



**AMBA ENTERPRISES LIMITED**

ANNUAL REPORT

2019 – 2020

## CORPORATE INFORMATION

<p><b>Name of the Company :</b> Amba Enterprises Limited</p> <p><b>Registered Office :</b> Unit 430, 4<sup>th</sup> Floor, Blue Rose Industrial Estate, Near Metro Mall, Western Express Highway, Borivali (E), Mumbai - 400066</p> <p><b>Plant :</b> S. No. 132, H No. 1/4/1, Premraj Industrial Estate, Shed No. B-2,3,4, Dalviwadi, Nanded Phata, Pune - 411 041</p> <p><b>CIN :</b> L99999MH1992PLC067004</p> <p><b>Website :</b> www.ambaltd.com</p> <p><b>Email :</b> ambaltd@gmail.com</p> <p><b>Contact No :</b> 022 28701692</p> <p><b>BOARD OF DIRECTORS</b></p> <p>Mr. Ketan Mehta : Managing Director  Ms. Sarika Bhise : Executive Director  Mr. Dhir Mehta : Non-Executive Director, Independent Director  Mr. Dharendra Mehta : Non-Executive Director, Independent Director  Mr. Atul Thakkar : Non Executive Director, Independent Director</p> <p><b>COMMITTEES OF THE BOARD</b></p> <p><b>AUDIT COMMITTEE</b></p> <p>Mr. Dharendra Mehta : Chairman &amp; Member  Mr. Ketan Mehta : Member  Mr. Atul Thakkar : Member</p>	<p><b>NOMINATION &amp; REMUNERATION COMMITTEE</b></p> <p>Mr. Dharendra Mehta : Chairman &amp; Member  Mr. Dhir Mehta : Member  Mr. Atul Thakkar : Member</p> <p><b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b></p> <p>Mr. Dharendra Mehta : Chairman &amp; Member  Mr. Ketan Mehta : Member  Mr. Dhir Mehta : Member</p> <p><b>STATUTORY AUDITORS</b></p> <p>M/s Anil Gala &amp; Associates  Chartered Accountants</p> <p><b>INTERNAL AUDITORS</b></p> <p>Amit S Gandhi &amp; Associates  Chartered Accountants</p> <p><b>BANKERS</b></p> <p>HDFC Bank Limited</p> <p><b>REGISTRAR &amp; TRANSFER AGENT</b></p> <p>Purva Sharegistry Private Limited  Unit 9, Shiv Shakti Industrial Estate,  J R Boricha Marg, Opp. Kasturba Hospital  Lane, Lower Parel (E), Mumbai - 400011</p>
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## NOTICE

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of Amba Enterprises Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2020 at 11.00 A.M through Video Conferencing (VC)/Other Audio Means (OAVM) facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2020, along with the Board of Directors Report and Auditors Report thereon.
2. To appoint M/s. Kakaria & Associates., Chartered Accountants as Statutory Auditors of the Company for financial year 2020-2021 and to fix their remuneration and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, as amended from time to time, the appointment of M/s. Kakaria & Associates, Chartered Accountants (Firm Registration No. 104558W), as Statutory Auditors be and is hereby appointed to hold the office from the conclusion of ensuing AGM till the conclusion of the next AGM of the Company to be held in the year 2021, at such remuneration plus service tax and out of pocket expenses as may be determined by the Board of Directors of the Company in consultation with Statutory Auditors.”

### SPECIAL BUSINESS:

3. **To approve increase in remuneration of Mr. Ketan Mehta, Managing Director of the Company:**

To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee & Audit Committee and pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) read with Schedule V of the said act, and such other approvals, permissions and sanctions of such authorities and/or agencies as may be required in this regard and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded to the revision in the remuneration of Mr. Ketan Mehta (DIN: 01238700), Managing Director of the Company on following terms & conditions as agreed between the Directors and Mr. Ketan Mehta for a period of 1(One) year with effect from 30<sup>th</sup> September 2020 For FY 2020-21

PARTICULARS	AMOUNT
Term	1(One) year
Basic Salary	1,40,00,000 / per annum
Variable Pay	As may be decided by the Board from time to time.

**FURTHER RESOLVED THAT** where in any Financial Year during the tenure of the said Managing Director, if the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration."

**FURTHER RESOLVED THAT** any of the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and settle any question, difficulty or doubt that may arise in the said regard."

**4. To approve increase in remuneration of Mrs. Sarika Bhise, Director and Chief Financial Officer of the Company:**

To consider and if thought fit, to pass with or without modification, the following Resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee , Nomination & Remuneration Committee and such other approvals as required, consent of the shareholders be and is hereby accorded for revision in payment of remuneration amounting to Rs. 20,00,000/- per annum for FY 2020 to 2021 with effect from 30<sup>th</sup> September 2020 to Mrs. Sarika Bhise, Director (DIN:-06987209) and Chief Financial Officer of the company for a period of 1(one) year, provided that such variation or increase is with in specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

SR.NO	PARTICULARS	AMOUNT
1.	BASIC SALARY	20,00,000/- per annum

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, is within specified limit as the case may be, as specified under the relevant provisions of Section 196,



197, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

**5) To Approve the Shifting of the Registered Office Address from Mumbai to Pune**

To consider and if thought fit, to pass with or without modification, the following Resolution as an **Special Resolution**:

**RESOLVED THAT** Pursuant to Provisions of section 12 and any other provisions of the Companies Act ,2013 and Companies (Incorporation) Rules, 2014 and any other applicable provisions if any, the Registered office of the company be and is hereby shifted from its present location at Gala No 430, 4<sup>th</sup> Floor, Blue Rose Industrial Estate, Western Express Highway, Near Metro , Boriwali East, Mumbai 400066 to S. No 132, H No.1/4/1, Premraj Industrial Estate, Shed No B-2,3,4 , Dalviwadi, Nanded Phata, Pune 411041

**FURTHER RESOLVED THAT** any of the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and settle any question, difficulty or doubt that may arise in the said regard.”

By Order of the Board  
For Amba Enterprises Limited

Sd/-

Ketan Mehta  
Managing Director  
(DIN: 01238700)

Date: 04/09/2020

**Registered Office:**  
Gala No.430,4th Floor,  
Blue Rose Industrial Estate,  
Western Express Highway,  
Near Metro Mall, Borivali  
(East), Mumbai-400066.

