances with Banks		
In Current Accounts	26,64,959	2,78,698
	<u>27,21,125</u>	<u>3,61,279</u>
<b>2</b> The above cash flow statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow issued by the Institute of Chartered Accountants of India.		
<b>3</b> The previous year's figures have been regrouped wherever necessary.		
<p>As per our attached report of even date. For Sanjay Vastupal &amp; Co. Chartered Accountants Firm Reg. No.: 109187W</p> <p>Sanjay V. Shah Partner Membership No. 041827</p> <p>Place : Ahmedabad Date: 18th May, 2018</p>		
<p>For and on behalf of the Board Transpares Limited</p> <p>Hitendra M. Doshi Chairman &amp; M.D. DIN : 00062570</p> <p>Karuna J. Mamtara Director DIN : 00253549</p> <p>Place : Ahmedabad Date: 18th May, 2018</p>		



**COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

**1 Corporate Information**

Transpares Ltd. ('the Company') is a closely held public limited company domiciled and incorporated in India having its registered office at 14/15 Ashwamegh Industrial Estate, Sarkhej Bawla Highway, Vill P.O. Changodhar, TA- Sanand, Ahmedabad 382210. The company is a manufacturer of Radiators.

**2 Application of New 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.

**3 Basis of Preparation**

**(a) Statement of Compliance**

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2017.

The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) These are the Company's first Ind AS Standalone Financial Statements. The date of transition to Ind AS is April 1, 2016. The mandatory exceptions and optional exemptions availed by the Company on First time adoption have been detailed in the Note 6.

Previous period figures in the Financial Statements have been restated in compliance to Ind AS.

Up to the year ended March 31, 2017, the Company had prepared the Standalone 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 ('Previous GAAP').

In accordance with Ind AS 101- 'First Time adoption of Indian Accounting Standards' (Ind AS 101), the Company has presented a reconciliation of Shareholders' equity under Previous GAAP and Ind AS as at March 31, 2017 and April 1, 2016 and of the Profit after tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017.

**(b) Basis of Measurement**

The Financial Statements have been prepared on the historical cost convention on accrual 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 - 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is also the functional currency. All values are rounded off to the nearest two decimal lacs, unless otherwise indicated.

**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:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) 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.
- (iii) 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.

**4 Significant Accounting Policies**

**(a) Property, Plant and Equipment**

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 impairment losses, if any. Freehold land is not depreciated.

Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), 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, for qualifying assets, borrowing costs capitalised 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 significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the





and Loss.

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

Depreciation is provided on the cost of Property, Plant and Equipment (other than land and properties under construction) less their estimated residual value, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company.

Useful lives of each class of PPE as prescribed under Part C of Schedule II to the Companies Act, 2013 are as under:-

Asset Description	Assets Useful life (in Years)
Factory Building	30
Building other than Factory Building	60
Plant and Machinery	15
Electrical installation	10
Office Equipment	5
Computers	3
Furniture and Fixtures	10
Vehicle	8

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

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.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

**(b) Impairment of Tangible and Intangible Assets**

The Company reviews the carrying amount of its tangible and intangible assets Property, Plant and Equipment (including Capital Works in Progress) of a "Cash Generating Unit" (CGU) at an interval of 3 years to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

An assessment is made at an interval of 3 years to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

**(c) Inventories**

Inventories are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary.

Inventories	Cost Formulae
Raw Material	At Weighted Average Cost (Net of eligible credit)
Raw Material in Transit	At Invoice Price
Process Stock	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Finished Goods	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.





plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

**(i) Income Taxes**

Income tax expense represents the sum of the current tax and deferred tax.

**(i) 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 and laws that have been enacted or substantively enacted by the end of the reporting period.

**(ii) Deferred Tax**

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised.

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 deferred tax asset to be utilized.

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 realised, 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 recognised 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 realised.

**(iii) Current and Deferred Tax Expense for the Year**

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(j) Financial Instruments**

Financial assets and financial liabilities are recognised 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 recognised immediately in the Statement of Profit and Loss.

**(k) Equity Instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**(l) Financial Assets - Classification and Measurement**

**(i) 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.

**(ii) Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised 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. The company has Earnst money Deposits and Security Deposits recognised at Amortised Cost.

**(iii) 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 collecting contractual cash flows and selling financial assets 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.

**(iv) Financial Assets at Fair Value through Profit and Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

**(v) 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 AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises 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





**(vi) Derecognition 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 derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

**(m) Financial Liabilities - Classification and Measurement**

Financial Liabilities are measured at amortised cost or Fair Value through Profit and Loss Account (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains and losses, including interest expense, are recognised in profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest Expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in the profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**(ii) Derecognition of Financial Liabilities**

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The company also derecognises a financial liability when its terms are modified and the cash flow under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit and loss account.

**(n) Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**(o) Provisions, Contingent Liabilities and Contingent Assets**

**(i) Provisions**

Provisions are recognised 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 recognised 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).

**(ii) Contingent Liabilities and Assets**

Contingent Liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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

**(iii) Onerous Contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

**5 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.

**(a) Judgements**

The following are the critical judgements, apart from those involving estimations (Refer note 5(b)), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

**(i) Determination of Functional Currency**

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

**(ii) Evaluation of Indicators for Impairment of Property, Plant and Equipment**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.





liabilities, income and expenses is provided below. Actual results may differ from these estimates.