## Notes

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [ambaltd@gmail.com](mailto:ambaltd@gmail.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since the AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for e.AGM and hence the proxy form and Attendance Slip are not annexed to this Notice.
9. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with purva (RTA) by clicking on the link <https://purvasharegistry.com/emailreg>.
10. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY 2019-20 and Notice of Twenty Eight e-AGM, may temporarily get themselves registered with Purva (RTA) by clicking the link: <https://purvasharegistry.com.com/emailreg> for receiving the same. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
11. Register of Members and Share Transfer Book of the Company will remain closed from the 24/09/2020 to 30/09/2020 (both days inclusive) for the purpose of Annual General Meeting.
12. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Gala No 430, 4<sup>th</sup> Floor, Blue Rose Industrial Estate, Western Express Highway, Near Metro , Borivali East, Mumbai 400066 i) Register of contracts or arrangements in which directors are interested under section 189 of the Act. ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Act. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.

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

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

During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cutoff / relevant date i.e Wednesday, 23<sup>rd</sup> September, 2020. may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.

Mr. Sumit Khanna, Company Secretary (COP No. 9304 and Membership No. 22135), Partner of M/s. SARK & Associates, Mumbai has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the voting and e-voting process in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer will be placed on the website of the Company [www.ambaltd.com](http://www.ambaltd.com) and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorized. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.

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

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

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

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

**Details on Step 1 is mentioned below:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and

- your 'initial password'.
- (ii) **If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of AMBA ENTERPRISES LIMITED for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [compliance@sarkcs.in](mailto:compliance@sarkcs.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [ambaltd@gmail.com](mailto:ambaltd@gmail.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [ambaltd@gmail.com](mailto:ambaltd@gmail.com)

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

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



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

**Item No. 3**

**To approve increase in remuneration of Mr. Ketan Mehta, Managing Director of the Company:**

Mr. Ketan Mehta, was re- appointed and designated as Managing Director of the Company by the Board at its Meeting held on June 17, 2016 for a period of 5 years w.e.f July, 25, 2016.

Further, considering the contribution of Mr. Ketan Mehta and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on September 04, 2020 approved the revision in the remuneration of Mr. Ketan Mehta for a period of 1year effective from 30<sup>th</sup> September 2020 on terms and conditions enumerated in the Resolution.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Mr. Ketan Mehta as decided by the Board on 5<sup>th</sup> September 2020 is required to be approved by the Members at their meeting due to inadequacy of profits.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limits Specified in Sec. 197 of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Mr. Ketan Mehta, Managing Director of the Company.

**Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following Statement is given:**

<b>I.</b>	<b>General Information</b>	
(1)	Nature of industry:	
(2)	Date or expected date of commencement of commercial production:	N.A.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	N.A.
(4)	Financial performance based on given indicators:	Performance for F.Y. 2019-2020 1. Gross Revenue:100,72,18,927 2. Profit after Tax: 1,36,13,804 3. Dividend: Nil 4. EPS: 1.08
(5)	Foreign investments or collaborations, if any:	N.A.
<b>II.</b>	<b>Information about the appointee</b>	
(1)	Background details:	Mr.Mehta is an experienced

		professional with more than 30 year's of experience in the industry.				
(2)	Past remuneration:	The remuneration drawn by Mr. Ketan Mehta during the past one year i.e. 2019- 20 is as follows:				
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Basic Salary</td> <td>58,75,670/-</td> </tr> </tbody> </table>	Particulars	Amount	Basic Salary	58,75,670/-
Particulars	Amount					
Basic Salary	58,75,670/-					
(3)	Recognition or awards	N.A.				
(4)	Job profile and his suitability	He has been part of the group for the last 30 years and have lead successful growth of the business				
(5)	Remuneration proposed	As mentioned in the Resolution stated above				
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed of is commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.				
	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Managing Director of the Company				
<b>III.</b>	<b>Other Information</b>					
(1)	Reasons of loss or inadequate profits:	The proposed remuneration is not falling within the limits specified under Section 197 of the Companies Act. However, the same is in line with the Industry Standards for managerial personnel falling under the same cadre.				
(2)	Steps taken or proposed to be taken for improvement:	N.A.				
(3)	Expected increase in productivity and profits in measurable terms:	N.A.				

Based on Financial Results of the Company for year ended 31<sup>st</sup> March , 2020 and other relevant factors including prevailing market conditions, the Company may not have adequacy of Profits in the Financial Year 2019-20 ending 31<sup>st</sup> March 2020. It is therefore considered desirable approval of Members by way of Special Resolutions for payment of minimum remuneration to the said Managing Directors for FY 2019-20, in case the Company has inadequacy of Profits for that year.

Pursuant to the applicable provisions of the Companies Act, 2013, and the relevant rules made thereunder, consent of members is being sought by way of a Special Resolution.

Except Mr. Ketan Mehta, none of the promoters, directors, key managerial personnel and their relatives is considered to be concerned or interested financially or otherwise, in the Resolution.

The Board of Directors recommend passing of the Special Resolution at Item No. 3 of the Notice.

**Item No. 4:**

**To approve increase in remuneration of Mrs. Sarika Bhise, Director and Chief Financial Officer of the Company:**

Mrs. Sarika Bhise was regularised as Director of the Company w.e.f 30th September, 2014 and appointed as CFO from 20th April, 2019. She has been carrying out various responsibilities of the company as Director and Chief Financial Officer. In view of the same and to bring her remuneration at par with industry standards, it is proposed to increase her remuneration.

As per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on September 04, 2020 approved the increase in the remuneration payable to Mrs. Sarika Bhise the Executive Director and CFO of the Company

The details of the revised remuneration payable is given in the resolution set forth at item no 5 of the notice. In accordance with Section 196, 197 read with Schedule V (as amended) and applicable rules under the Companies Act, 2013, the approval of the members is being sought for the said increase in remuneration payable to Mrs. Sraika Bhise. The remuneration payable falls within the limits specified under Schedule V (as amended).

Pursuant to the amended provisions of Section 197 (3) of the Act read with Schedule V thereto, if in any Financial Year, the Company has no profits or its profits are inadequate, it can pay remuneration to its Directors in accordance with the provisions of Schedule V to the Act i.e. not exceeding the limits specified under Item (A) of Section II of Part II of the said Schedule: provided that the remuneration in excess of above limits may be paid if the resolution passed by the Members is a Special Resolution.

Except Mrs. Sarika Bhise, none of the promoters, directors, key managerial personnel and their relatives is considered to be concerned or interested financially or otherwise, in the Resolution.

The Board of Directors recommend passing of the Special Resolution at Item No. 4 of the Notice.

## **Item No 5**

As per Provision of section 12 of the Companies Act, 2013 read with rule 27 of Chapter II The Companies (Incorporation) Rules, 2014 relating to be procedure to be followed for, shifting of registered office of Company outside the local limits of any city or town requires approval of the members by Special Resolution.