**(i) Defined Benefit Obligations**

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.

**(c) Estimates**

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances. Revisions to the accounting estimates are recognised prospectively.

**6 First-Time Adoption – Mandatory Exceptions and Optional Exemptions**

**(a) Overall Principal**

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

**(b) Deemed Cost of Property, Plant and Equipment and Intangible Assets**

The Company has elected to continue with the carrying value of all its Property, Plant and Equipment and Intangible Assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date.

**(c) Derecognition of Financial Assets and Financial Liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

**(d) Classification and Measurement of Financial Assets**

The Company has determined the classification and measurement of financial asset in terms of whether they meet the amortised cost criteria or the fair value through other comprehensive income (FVTOCI) criteria based on the facts and circumstances that existed as on the transition date.

**(e) Impairment of Financial Assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.



Transpares Limited

Notes to the financial statements for the Year ended on 31st March, 2019

7. Property, Plant and Equipment

Particulars /Assets	Tangible Assets								Total
	Freehold Land	Building	Plant & Equipments	Electric Installations	Furniture & Fixtures	Vehicles	Office Equipments	Computers	
GROSS BLOCK									
At 1st April 2018	7,90,084	3,44,70,407	3,68,95,976	37,20,886	4,83,721	25,48,241	2,88,011	3,19,868	7,95,17,193
Additions	-	1,15,000	7,10,302	-	-	73,32,085	72,780	11,990	82,42,157
Deduction/Adjustments	-	-	-	-	-	3,76,501	-	-	3,76,501
At 31st March 2019	7,90,084	3,45,85,407	3,76,06,278	37,20,886	4,83,721	95,03,825	3,60,791	3,31,858	8,73,82,849
ACCUMULATED DEPRECIATION									
At 1st April 2018	-	27,90,531	71,42,443	12,14,633	2,91,685	8,93,210	1,11,612	3,02,874	1,27,46,988
Charge for the year	-	12,70,612	39,56,992	6,29,622	1,83,157	8,86,917	1,29,724	1,166	70,58,190
Deduction/Adjustments	-	-	-	-	-	81,139	-	-	81,139
At 31st March 2019	-	40,61,143	1,10,99,435	18,44,255	4,74,842	16,98,988	2,41,336	3,04,040	1,97,24,039
Net Block									
At 31st March, 2018	7,90,084	3,16,79,876	2,97,53,533	25,06,253	3,61,681	16,55,031	1,76,399	16,994	6,69,39,850
At 31st March, 2019	7,90,084	3,05,24,264	2,65,06,843	18,76,631	8,879	78,04,837	1,19,455	27,818	6,76,58,810

7(a) The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.



H.N. Desai



**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)

8. Investments	As at 31st Mar 2019	As at 31st Mar 2018
<b>Investment in Mutual Funds (at Fair Value Through Other Comprehensive Income)</b>		
SBI Blue Chip Fund - 100,000 (31 March 2018: 1,00,000) units of face value Rs.10/- each, fully paid up	22,30,360	21,17,500
<b>Total</b>	<b>22,30,360</b>	<b>21,17,500</b>
Aggregate market value of quoted Investments	22,30,360	21,17,500
<b>9. Loans</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
<b>Long term Loans &amp; Advances</b>		
<b>Unsecured , Considered Good</b>		
Electricity & Other Deposits	11,00,518	18,84,462
Loan to employees	2,81,837	-
<b>Total</b>	<b>13,82,355</b>	<b>18,84,462</b>
<b>10. Other Non-Current Assets</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
<b>Unsecured , Considered Good</b>		
Advances Given for Capital Goods	1,07,00,000	1,29,58,000
Opening Balance of provision for Impairment	-	-
Add : Created during the Year	48,50,000	-
Closing Balance of Provision for Impairment	48,50,000	-
Less : Provision for Impairment	(48,50,000)	-
<b>Total</b>	<b>58,50,000</b>	<b>1,29,58,000</b>
<b>11. Inventories</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
Raw materials	1,90,01,858	1,49,77,734
Finished goods	79,92,945	1,03,19,052
Work in Progress	63,80,437	25,74,779
Scrap	6,44,500	-
<b>Total</b>	<b>3,40,19,740</b>	<b>2,78,71,565</b>
<b>12. Trade Receivables</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
Unsecured, considered good	15,95,72,984	10,43,95,747
Doubtful	-	-
<b>Total</b>	<b>15,95,72,984</b>	<b>10,43,95,747</b>
<b>13. Cash &amp; Cash Equivalents</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
Balances with banks	26,64,959	2,78,698
Cash On Hand	56,166	82,581
<b>Total</b>	<b>27,21,125</b>	<b>3,61,279</b>



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**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

14. Loans	As at 31st Mar 2019	As at 31st Mar 2018
<b>Unsecured, Considered Good</b>		
Loans to Employees	-	2,91,751
<b>Total</b>	<b>-</b>	<b>2,91,751</b>
<b>15. Other Financial Assets</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
<b>Unsecured, Considered Good</b>		
Other Receivables	4,01,066	1,50,565
Dividend Receivable		
<b>Total</b>	<b>4,01,066</b>	<b>1,50,565</b>
<b>16. Current Tax Assets (Net)</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
<b>Current Tax Assets</b>		
Advance Tax Paid	-	5,16,934
<b>Total</b>	<b>-</b>	<b>5,16,934</b>
<b>17. Other Current Assets</b>	<b>As at 31st Mar 2019</b>	<b>As at 31st Mar 2018</b>
Deposits and balances with government and other authorities	-	23,524
Prepayments - Guarantee Payments	3,45,205	3,45,205
Prepaid Expenses	1,14,249	1,38,068
Advances to Suppliers	2,48,960	3,30,768
Advance for Gratuity Fund	-	1,39,965
<b>Total</b>	<b>7,08,414</b>	<b>9,77,530</b>



H.M. Doshi



**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)

18. Equity Share Capital	As at 31st Mar 2019	As at 31st Mar 2018
<b>Authorised Shares</b>		
20,00,000 (31st March 2018 20,00,000) Equity Shares of Rs. 10/- each	2,00,00,000	2,00,00,000
	<b>2,00,00,000</b>	<b>2,00,00,000</b>
<b>Issued, Subscribed and Paid Up</b>		
1,936,800 (31st March 2018 19,36,800) Equity Shares of Rs. 10/- each fully paid up	1,93,68,000	1,93,68,000
<b>Total</b>	<b>1,93,68,000</b>	<b>1,93,68,000</b>

**18(a) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period :**

Particulars	As at 31st Mar 2019	As at 31st Mar 2018
At the Beginning of the Period	19,36,800	19,36,800
Issued during the period		
Outstanding at the end of Period (Refer Note)	19,36,800	19,36,800

**18(b) Details of Shareholders holding more than 5 % of equity Shares:**

Particulars	As at 31st Mar 2019	As at 31st Mar 2018
Hitendra M Doshi	9,48,132 49%	9,48,132 49%
Transformers & Rectifiers (I) Ltd.	9,87,768 51%	9,87,768 51%

**18(c) Rights of Equity Shares**

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

19 Other Equity	As at 31st Mar 2019	As at 31st Mar 2018
Deemed capital contribution from holding company	20,34,844	14,70,205
General Reserve	75,23,275	75,23,275
Retained Earnings	12,34,01,896	11,14,66,327
Other Comprehensive Income - Fair value of equity investments	9,22,461	8,09,601
<b>Total</b>	<b>13,38,82,476</b>	<b>12,12,69,408</b>



H.M. Doshi

**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**
**(Amount in Rs.)**

19 (a). Other Equity	As at 31st Mar 2019	As at 31st Mar 2018
<b>A. Deemed capital contribution from holding company</b>	20,34,844	14,70,205
<b>B. Reserves &amp; Surplus</b>		
<b>General Reserve</b>		
Balance as per last year	75,23,275	75,23,275
	75,23,275	75,23,275
<b>Surplus/(Deficit) in Profit and Loss Statement</b>		
Opening Balance	11,14,66,327	9,32,42,034
Profit for the year	1,19,35,569	1,81,76,799
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax		47,494
<b>Net surplus in profit and loss statement</b>	12,34,01,896	11,14,66,327
<b>Equity instrument measured at fair value through other comprehensive income</b>		
Opening Balance	8,09,601	6,34,257
Add: During the year	1,12,860	1,75,344
	9,22,461	8,09,601
<b>Total</b>	13,38,82,476	12,12,69,408

19(b) The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.



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**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)		
20. Borrowing	As at 31st Mar 2019	As at 31st Mar 2018
<b>Long Term Borrowings</b>		
Term Loan from Bank	50,27,199	6,27,935
	<b>50,27,199</b>	<b>6,27,935</b>

**20(a) Term Loans consist of the following:**

Term Loans	Year Ended	Current Maturities of each Loan (Rs.)	Amount of Each Loan Outstanding (Rs.)
<b>From Banks</b>			
ICICI Bank Vehicle Loan (Secured against hypothecation of the car )	31/03/2019	2,53,642	6,27,935
	31/03/2018	2,30,724	8,58,658
Axis Bank Vehicle Loan (Secured against hypothecation of the car )	31/03/2019	11,11,773	57,64,679
	31/03/2018	-	-

**20(b) The terms of repayment of the above loans are as follows:**

Term Loans	Year Ended	No. of Instalments Due after the Balance Sheet Date	Amount of each Instalment (Rs.)
<b>(b) From Banks</b>			
ICICI Bank Vehicle Loan Date Of Maturity: 1st July, 2021 Rate of interest - 9.5%. Instalment amount is inclusive of interest.)	31/03/2019	28	25,208
	31/03/2018	40	25,208
Axis Bank Vehicle Loan Date Of Maturity: 10th Sep, 2023 Rate of interest - 8.71%. Instalment amount is inclusive of interest.)	31/03/2019	54	1,30,849
	31/03/2018	-	-

21. Provisions	As at 31st Mar 2019	As at 31st Mar 2018
<b>Provision for Employee Benefits</b>		
Leave Encashment	1,90,658	2,20,744
<b>Total</b>	<b>1,90,658</b>	<b>2,20,744</b>