The Registered office of the Company is presently situated at Gala No 430, 4<sup>th</sup> Floor, Blue Rose Industrial Estate, Western Express Highway, Near Metro , Borivali East, Mumbai 400066

Board of Directors of the company at its meeting held on 05.09.2020 decided that the registered office of the Company is to be shifted to Pune City a place outside the local limits of the town where the company's registered office is presently situated but which is situated within the same State, with a view to improve operational efficiency, the Board of Directors Considered the matter and subject to approval of members, the proposal of shifting registered office made to S. No 132, H No.1/4/1, Premraj Industrial Estate, Shed No B-2,3,4 , Dalviwadi, Nanded Phata, Pune 411041

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution

The Board recommends the proposed special resolution to the members of the Company for their consideration and approval in Item No 5 of the Notice

**By Order of the Board**

For Amba Enterprises Limited

**Sd/-**

**Ketan Mehta**

**(Managing Director)**

**(DIN: 01238700)**

**Registered Office:**

Gala No.430,4th Floor,

Blue Rose Industrial Estate,

Western Express Highway,

Near Metro Mall, Borivali

(East), Mumbai-400066

**Date: 04/09/2020**

## BOARD'S REPORT

Dear Members,

Your Directors present the Twenty Eight Annual Report of the Company together with the audited financial statements for the financial year ended March 31, 2020.

### FINANCIAL PERFORMANCE

The financial performance of the Company is as follows:

Particulars	Financial Year	Financial Year
	2019-20	2018-2019
Revenue from operations	1,00,72,18,927	88,84,60,002
Other Income	19,01,997	34,11,095
<b>Total Income</b>	<b>1,00,91,20,924</b>	<b>89,18,71,097</b>
Expenditure (excluding depreciation)	98,65,32,357	87,41,09,050
Depreciation	34,82,760	23,98,274
<b>Total Expenditure</b>	<b>99,00,15,117</b>	<b>87,65,07,324</b>
<b>Profit / (Loss) before Tax</b>	<b>1,91,05,807</b>	<b>1,53,63,773</b>
Tax	52,57,500	39,87,416
Deferred Tax	2,34,503	2,33,851
<b>Profit / (Loss) after tax</b>	<b>1,36,13,804</b>	<b>1,11,42,506</b>
Earnings per share (Basic)	1.08	0.88
Earnings per share (Diluted)	1.08	0.88

### REVIEW OF PERFORMANCE

During the year under review, your Company has earned income of Rs. 1,00,91,20,924/- including other income as compared to Rs. 89,18,71,097/- in the previous financial year. The Net Profit after tax was Rs. 1,36,13,804/- against the Net Profit of Rs 1,11,42,506/- in the previous financial year

## **DIVIDEND**

The Board has not recommended dividend for the financial year ended March 31, 2020

## **SHARE CAPITAL**

During the year under review, there were no changes in the Share Capital of the Company.

## **TRANSFER TO GENERAL RESERVES**

The Board has decided to transfer Rs. 10,00,000 to General Reserves for the year under review.

## **DEPOSITS**

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as at March 31, 2019.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The details of loans, guarantees, investments and security, as required under the provisions of section 186 of the Act are provided in the note no. 16 and 18 in Notes forming part of the Financial Statements, which forms part of this Annual Report.

## **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

During the year under review, there have been no material changes and commitments affecting the financial position of the Company.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, there were no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations.

## **DETAILS OF REMUNERATION TO DIRECTORS**

Disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given in **ANNEXURE - I**

## EXTRACT OF ANNUAL RETURN

In accordance with section 134(3)(a) of the Act, an extract of annual return in the prescribed Form MGT-9 is given in **ANNEXURE II**, which forms part of this Report. The copy of the draft Annual Return is also available on the Company's website at [www.ambaltd.com](http://www.ambaltd.com)

### AUDITORS:

#### 1. Statutory Auditors

Pursuant to the provisions of section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Anil Gala & Associates, Chartered Accountants (Firm Registration No. 126344W) has been appointed as the Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the Twenty Fifth AGM of the Company held on September 25, 2017 until the conclusion of the Twenty Eight AGM of the Company to be held in the year 2022.

The Company has received a certificate from the Statutory Auditors confirming that they are eligible to continue as Statutory Auditors of the Company under section 141 of the Act.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 is issued with unmodified opinion.

#### 2. Secretarial Auditor

M/s. SARK & Associates, Practicing Company Secretary were appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2019-20, as required under section 204 of the Act and Rules made thereunder.

The Secretarial Audit Report for the financial year 2019-20 is given as **ANNEXURE III**, which forms part of this Report.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Particulars of contracts or arrangements with related parties as required under section 134(3)(h) of the Act, in the prescribed Form AOC-2 is given in **ANNEXURE III**, which forms part of this Report.

Disclosure of transactions with related parties as required under Listing Regulations and the applicable Accounting Standards is given in the Note no. 32 forming part of the Financial Statements.

## **NUMBER OF MEETINGS OF THE BOARD**

During the year under review, 9 meetings of the Board of Directors of the Company were held on 20.04.2019, 27.05.2019, 13.08.2019, 28.08.2019, 30.10.2019, 14.11.2019, 29.11.2019, 27.01.2020 and 05.02.2020.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. Swaminath Jaiswar resigned as a Company Secretary of the Company w.e.f. March 29, 2019 and ceased to be the Compliance Officer of the Company.

Ms. Monika Sharma was appointed as a Company Secretary w.e.f. April 20, 2019 and also appointed as the Compliance Officer of the Company.

Ms. Sarika Bhise - Director of the Company was appointed as Chief Financial Officer of the Company with effect from April 20, 2019.

## **DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS:**

All Independent Directors have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of the SEBI (LODR) Regulations, 2015.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis. The Internal Financial Control System has been routinely tested and certified by Statutory as well as Internal Auditors. Significant Audit observations and follow up actions thereon are reported to the Audit Committee.

## **POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and such other matters as provided under sub-section (3) of Section 178 of the Act, forms part of the Corporate Governance Report. Gist of this policy is given in ANNEXURE - V which forms part of this report and also available at the Company's website at [www.ambaltd.com](http://www.ambaltd.com).



## **EVALUATION OF BOARD OF DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 read with rules issued thereunder and Regulation 17(10) of the Listing Regulations and guidance note issued by SEBI, the Independent Directors of the Board carried out the annual evaluation of the performance of the Board as a whole, the Directors individually as well as of various Committees of the Board. The performance evaluation of the Independent Directors was carried out by the Nomination and Remuneration Committee and was noted by the Board.