22. Deferred Tax Liabilities (Net)	As at 31st Mar 2019	As at 31st Mar 2018
<b>Deferred Taxes</b>		
<b>Deferred Tax Liability</b>		
Difference between Fair value of investment	3,42,286	3,07,899
Difference between book and tax depreciation	66,24,869	57,02,188
<b>Total (A)</b>	<b>69,67,155</b>	<b>60,10,088</b>
<b>Deferred Tax Assets</b>		
Disallowance under Income Tax Act, 1961	13,49,270	(48,387)
MAT Credit Entitlement	-	-
<b>Total (B)</b>	<b>13,49,270</b>	<b>(48,387)</b>
<b>Total (A-B)</b>	<b>56,17,885</b>	<b>60,58,474</b>



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				(Amount in Rs.)
2018-19	Opening Balance	Recognise in Profit or Loss	Recognise in OCI	Closing Balance
<b>Deferred tax (liabilities)/assets in relation to:</b>				
<b>Deferred Tax Liabilities</b>				
Property, plant and equipment			-	
Others-Depreciation difference	56,91,104	9,33,765	-	66,24,869
Difference between Fair value of investment	3,07,899	34,387		3,42,286
Defined benefit obligation	11,084	-11,084		-
<b>Total Deferred Tax Liabilities</b>	<b>60,10,087</b>	<b>9,57,068</b>	<b>-</b>	<b>69,67,155</b>
<b>Deferred Tax Assets</b>				
Impairment/Expenses Disallowed Under Income Tax	(48,387)	13,97,657	-	13,49,270
<b>Total Deferred Tax Assets</b>	<b>(48,387)</b>	<b>13,97,657</b>	<b>-</b>	<b>13,49,270</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>60,58,474</b>	<b>(4,40,589)</b>	<b>-</b>	<b>56,17,885</b>
				(Amount in Rs.)
2017-18	Opening Balance	Recognise in Profit or Loss	Recognise in OCI	Closing Balance
<b>Deferred tax (liabilities)/assets in relation to:</b>				
<b>Deferred Tax Liabilities</b>				
Property, plant and equipment			-	
Others-Depreciation difference	81,09,060	(24,17,956)	-	56,91,104
Difference between Fair value of investment	3,13,286	(5,387)		3,07,899
Defined benefit obligation			11,084	11,084
<b>Total Deferred Tax Liabilities</b>	<b>84,22,346</b>	<b>(24,23,343)</b>	<b>11,084</b>	<b>60,10,087</b>
<b>Deferred Tax Assets</b>				
Impairment/Expenses Disallowed Under Income Tax	2,782	(51,169)	-	(48,387)
<b>Total Deferred Tax Assets</b>	<b>2,782</b>	<b>(51,169)</b>	<b>-</b>	<b>(48,387)</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>84,19,564</b>	<b>(23,72,173)</b>	<b>11,084</b>	<b>60,58,474</b>



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**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)

23. Borrowings	As at 31st Mar 2019	As at 31st Mar 2018
<b>Secured Loans</b>		
Cash Credit & Short Term Loan From Bank	2,81,78,439	50,52,691
<b>Total</b>	<b>2,81,78,439</b>	<b>50,52,691</b>

Security : Secured Loans comprise of cash credit from banks which are secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the Company and also collateral legal mortgage on paripassu basis on immovable properties situated at Changodar. It is further secured by Corporate Guarantee of Transformers and Rectifiers India Ltd.

24. Trade Payables	As at 31st Mar 2019	As at 31st Mar 2018
Sundry Creditors	7,37,23,952	6,11,21,788
<b>Total</b>	<b>7,37,23,952</b>	<b>6,11,21,788</b>

Note :The Company is in process of compelling relevant information from its suppliers about their coverage under the " Micro, Small and Medium Enterprise Development Act, 2006" Since the relevant information from vendors is still not available, no disclosure have been made in the accounts, In the view of management. the impact of interest, that may be payable in accordance with the provisions of the Act is not expected to be material.

25 Other Financial Liabilities	As at 31st Mar 2019	As at 31st Mar 2018
Term Loan Instalments due with in 12 Months	13,65,415	2,30,724
Interest accrued and not due	32,871	6,805
Interest accrued and due	-	-
Others	14,69,773	10,47,362
<b>Total</b>	<b>28,68,059</b>	<b>12,84,891</b>

26. Other Current Liabilities	As at 31st Mar 2018	As at 31st Mar 2018
Advance From Customers	6,61,118	6,56,450
Other Liabilities	19,46,947	15,55,258
<b>Total</b>	<b>26,08,065</b>	<b>22,11,708</b>

27. Provisions	As at 31st Mar 2019	As at 31st Mar 2018
Provision for Leave Encashment	14,792	20,845
Provision for Gratuity	38,968	-
<b>Total</b>	<b>53,760</b>	<b>20,845</b>

28. Current Tax Liabilities (net)	As at 31st Mar 2019	As at 31st Mar 2018
<b>Current Tax Liabilities</b>		
Provision for Income Tax	30,26,361	10,59,056
<b>Total</b>	<b>30,26,361</b>	<b>10,59,056</b>





**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)

29. Revenue from Operations	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
Sale of Goods (Gross)	31,01,88,075	26,53,30,296
Service Income (Gross)	-	-
Other Operating Income	8,72,490	4,54,565
<b>Total</b>	<b>31,10,60,565</b>	<b>26,57,84,861</b>
30. Other Income	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
Interest Income	31,182	1,75,495
Foreign Exchange Gain/(Loss) (Net)	(31,001)	3,83,138
<b>Other non-operating income</b>		
Dividend income on Non Trade Investment	-	15,000
Other Income	7,745	40,008
Duty Drawback Income	3,437	4,63,394
Discount Received	79,111	
Sundry Balances Written off	6,41,569	
<b>Total</b>	<b>7,32,043</b>	<b>10,77,035</b>
31. Cost of Materials Consumed	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
<b>Opening Stock</b>	1,49,77,734	80,13,422
Add : Purchases	21,05,98,770	16,44,24,512
<b>Less : Closing Stock</b>	1,90,01,858	1,49,77,734
<b>Cost of Materials Consumed</b>	<b>20,65,74,646</b>	<b>15,74,60,200</b>
32. (Increase)/Decrease in Inventories of Finished Goods and Process Stock	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
<b>Closing Inventories</b>		
Finished Goods	79,92,945	1,03,19,052
Scrap	6,44,500	-
Process Stock	63,80,437	25,74,779
	1,50,17,882	1,28,93,831
<b>Less : Opening Inventories</b>		
Finished Goods	1,03,19,052	1,24,72,477
Process Stock	25,74,779	57,46,741
	1,28,93,831	1,82,19,218
<b>(Increase)/ Decrease in Inventories</b>	<b>(21,24,051)</b>	<b>53,25,387</b>
33. Employee Benefits Expense	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
<b>Employee benefits expenses</b>		
Salaries, Wages, Bonus & Others etc.	77,98,885	76,75,885
Contribution to Provident and other funds	4,34,985	3,44,620
Employee welfare expenses	5,24,348	-
<b>Total</b>	<b>87,58,218</b>	<b>80,20,505</b>



**Transpares Limited**
**Notes to Financial Statements for the Year ended on 31st March, 2019**

(Amount in Rs.)

34. Finance Costs	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
Interest to Banks	30,39,532	20,12,119
Interest to others	2,241	2,215
Other Finance Cost	43,46,660	39,55,962
<b>Total</b>	<b>73,88,433</b>	<b>59,70,296</b>

35. Other Expenses	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
Power & Fuel	89,46,564	84,88,255
Labour Charges	2,97,05,088	2,93,14,576
Testing & Calibration charges	86,860	1,47,324
Rejection Deduction	-	27,68,938
Miscellaneous Mfg Expenses	26,76,564	38,82,300
Repairs to Buildings	1,26,386	1,08,450
Repairs to Plant & Machinery	35,92,125	32,14,117
Road Maintenance Charges	9,18,000	-
Audit Fees	1,10,000	1,00,000
Selling Expenses	7,53,373	40,881
Professional Charges	10,93,157	4,97,689
Insurance Premium	1,70,348	1,44,162
Loss on Sale of Fixed Assets	77,362	-
Rates and taxes	-	2,375
Repairs and Maintenance Others	2,52,039	1,02,467
Freight & Forwarding Charges	79,24,619	74,43,826
Bank charges	-	2,31,032
Travelling Expenses & Conveyance	7,80,208	7,33,900
Advertisement Expenses	10,000	10,000
Stationary, Printing, Postage and Telephone Expenses	2,00,851	1,88,812
Membership & Subscription Fees	81,500	35,000
Provision for Doubtful debts	48,50,000	-
Sundry Balance written off	-	14,27,044
Cenvat Duty Expense	-	5,87,411
After Sales/Replacement Expenses	-	2,30,715
Amortisation of Financial Guarantee Fees	5,64,639	5,62,500
General charges	15,49,078	10,59,912
<b>Total</b>	<b>6,44,68,761</b>	<b>6,13,21,687</b>

35(a) Payment to Auditors comprises (net of service tax input credit, wherever applicable):

Particulars	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
As auditors - statutory audit	85,000	1,00,000
For tax audit	25,000	-
<b>Total</b>	<b>1,10,000</b>	<b>1,00,000</b>


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## 36 Tax Expenses

Particulars	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
<b>Current tax in relation to:</b>		
- Current years	71,36,863	65,73,198
- Earlier years	10,36,568	12,03,147
<b>Deferred Tax</b>		
In respect of current year	(4,40,589)	(23,72,174)
<b>Total income tax expense recognised in the current year</b>	<b>77,32,842</b>	<b>54,04,172</b>

## 37 Earning Per Share

Particulars	Year Ended on 31st Mar 2019	Year Ended on 31st Mar 2018
Profit after tax for the year attributable to equity shareholders (Amount in Rs.)	1,20,17,032	1,84,36,650
Weighted Average Number of Equity Shares* (Nos.)	19,36,800	19,36,800
Basic EPS (Rs.)	6.20	9.52
Diluted EPS (Rs.)	6.20	9.52
Nominal Value Per Share (Rs.)	10	10

## 38 Contingent Liabilities and Commitments

## (a) Contingent Liabilities

There is no contingent liability of the firm/company not provided for as at 31st March, 2019 (PY Rs. Nil)

## (b) Commitments

## (b)(i) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. Nil (Previous years: 31st March,

## 39 Employee Benefit Plans

In accordance with the stipulations of the Indian Accounting Standard 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

## (a) Defined Contribution Plan

The Company has recognized an amount of Rs 4,06,505 (P.Y. Rs. 3,37,157) as expenses under the defined contribution plan in the Statement of Profit and Loss.