### **BOARD COMMITTEES:**

Your Company has following Committees of Board, viz,

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in Corporate Governance Report which forms part of this Annual Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, your Directors hereby confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down Internal Financial Controls, which are adequate and are operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## **RISK MANAGEMENT AND INTERNAL CONTROLS**

The Company has a well-defined risk management framework in place. The details of the risks faced by the Company and the mitigation thereof are discussed in detail in the Management Discussion and Analysis report that forms part of the Annual Report.

## CORPORATE GOVERNANCE REPORT

The Company's Corporate Governance Report for the year under review, forms part of this Annual Report.

A certificate from the Statutory Auditors of the Company regarding the compliance with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Listing Regulations, is annexed to Corporate Governance Report and forms part of this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as required under regulation 34 read with Schedule V of the Listing Regulations, forms part of this Annual Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details relating to nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, and research and development are as follows:

### Power & fuel Consumption

Sr. No.	Particulars	2019-20	2018-19
1	Electricity units KWH( In Rs)	10723	13907
2	Value in Rs.	142190	156948

### Consumption per unit of production

Sr. No.	Particulars	2019-20	2018-19
1	Cost per unit (Rs.)	0.24	0.32
2	Consumption per ton of Production (Rs.)	237	324

## RESEARCH & DEVELOPMENT:

During the year the board of Director has not conducted any Research & Development activity.

## TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Efforts are being made towards Technology adaption and innovation. The Company at present does not have any formal technical collaboration.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Sr. No.	Particulars	2019-20	2018-19
1	Foreign Exchange Earnings	-	-
2	Foreign Exchange outgoings	-	2925490.53

**LISTING OF SHARES OF THE COMPANY**

The Equity Shares of your Company continue to remain listed on Bombay Stock Exchange Ltd.

The listing fees as applicable has been paid to the BSE Limited for the financial year 2019-20.

**VIGIL MECHANISM AND WHISTLE BLOWER POLICY:**

The Company has Vigil Mechanism and Whistle Blower Policy for Stakeholders of the Company to report genuine concerns that could have serious impact on the operations and performance of the business of the Company and also available on the Company's website at [www.ambaltd.com](http://www.ambaltd.com)

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. Complaint Redressal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is available on the Company's website [www.ambaltd.com](http://www.ambaltd.com).

**Constitution of POSH Committee:**

Sr. no	Post of Committee Member	Employee Name	Designation	Mobile no.	Email ID
1	Presiding officer	Sarika Bhise	Director	9167977384	sarika@ambaltd.com
2	Member	Ketan Mehta	Managing Director	9820785258	ketan@ambaltd.com
3	Member	Chhaya Mehta	Marketing Executive	9820534384	chhayaimpex@gmail.com
4	External Member	Swapnil Chille	Production Manager	9323061488	sales@ambaltd.com

*\*Constituted w.e.f. July 2019.*

The following is summary of sexual harassment complaints received and disposed off during the calendar year:

No. of Complaints received	Nil
No. of Complaints disposed off	Nil

#### **INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to section 124 of the Act, dividends that are unclaimed for a period of seven years are required to be transferred to the IEPF, established by the Government of India. During the year under review, there were no outstanding amount of unclaimed dividends which was liable to transfer to the IEPF.

#### **ACKNOWLEDGEMENTS**

The Board thanks our customers, bankers, investors, shareholders, vendors and other stakeholders for their continued support and patronage, extended to the Company and places on records its sincere appreciation of the wholehearted contribution made by our employees, for the Company's consistent growth and achievements.

**For and on behalf of the Board of Directors**

**Sd/-**

**Ketan Mehta**  
**Managing Director**  
**DIN: 01238700**

**Date: June 30, 2020**  
**Place: Mumbai**

## ADDENDUM TO DIRECTORS' REPORT

TO THE SHAREHOLDERS:

In the Directors' Report of the Company's Annual Report 2020, under sub-heading "Statutory Auditor" (page no 19), the following was stated:

### **Statutory Auditors**

Pursuant to the provisions of section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Anil Gala & Associates, Chartered Accountants (Firm Registration No. 126344W) has been appointed as the Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the Twenty Fifth AGM of the Company held on September 25, 2017 until the conclusion of the Twenty Eight AGM of the Company to be held in the year 2022.

The Company has received a certificate from the Statutory Auditors confirming that they are eligible to continue as Statutory Auditors of the Company under section 141 of the Act.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 is issued with unmodified opinion.

### **Changes Made for Appointing New Statutory Auditor for FY 2020-21**

**It is now presented as :**

Shareholders are now hereby informed that due to resignation of Statutory Auditor M/s Anil Gala & Associates, Chartered Accountants w.e.f 4<sup>th</sup> September 2020 , after closure of Business Hours, M/s Kakaria & Associates, Chartered Accountants having FIRM Registration No (104558W) are hereby appointed as Statutory Auditors for Financial Year 2020-21 subject to approval of Shareholders at the ensuing Annual General Meeting.

**For Amba Enterprises Limited**

Sd/-

**Ketan Mehta**  
**(Managing Director)**  
**(DIN: 01238700)**

**Place: Mumbai**  
**Date: 04.09.2020**

**ANNEXURE I**  
**Details of Remuneration of Director**

**Details Pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amended Rules, 2016**

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and are as under :

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/KMP for financial year 2019-20 (in lacs)	Remuneration of Director/KMP for financial year 2018-19 (in lacs)	% increase in Remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director / to median remuneration of employees
1	Ketan Mehta, Managing Director	58,75,670/-	52,00,000/-	NA	58.75 :1.90
2	Sarika Bhise, Director	635000/-	4,67,711/-	NA	6.35 :1.90
3	Monica Sharma, CS	2,61,600/-	-	NA	2.61:1.90

**Notes:**

**Ms Monica Sharma appointed as a Company Secretary of the Company w.e.f. 20th April , 2019.**

- II. The median remuneration of employees of the Company for the financial year was Rs. 190320/-
- III. During the financial year, there was a decrease of 26.23% in the median remuneration of employees. (Decrease - Last year 258000)
- IV. There were 21 permanent employees on the rolls of the Company during the financial year.
- V. Average percentage decrease made in the salaries of the employees other than the managerial personnel (Managing Director, CEO and Whole-time Director) in the FY 2019-20 is 13.08%.
- VI. The market capitalization as on 31st March, 2020 is Rs.1519.26 lacs. (Rs.1461.02 lacs as on 31st March, 2019).
- VII. Price Earnings Ratio of the Company was 11.11 as on 31st March, 2020 (13.11 as on 31st March, 2019).
- VIII. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2020 is as per the Nomination & Remuneration Policy of the Company.

**Annexure - II**

**Form No. MGT - 9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March, 2020**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	L99999MH1992PLC067004
ii)	Registration Date	01/06/1992
iii)	Name of the Company	Amba Enterprises Limited
iv)	Category / Sub - Category of the Company	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	Gala No. 430, 4 <sup>th</sup> Floor, Blue Rose Industrial Estate, Western Express Highway, Near Metro, Borivali East, Mumbai - 400066 022 2870 1692
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt Ltd Unit No. 9, Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai - 400011

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main services	NIC Code of the service	% to total turnover of the company
1.	Lamination Product	412	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

*i) Category - wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2019)				No. of Shares held at the end of the year (As on 31st March, 2020)			
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares
<b>A. Promoters</b>								
<b>(1) Indian</b>								
a) Individual/HUF	3036000	0	3036000	23.98	4871251	0	4871251	38.48
b) Central Govt	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0
f) Any other..	0	0	0	0	0	0	0	0
Sub - total (A)(1):	3036000	0	3036000	23.98	4871251	0	4871251	38.48
<b>(2) Foreign</b>								
a) NRIs-Individuals	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0
e) Any Other..	0	0	0	0	0	0	0	0
Sub -total (A)(2):	0	0	0	0	0	0	0	0



<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	3036000	0	3036000	23.98	4871251	0	4871251	38.48
<b>B. Public Shareholding</b>								
<b>1. Institutions</b>								
a) Mutual Funds	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0
Sub - total (B)(1):	0	0	0	0	0	0	0	0
<b>2. Non - Institutions</b>								
a) Bodies Corp.								
i) Indian	180570	0	180570	1.43	106674	0	106674	0.84
ii) Overseas	0	0	0	0	0	0	0	0
b) Individuals	D	p	t	P	D	P	T	P

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1247863	11258	1259121	9.95	1286391	11258	1297649	10.25
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	6982738	0	6982738	55.15	5238216	0	5238216	41.37
c) Others (specify)								
Clearing Member	0	0	0	0	1958	0	1958	0.02
Non Resident Indians (NRI)	76334	859600	935934	7.39	56563	859600	916163	7.24
HUF	178747	0	178747	1.41	228569	0	228569	1.81
Sub - total (B)(2):-	8753622	870858	9624480	76.02	6918371	870858	7789229	61.52
<b>Total Public Shareholding( B) = (B)(1)+(B)(2)</b>	<b>8753622</b>	<b>870858</b>	<b>9624480</b>	<b>76.02</b>	<b>6918371</b>	<b>870858</b>	<b>7789229</b>	<b>61.52</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>11789622</b>	<b>870858</b>	<b>12660480</b>	<b>100</b>	<b>11789622</b>	<b>870858</b>	<b>12660480</b>	<b>100</b>

*ii) Shareholding of Promoters*

Sl No	Shareholder's Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2019)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2020)		
		No. of Shares	% of total Shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged /encumbered to total shares
1	Ketan Mehta	1716000	13.55	0	3551251	28.05	0
2	Chhaya Mehta	1320000	10.43	0	1320000	10.43	0
	Total	3036000	23.98	0	4871251	38.48	0

*iii) Change in Promoters' shareholding*

Sl No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ketan Mehta				
	At the beginning of the year	1716000	13.55	1716000	13.55
	At the end of the year	3551251	28.05		
2	Chhaya Mehta				
	At the beginning of the year	1320000	10.43	1320000	10.43
	At the end of the year	1320000	10.43		

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

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Manish Desai As on 1st April, 2019	1278720	10.10	1278720	10.10
	As on 31st March, 2020	1278720	10.10	1278720	10.10
2	Alpesh Vasantrai Doshi As on 1st April, 2019	915289	7.23	915289	7.23
	As on 31st March, 2020	918789	7.26	918789	7.26
3	Parul Jayesh Gandhi As on 1st April, 2019	790078	6.24	790078	6.24
	As on 31st March, 2020	785077	6.20	785077	6.20
4	Sunil Pranlal Mehta As on 1st April, 2019	518044	4.09	518044	4.09
	As on 31st March, 2020	518044	4.09	518044	4.09
5	Dinesh Babubhai Senjaliya As on 1st April, 2019	509915	4.03	509915	4.03
	As on 31st March, 2020	130996	1.03	130996	1.03
6	Hansaben Indulal Shah As on 1st April, 2019	374200	2.96	374200	2.96
	As on 31st March, 2020	0	0	0	0
7	Asha Bhupendra Kansara As on 1st April, 2019	202795	1.60	202795	1.60

	As on 31st March, 2020	202795	1.60	202795	1.60
8	Bharat Bhupatrai Patel As on 1st April, 2019	268000	2.12	268000	2.12
	As on 31st March, 2020	0	0	0	0
9	Avi Sunil Mehta As on 1st April, 2019	172416	1.36	172416	1.36
	As on 31st March, 2020	172416	1.36	172416	1.36
10	Aslam Yasin As on 1st April, 2019	142058	1.12	142058	1.12
	As on 31st March, 2020	0	0	0	0

v) *Shareholding of Directors and Key Managerial Personnel:*

Sl No.	Name of Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Ketan Mehta</b> As on 1st April, 2019	1716000	13.55	1716000	13.55
	As on 31st March, 2020	3551251	28.05	3551251	28.05
3	<b>Sarika Bhise</b> As on 1st April, 2019	0	0	0	0
	No Movement During the year	0	0	0	0
	As on 31st March, 2020	0	0	0	0
4	<b>Dhir Mehta</b> As on 1st April, 2019	0	0	0	0
	No Movement During the year	0	0	0	0
	As on 31st March, 2020	0	0	0	0
5	<b>Dhirendra Mehta</b> As on 1st April, 2019	0	0	1000	0.01
	No Movement During the year	0	0	0	0
	As on 31st March, 2020	0	0	0	0
6	<b>Atul Thakkar</b> As on 1st April, 2019	0	0	0	0
	No Movement During the year	0	0	0	0
	As on 31st March, 2020	0	0	0	0

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,45,49,367	0	0	1,45,49,367
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	1,45,49,367	0	0	1,45,49,367
<b>Change in Indebtedness during the financial year</b>				
• Addition	656809260.21	15000000	0	671809260.21
• Reduction	665164345.58	0	0	665164345.58
<b>Net change</b>	8355085.37	15000000	0	23355085.37
<b>Indebtedness at the end of the financial year</b>				
.++i) Principal Amount	6399813.51	15000000	0	21399813.51
ii) Interest due but not paid	0	73440	0	73440
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	6399813.51	15073440	0	21473253.51

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Ketan Mehta	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	58,75,670	58,75,670
022.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of profit - Others, specify	-	-
5.	Others, please specify	-	-
	Total (A)	58,75,670	58,75,670
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)	-	-