## (b) Defined Benefit Plan

## Gratuity

## General description and benefits of the plan

15 days salary for each completed year of service. Vesting period is 5 years and the payment is at actual on superannuation, resignation, termination, disablement or on death. The liability for gratuity as above is recognised on the basis of actuarial valuation.

The Company makes contribution to Life Insurance Corporation (LIC) for gratuity benefits according to the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of the defined benefit obligation for gratuity was carried out at 31st March 2019 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Scheme is funded through LIC.



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**Major Risks to the Plan****(i) Actuarial Risk**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**(ii) Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**(iii) Liquidity Risk**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

**(iv) Legislative Risk**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**(v) Market Risk**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.



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The following table sets out the status of the gratuity and the amounts recognized in the Company's financial statements as at 31st March, 2019. The principal assumptions used for the purposes of the actuarial valuations were as follows.

Actuarial Assumptions	As At 31st March, 2019	As At 31st March, 2018
Discount Rate	7.50	7.20
Expected rate of return on plan assets	-	-
Salary Growth Rate	6	6
Mortality	Indian Assured Lives Mortality (2006-08) Table 5% at younger ages and reducing to 1% at older ages	Indian Assured Lives Mortality (2006-08) Table 10% at younger ages and reducing to 2% at older ages
Withdrawal Rates		

Sr.No. Particulars	Gratuity (Funded)	
	2018-19	2017-18
(i) <b>Present Value Obligation</b>		
Present Value of funded Obligation	16,22,053	9,83,770
Fair Value of Plan Assets	15,83,085	11,23,735
<b>Net Liability (Asset)</b>	<b>38,968</b>	<b>(1,39,965)</b>
(ii) <b>Expenses recognised during the year</b>		
Current Service Cost	1,64,405	1,26,611
Past Service Cost and loss/(gain) on curtailments and settlement	4,97,535	
Net Interest Cost	(4,302)	(13,340)
<b>Total included in 'Employee Benefit Cost'</b>	<b>6,57,638</b>	<b>1,13,271</b>
Expenses Deducted from the Fund		
<b>Total Charge to P&amp;L</b>	<b>6,57,638</b>	<b>1,13,271</b>
(iii) <b>Amount recognised in Other Comprehensive Income</b>		
Components of actuarial gain/ losses on obligations:		
Due to change in financial assumptions	-	(12,415)
Due to change in demographic assumptions	-	
Due to experience adjustments	-	(42,944)
Return on plan assets excluding amounts included in interest income	-	(8,606)
<b>Amounts recognized in Other Comprehensive Income</b>	<b>-</b>	<b>(63,965)</b>
(iv) <b>Reconciliation of Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	9,83,770	11,02,244
Current Service Cost	1,64,405	1,26,611
Interest Cost	73,783	52,549
Actuarial loss/ (gain) due to change in financial assumptions	(42,208)	(12,415)
Actuarial loss/ (gain) due to experience adjustments	5,39,743	(42,944)
Benefits Paid	(97,440)	(2,42,275)
<b>Closing Defined Benefit Obligation</b>	<b>16,22,053</b>	<b>9,83,770</b>
(v) <b>Reconciliation of Plan Assets</b>		
Opening Value of plan assets	11,23,735	12,35,125
Interest Income	72,273	65,889
Return on plan assets excluding amounts included in interest income	5,812	8,606
Contributions by employer	4,78,705	56,390
Benefits Paid	(97,440)	(2,42,275)
<b>Closing Value of Plan Assets</b>	<b>15,83,085</b>	<b>11,23,735</b>
(vi) <b>Reconciliation of net defined benefit liability</b>		
Net opening provision in books of accounts	(1,39,965)	(1,32,881)
Employee Benefit Expense	6,57,638	1,13,271
Amounts recognized in Other Comprehensive Income	-	(63,965)
	<b>5,17,673</b>	<b>(83,575)</b>
Benefits paid by the Company	-	-
Contributions to plan assets	(4,78,705)	(56,390)
<b>Closing Provision in books of accounts</b>	<b>38,968</b>	<b>(1,39,965)</b>
(viii) <b>Composition of the Plan Assets</b>		
Policy of Insurance	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>
(ix) <b>Bifurcation of Liability as per Schedule III</b>		
Current Liability*	38,968	(1,39,965)
Non - Current Liability	-	-
<b>Net Liability</b>	<b>38,968</b>	<b>(1,39,965)</b>

\* The current liability is calculated as expected contributions for the next 12 months

(x) **Maturity Profile of Defined Benefit Obligation - Gratuity Liability**





**Transparees Limited****Notes to Financial Statements for the Year ended on 31st March, 2019**

One to Three Years	31,835	36,638
Three to Five Years	29,677	41,102
More than Five Years	47,854	87,288

The future accrual is not considered in arriving at the cash - flows.