**B. Remuneration to other directors :**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dhir Mehta	Dhirendra Mehta	Sarika Bhise (Executive Director)	Atul Thakkar	
1.	Independent Directors <ul style="list-style-type: none"> <li>• Fee for attending board /committee meetings,</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors <ul style="list-style-type: none"> <li>• Fee for attending board/ committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	-	-	6,35,000	-	6,35,000
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	-	-	-	-	-

*Note :*

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ms Monica	Total-
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,61,600	2,61,600
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-



2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of profit - Others, specify	-	-
5.	Others, please specify	-	-
	Total	2,61,600	2,61,600

**D. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## ANNEXURE III

### SECRETARIAL AUDIT REPORT For the Financial Year Ended 31st March, 2020

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

To,  
The Members  
**AMBA ENTERPRISES LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Amba Enterprises Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - *Not applicable to the Company during the Audit Period.*

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - *Not applicable to the Company during the Audit Period.*
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - *Not applicable to the Company during the Audit Period* and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - *Not applicable to the Company during the Audit Period.*
- (vi) Other laws applicable to the company:
- i. Factories Act, 1948
  - ii. The Standards of Weights and Measures (Enforcement) Act, 1985
  - iii. Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - iv. Industrial Employment (Standing Orders) Act, 1946
  - v. Labour Law (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishment) Act, 1988
  - vi. Maharashtra Shops and Establishments Act, 1948
  - vii. The Industrial Disputes Act, 1947
  - viii. The Minimum Wages Act, 1948
  - ix. Central Excise Act, 1944
  - x. Goods and Service Tax Act, 2017

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that -

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

Place: Mumbai

Date: 4<sup>th</sup> September, 2020

UDIN : A022135B000637640

For & on behalf of

SARK & Associates  
Company Secretaries

Sd/-

Sumit Khanna  
(Partner)  
M. No. 22135 CP No. 9304

## SECRETARIAL AUDIT CERTIFICATE

To,  
The Members  
Amba Enterprises Limited

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

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

Place: Mumbai  
Date: 4<sup>th</sup> September, 2020  
UDIN : A022135B000637640

For & on behalf of

SARK & Associates  
Company Secretaries

Sd/-

Sumit Khanna  
(Partner)  
M. No. 22135 CP No. 9304

## ANNEXURE - IV

### Form AOC - 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto:

#### 1. Details of material contracts or arrangements or transactions not at arm's length basis:

All contracts/arrangements/transactions entered into during the year ended March 31, 2020, were at arm's length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any.	Amount paid as advances, if any.
Mr Ketan Mehta	Managing Director	Remuneration	Monthly		58,75,670/-
Ms Sarika Khandre	Executive director	Remuneration	Monthly	NA	6,35,000/-
Ms Monica Sharma	Company Secretary	Salary	Monthly	NA	2,61,600/-
Ketan Mehta	Managing Director	Rent	Paid as per Agreement	NA	7,26,000/-
Relatives of Key Managerial personal					
Mrs Chhaya K Mehta		Salary		NA	12,88,370/-
Mrs. Chhaya K Mehta		Rent			10,23,400/-

## ANNEXURE V

### Gist of Nomination & Remuneration Policy

#### **POLICY FOR REMUNERATION TO DIRECTORS/KEY MANAGERIAL PERSONNEL/SENIOR MANAGEMENT PERSONNEL**

##### (1) Remuneration to Managing Director/Whole-time Directors:-

- (a) The Remuneration/Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- (b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

##### (2) Remuneration to Non-Executive/Independent Directors:-

- (a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- (b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- (c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company
- (d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- (i) The services are rendered by such Director in his capacity as the professional;  
and
- (ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession

(3) Remuneration to Key Managerial Personnel and Senior Management:

- (a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- (b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- (c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**IMPLEMENTATION**

- (1) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- (2) The Committee may delegate any of its powers to one or more of its members.



## Corporate Governance Report

Corporate Governance is creation and enhancing long- term sustainable value for the stakeholders through ethically driven business process. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all the stakeholders comprising regulators, employees, customers, vendors, investors and society at large.

The Company has adopted Code of Conduct for its employees and directors. The Company's Corporate Governance Policy, code of conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices are well laid as per the applicable provisions of Companies Act, 2013.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) as applicable, with regard to corporate governance.

### **BOARD OF DIRECTORS**

As on March 31, 2020 the Company has 5 (Five) Directors, out of 5 Directors, 3 are Non - Executive and Independent Directors. The profile of Directors is available on Company website. The Composition of the Board is in conformity with Regulation 17 of the SEBI regulations read with Section 149 of the Act.

None of the Directors on the Board hold Directorships in more than 10 public Companies. Further none of them is a member in more than 10 committees or chairman of more than 5 committees across all the public companies in which he is a Director. Necessary disclosures regarding the committee positions in other public Companies as on March, 2020 have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under regulation 16(1)(b) of the SEBI (LODR) regulation, 2015 read with section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the act. All the independent directors have confirmed that they meet the criteria of independent mentioned under regulation 16(1)(b) of SEBI listing regulations read with section 149(6) of the Act.

During the financial year 2019-20, 9 (Nine) board meetings were held on 20.04.2019, 27.05.2019, 13.08.2019, 28.08.2019, 30.10.2019, 14.11.2019, 29.11.2019, 27.01.2020 and 05.02.2020 The gap between the two board meetings did not exceed 120 days.

For the purpose of determination of limit of board committees, chairperson ship and membership of audit committee and stakeholder relationship committee has been consider as per regulation 26(1)(b) of SEBI listing regulations.

Name of the Director	Category	No. of Board meetings attended during the year 2019-20	Whether attend last AGM held on 30 <sup>th</sup> September, 2019	No. of Directorship held in other public companies		No. of committee position held in other public companies.	
Mr. Ketan Harilal Mehta	Managing Director (Executive Director)	9	Yes	-	-	-	-
Mr. Dhir Haresh Mehta	Non-executive (Independent Director)	9	Yes	-	-	-	-
Mrs. Sarika Satish Khandre	Executive Director	9	Yes	-	-	-	-
Mr. Atul Mohanlal Thakkar	Non-executive (Independent Director)	9	Yes	-	-	-	-
Mr. Dhirendra Popatlal Mehta	Non-executive (Independent Director)	9	Yes	-	-	-	-

During the year 2019-2020, information as mentioned in part A of schedule II of SEBI listing regulations, has been placed before the board for its consideration.

The terms and conditions of appointment of Independent Director, familiarization programme are available on Company website.

Details of equity shares of the Company held by directors as on 31st March, 2020 are given below:

Name	Category	No. of Shares held
Mr. Ketan Mehta	Managing Director	3551251

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013. A brief profile of the Director offering himself for re-appointment at the Annual General Meeting is provided in the annexure annexed to the notice convening the Annual General Meeting for the year 2020.

### AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee with all its members being Non-Executive Directors, to oversee the accounting and financial governance of the Company. The Committee acts as a link between the management, statutory auditors and the Board of Directors. The Audit Committee met 9 (Nine) times during the year 2019-2020 on 20.04.2019, 27.05.2019, 13.08.2019, 28.08.2019, 30.10.2019, 14.11.2019, 29.11.2019, 27.01.2020 and 05.02.2020 Details of Committee meetings held during the year ended 31<sup>st</sup> March, 2020 and attendance of members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
				Held	Attended
1	Dhirendra Popatlal Mehta	Chairman & Member	Non-Executive (Independent Director)	9	9
2	Atul Mohanlal Thakkar	Member	Non-Executive (Independent Director)	9	9
3	Ketan Harilal Mehta	Member	Executive Director	9	9

The role and terms of reference of the Audit Committee covers the areas mentioned in Part C of Schedule II read with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013, as amended from time to time, which inter alia includes:

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;

8. monitoring the end use of funds raised through public offers and related matters.

## NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee at the Board level with the powers and roles that are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations. During the year under review, the Committee met 9 (Nine) times on 20.04.2019, 27.05.2019, 13.08.2019, 28.08.2019, 30.10.2019, 14.11.2019, 29.11.2019, 27.01.2020 and 05.02.2020 Details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
1	Dhirendra Popatlal Mehta	Chairman & Member	Non-Executive (Independent Director)	9	9
2	Atul Mohanlal Thakkar	Member	Non-Executive (Independent Director)	9	9
3	Dhir Mehta	Member	Non-Executive (Independent Director)	9	9

The terms of reference of the Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### **Performance Evaluation of Independent Directors:**

The Performance Evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated. The evaluation questionnaire form in respect of each independent director was filled up by the directors. The independent directors were evaluated on the basis of criteria such as skills, knowledge, discharge of duties, level of participation in the meetings etc.

### **Nomination & Remuneration Policy**

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors. The remuneration policy is aimed at attracting and retaining high calibre talent. Executive Directors are entitled for the remuneration by way of salary and commission not to exceed limits prescribed under the

Companies Act, 2013 read with Schedule V of the said Act. The Managing Director is appointed for a period of 5 years w.e.f. 25<sup>th</sup> July, 2016. The details of remuneration paid to Managing Director during the year ended 31st March, 2020, have been provided under Notes on Accounts. Remuneration to Directors as given in Schedule V of Part C Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary relationship or transaction with the Company.

No compensation is paid to Non-Executive Directors except sitting fees. No sitting fee is paid to the Executive Director for attending the board meetings.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In accordance with Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, the Company has constituted Stakeholders Relationship Committee to consider transfer of shares and resolve the grievances of security holders of the company including complaints related to transfer of shares, non - receipt of dividends, interest, non-receipt of balance sheet etc. During the year under review, the Committee met 9 (Nine) times, on 28.04.2019, 27.05.2019, 13.08.2019, 28.08.2019, 30.10.2019, 14.11.2019, 29.11.2019, 27.01.2020 and 05.02.2020 details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
1	Mr. Dhirendra Mehta	Chairman & Member	Non-Executive (Independent Director)	9	9
2	Mr. Ketan Mehta	Member	Executive	9	9
3	Mr. Dhir Mehta	Member	Non-Executive (Independent Director)	9	9

Ms. Monika Sharma has appointed as a Company Secretary and Compliance officer of the Company w.e.f. 20<sup>th</sup> April, 2019. Mrs. Sarika Bhise has also been appointed as Chief Financial Officer of the company w.e.f 20<sup>th</sup> April, 2019.

During the year ended March 31, 2020 the Company has not received any complaint from investors. Status of Investor complaints received during the year under review is as follows:

Particulars	Pending as on 1st April, 2019	Received during the year	Disposed during the year	Pending as on 31st March, 2020
No. of Complaints	Nil	Nil	Nil	Nil

### **RISK MANAGEMENT COMMITTEE**

Pursuant to Regulation 21 (5) of the SEBI (LODR) Regulations, it is not mandatory for the Company to constitute Risk Management Committee. The Company has formulated and adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Risk Management Policy is available on the website of the Company [www.ambaltd.com](http://www.ambaltd.com).

### **SUBSIDIARY COMPANY**

During the year under review, the Company has no any subsidiary company.

### **DISCLOSURES**

The Board reviews the risk assessment and minimization procedure from time to time. The risk management issues are discussed in detail in the report of Management Discussion and Analysis. The Management Discussion and Analysis Report is prepared in accordance with the requirements laid out in Schedule V of the SEBI (LODR) Regulations.

### **ELECTRONIC SERVICE OF DOCUMENTS TO MEMBERS AT THE REGISTERED EMAIL ADDRESS**

As a responsible corporate citizen, your Company has been continuously supporting the “Green Initiatives “taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI). Accordingly, in respect of members who have registered their email addresses, the Company have been dispatching all documents vide electronic form.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rules provides that advance

opportunity should be given at least once in a financial year to the members for registering their email address and changes therein, as may be applicable.

Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members whose shareholding is in dematerialized form and whose email Ids are registered with the Depository for communication purposes. As regards members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/updated from time to time. We wish to reiterate that members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and members holding shares in physical form have to write to our RTA, M/s Purva Shareregistry Private Limited at their specified address, so as to update their registered email address from time to time.

Please note that the Annual Report of the Company will also be available on the Company's website [www.ambaltd.com](http://www.ambaltd.com) for viewing/downloading. However, in case you do desire to receive the Annual Report in physical form, you are requested to inform us by sending an email to [ambaltd@gmail.com](mailto:ambaltd@gmail.com) indicating your decision. You will be entitled to receive a copy of the annual report at free of cost. Physical copies of the Annual Report will also be available at our Registered Office in Mumbai for inspection during office hours. Physical copies will be sent to those shareholders who do not have valid e-mail address.

## **MANAGING DIRECTOR AND CFO CERTIFICATION**

Certificate on Financial Statements from Mr. Ketan Mehta, Managing Director and Mrs. Sarika Bhise, Chief financial officer of the Company in terms of Regulation 17(8) of the SEBI (LODR) Regulations entered into with the BSE Limited was placed before the Board of Directors of the Company at their meeting held on 30<sup>th</sup> June 2020

## **AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE**

Certificate from M/s. SARK & Associates, Company Secretaries in terms of Part E of Schedule V of the SEBI (LODR) Regulations is attached and forms part of this report.