**(c) Sensitivity Analysis**

Particulars	31-Mar-19	March 31, 2018
	Defined Benefit Obligation	Defined Benefit Obligation
<u>Discount Rate Varied by 1%</u>		
Impact due to increase of 100 basis points	15,76,603	9,69,216
Impact due to Decrease of 100 basis points	16,12,387	9,99,401
<u>Salary Growth Rate Varied by 1%</u>		
Impact due to increase of 100 basis points	16,75,831	9,99,507
Impact due to Decrease of 100 basis points	15,75,399	9,68,989
<u>Withdrawal Rate (W.R) Varied by 10%</u>		
W.R x 110%	16,25,563	9,84,189
W.R x 90%	16,18,351	9,83,280

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged.

Sensitivity analysis is failed to focus on interrelationship between underlying parameters. Hence the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about likelihood of change in any parameters and the extent of the change if any

**40 Operating Segment**

The Company's operations fall under single segment namely "Radiators", taking into account the risks and returns, the organization structure and the internal reporting systems.

All assets are located in the company's country of domicile.

Segment revenue from "Radiators" represents 90% revenue generated from customers which is fully attributable to the company's country of domicile i.e. India.

Particulars	Year Ended on 31st march 2019	Year Ended on 31st march 2018
Revenue from		
- Outside India	22,18,441	1,35,26,875
- In India	30,76,23,924	25,18,03,421

In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based

**41** on the exercise, no impairment loss is required as at 31st March, 2019.



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## 42 Related Party Disclosures

## (a) List of Related Parties

## Name of related Parties

## 1. Holding Company

Transformers &amp; Rectifiers (India) Limited

## 2. Fellow Subsidiary Company

Transweld Mechanical Engineering Works Ltd.

Savas Engineering Company Pvt. Ltd.

## 3. Key Management Personnel

Mr. Hitendra M. Doshi

Mr. Aakansha S. Mamtara

Mrs. Karuna J. Mamtara

Mr. Sureshchandra R. Agarwal

4. Enterprise over which Key Managerial Personnel is able to exercise significant Influence

Benchmark HR Solutions (India) LLP

Skytrek Tours &amp; Travels

## (b) Transactions with Related Parties

(Amount in Rs.)

Name of Related Party	Nature of Relationship	2018-19	2017-18
Purchase of Services	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) LLP.		41,650	35,537
Skytrek Tours & Travels		1,08,193	90,102
Purchase of Services	Fellow Subsidiary		
Transweld Mechanical Engineering Works Ltd.		24,411	17,651
Services Rendered	Holding Company		
Transformers & Rectifiers (India) Limited			36,000
Sale of Goods	Holding Company		
Transformers & Rectifiers (India) Limited		21,14,11,812	15,80,74,388
Purchase of Goods	Holding Company		
Transformers & Rectifiers (India) Limited		55,40,666	-
Managerial Remuneration*			
Mr. Hitendra M. Doshi		30,94,772	18,97,453
*The Key Management Personnel are entitled to other benefits also as per the company policy			
Balance Due to be Paid - End of the Year	Fellow Subsidiary		
Transweld Mechanical Engineering Works Ltd.		-	9,204
Savas Engineering Company Pvt. Ltd.		-	-
Balance Due to be Paid - End of the Year			
Mr. Hitendra M. Doshi		3,38,895	1,37,439
Balance Due to be Received - End of the Year	Holding Company		
Transformers & Rectifiers (India) Limited		7,94,69,328	3,51,58,142



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**43 Eligibility of Corporate Social Responsibility**

Based on the average net profits of the Company after computation of Net Profit as per Section 198 of the Companies Act, 2013 for the preceding three financial years, the Company is not required to spend any amount on CSR activities during the financial year 2018-19.

**44** The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

**45** Balances of trade receivables and trade payables are subject to confirmation, reconciliation and consequential adjustment, if any.

**46** The Company has a system of physical verification of Inventory in a phased manner to cover all items on a quarterly basis. Adjustment differences, if any, are carried out on completion of reconciliation.

**47** The Company has a system of physical verification of Fixed assets in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.

**48** The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**49 Financial Instruments Disclosure****(a) Capital Management**

The company's objective when managing capital is to:

- Safeguard its ability to continue as A going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's board of director's review the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity

**Disclosures**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in

**(i) Categories of Financial Instruments**

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Financial Assets</b>		
<b>Measured at Amortised Cost</b>		
(i) Trade and Other Receivables	15,95,72,984	10,43,95,747
(ii) Cash and Cash Equivalents	27,21,125	3,61,279
(iv) Loans	13,82,355	21,76,213
(v) Other Financial Assets	4,01,066	1,50,565
<b>Measured at Fair Value through Other Comprehensive Income</b>		
(i) Investments	22,30,360	21,17,500
<b>Financial Liabilities</b>		
<b>Measured at Amortised Cost</b>		
(i) Borrowings	3,32,05,638	56,80,626
(ii) Trade Payables	7,37,23,952	6,11,21,788
(iii) Other Financial Liabilities	28,68,059	12,84,891
<b>Financial Guarantee Obligation</b>		

**(ii) Fair Value Measurement**

This note provides information about how the Company determines fair values of various financial assets.

**Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)**

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

**(iii) Financial Risk Management Objectives**

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.





**Market Risk**

Market risk is the risk of uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency risk and interest rate risk.

The primary commodity price risk that the company is exposed to include the price variations in the price of CRCA Sheet. The mentioned components form a major part of manufacturing of Radiators. The prices of these commodities lead to increase/ decrease

**Interest Rate Risk**

The Company's interest rate risk arises from the Long Term Borrowings with fixed rates. The Company's fixed rates borrowings are

**Liquidity Risk**

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount in Rs.)

Particulars	1 Year - 3 Years	More than 3 Years	Total
<b>As at 31st March, 2019</b>			
Borrowings	13,98,286	-	3,09,42,140
Trade Payables	-	-	7,37,23,952
Other Financial Liabilities	-	-	15,02,644
<b>Total</b>	<b>13,98,286</b>	<b>-</b>	<b>10,61,68,736</b>
<b>As at 31st March, 2018</b>			
Borrowings	6,27,934	-	59,11,349
Trade Payables	-	-	6,11,21,788
Other Financial Liabilities	-	-	10,54,167
<b>Total</b>	<b>6,27,934</b>	<b>-</b>	<b>6,80,87,304</b>

**Credit Risk**

The Company's customer profile include Holding Company and Industries. Accordingly, the Company's customer credit risk is moderate. The Company's average project execution cycle is around 4 to 12 months. General payment terms include advance, a credit period of on an average of 180 days and certain retention money to be released at successful completion of the order. In some cases, retentions are substituted with bank/ corporate guarantees. The Company has a detailed review mechanism of overdue customer

(Amount in Rs.)

Particulars	1 Year - 3 Years	More Than 3 Years	Total
<b>As at 31st March, 2019</b>			
Loans to Employees	-	-	81,569
Trade Receivables	-	-	15,95,72,984
Other Financial Assets	-	-	15,55,832
<b>Total</b>	<b>-</b>	<b>-</b>	<b>16,12,10,385</b>
<b>As at 31st March, 2018</b>			
Loans to Employees	73,815	96,770	2,91,751
Trade Receivables	-	-	10,43,95,747
Other Financial Assets	-	31,400	20,35,027
<b>Total</b>	<b>73,815</b>	<b>1,28,170</b>	<b>10,67,22,525</b>



H. M. Doshi



**50 Disclosures under Ind AS 115 revenue from contracts with customers**

The Company derives revenues from sale of goods, services and scrap from its contract with customers. The revenue have been disclosed in Note. No.29

The Company has elected to adopt Ind AS 115 using the Modified Retrospective Method by not restating the comparative information.

**(a) Disaggregation of revenue from contracts with customers**

The Company derives revenue from the transfer of goods and services at a point in time in the following major product lines:

Particulars	(Amount in Rs.)
	Year Ended 31st March 2019
<b>Revenue from contracts with customers</b>	
Revenue from sale of products	30,98,42,365
Revenue from service income	3,45,710
Revenue from sale of scrap	8,72,490

**(b) The revenues are further disaggregated into revenues from domestic as well as export market as follows:**

Particulars	(Amount in Rs.)	
	Year Ended 31st March 2019	
	Domestic	Exports
Revenue from sale of products	30,76,23,924	22,18,441
Revenue from service income	3,45,710	-
Revenue from sale of scrap	8,72,490	-

**(c) Contract assets, liabilities and receivables**

The Company has recognised the following revenue-related contract assets, liabilities and receivables

Particulars	(Amount in Rs.)		
	Receivables	Contract Assets	Contract Liabilities
Balance as the beginning of the year	10,43,95,747	-	-
Additions/Adjustment	5,51,77,237	-	-
<b>Balance as the end of the year</b>	<b>15,95,72,984</b>	-	-

**(d) Revenue recognised in relation to contract liabilities**

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

Particulars	(Amount in Rs.)
	Year Ended 31st March 2019
Revenue recognised that was included in the contract liability balance at the beginning of the period	-

**(e) Unsatisfied long-term contracts**

The following table shows unsatisfied performance obligations resulting from fixed-price long-term contracts.

Particulars	(Amount in Rs.)
	Year Ended 31st March 2019
Aggregate amount of the transaction price allocated to long-term supply contracts that are partially or fully unsatisfied as at 31 March 2019	-

Management expects that 90% of the transaction price allocated to the unsatisfied contracts as of 31 March 2019 will be recognised as revenue during the next reporting period.

All other contracts are for periods of one year or less or are billed based on time incurred. The Company has applied practical expedient referred to in paragraph 121 of Ind AS 115 and accordingly, has not disclosed information related to remaining performance obligations.

**(g) Performance obligations****Sale of Transformers**

The performance obligation is satisfied upon delivery of the equipment and payment is generally due within 1 to 3 months from delivery.

The performance obligation to deliver the Transformers Radiators with a manufacturing lead time of 1 to 2 months has a single payment option. The customer can pay the transaction price upon delivery of the transformer within the credit period, as mentioned in the contract with respective customer. No advance is taken from the customers.

In contracts, No warranty is provided to all the customers.

**Services Income**

The performance obligation is satisfied at the point in time and payment is generally due upon completion of installation and acceptance of the customer.