## **OTHER DISCLOSURES**

### **Materially significant related party transactions**

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. A comprehensive list of related party transactions as required by Indian Accounting Standard (IAS) issued by the Institute of Chartered Accountants of India, forms part of Note no. 32 of Notes to Financial Statements in the Annual Report.

There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. There are no material pecuniary transactions with any Non-Executive as well as Independent Directors of the Company that requires a separate disclosure. Pursuant to Regulation 23 of the SEBI (LODR) Regulations the Company has formulated policy on Materiality of Related Party Transactions and the same is available on website of the Company [www.ambaltd.com](http://www.ambaltd.com).

### **DETAILS OF NON-COMPLIANCE**

The Company has complied with the requirements of the SEBI (LODR) Regulations as well as the regulations/guidelines prescribed by the Securities and Exchange Board of India. There has been no instance of non-compliance by the Company or no penalties were imposed on the Company by the BSE Limited or SEBI or any other statutory authority on any matter related to capital market during the last three years.

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

Your Company's Whistle Blower Policy is in line with the provisions of the Sub-section 9 and 10 of Section 177 of the Companies Act and Regulation 22 of the SEBI LODR Regulations. The Company has adopted a Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of illegal, unethical behaviour or in conflict with the fundamental business principles of the Company. The employees are encouraged to raise any of their concerns by way of whistle blowing and none of the employees have been denied access to the Audit Committee. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are reported to the members of



Audit Committee for their review. The Whistle Blower Policy is available on the website of the Company [www.ambaltd.com](http://www.ambaltd.com).

#### **DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /UNCLAIMED SUSPENSE ACCOUNT**

The Company does not have any shares lying in its Demat Suspense Account / Unclaimed Suspense Account. All mandatory requirements as per Chapter IV of the Listing Regulations have been complied with by the Company.

#### **GENERAL BODY MEETINGS**

##### **Location and time of Pervious three AGMs held**

<b>Year ended 31st March</b>	<b>Date of AGM</b>	<b>Time of AGM</b>	<b>Venue</b>
2019	30.09.2019	10.00 A.M	Thathai Bhatia hall no. 2, Shankar Lane, Near Fly Over, Kandivali West, Mumbai - 400067
2018	28.09.2018	10.00 A.M	Thathai Bhatia hall no. 2, Shankar Lane, Near Fly Over, Kandivali West, Mumbai - 400067
2017	25.09.2017	4.00 P.M.	Sai Krupa Banquet, Mhatre wadi, Behind Soni Tower, opp. Aditya Institute, Near Kora Kendra, Borivali (West), Mumbai - 400092

#### **Means of communications**

Quarterly/annual results are published in English & Regional Language. All vital information relating to the Company viz. financial results, annual reports, shareholding patterns, press releases, information on new developments and business opportunities are available on the Company's website [www.ambaltd.com](http://www.ambaltd.com) and the copies of the same are also sent to BSE Ltd. Shareholders information forms part of the Annual Report.

## GENERAL SHAREHOLDER INFORMATION

AGM: Date and Time	Wednesday, 30 <sup>th</sup> September, 2020 at 11.00 A.M.
Financial Year 1 <sup>st</sup> April to 31 <sup>st</sup> March	
- Financial reporting for the quarter ending June 30, 2019	On or before August 14, 2019
- Financial reporting for the quarter ending September 30, 2019	On or before November 14, 2019
- Financial reporting for the quarter ending December 31, 2019	On or before February 14, 2020
- Financial reporting for the year ending March 31, 2020	On or before July 30, 2020 (Extended as per SEBI Circular)
Date of Book Closure	24 <sup>th</sup> September, 2020 to 30 <sup>th</sup> September, 2020 (both days inclusive)
Dividend Payment Date	N.A.
Listing on Stock Exchanges and Address	BSE Limited PJ Towers, Dalal Street, Mumbai 400 001
Stock Code	Code - 539196
Listing fees	The Listing fees paid to the BSE for the financial year 2019-20
Market Price data	The Company's Shares are frequently traded
Registrar and Share transfer agents	Purva Shareregistry Private Limited Address : Unit No. 9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (East), Mumbai - 400011
Share Transfer System	Shares transfers in physical form are registered and returned within 15 days of lodgment, if documents are clear in all respects and demat request are normally confirmed within prescribed time from date of the receipt. During the year, the Company has not received any transfer of shares in physical form.
SEBI Complaints Redress System (SCORES)	The investors' complaints are also being processed through the centralized web base complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

Dematerialization of shares and Liquidity	The Company's equity shares have been admitted in electronic/dematerialized mode by both Central Depository Services (India) Limited and National Securities Depository Limited under the International Securities Identification Number (ISIN) INE829P01020 This number is required to be mentioned in each correspondence relating to the dematerialization of shares of the Company.
E-Voting facility to members	In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depositories (India) Limited (NSDL).
Plant Locations	S.No., 132,H.no.1/4/1, Premraj Industrial Estate, Shed No.B-2,3,4, Dalviwadi, Nanded Phata, Pune-411041
Registered Office and Address for correspondence	Amba Enterprises Limited Gala No. 430, 4 <sup>th</sup> Floor, Blue Rose Industrial Estate, Western Express Highway, Near Metro, Borivali (E), Mumbai - 400066

#### Shareholding Pattern as on March 31, 2020

Category	No. of Shares held	Percentage of Shareholding
<b>Promoter's holding</b>		
- Indian Promoters	4871251	38.48
- Foreign Promoters	-	-
<b>Non-Promoters Holding</b>		
Foreign Institutional Investors	-	-
Bodies Corporate	106674	0.84
Indian Public	6535865	51.62
Clearing Member	1958	0.02
Non-Resident Indians	916163	7.24
HUF	228569	1.80
<b>Total</b>	<b>1,26,60,480</b>	<b>100</b>

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

### **Discretionary Disclosures**

The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non mandatory requirements to the extent mentioned below:

- a. Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspaper and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- b. Audit Qualifications: The notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further clarifications by the Board.
- c. Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **Back ground**

Amba Enterprises is a “Power Engineering Solutions Company” primarily into the manufacturing of Transformers Cores & Lamination and stamping for rotating machines, the key USP of Amba Enterprises is that it assures the client of the reduction in transmission loss, Amba Enterprises is one of the largest players in the manufacturing of Transformers Cores & Laminations in India.

### **Indian Scenario**

The last couple of years have amply demonstrated the resilience of the Indian economy vis-à-vis the economies of the ‘developed nations’. This has resulted in a renewal of confidence of the global investors in the Indian story. If we add to this the strong GDP growth and the measures taken by the government to boost economy, the Indian scenario looks excellent in the coming years.

India’s energy sector is one of the most critical components of an infrastructure that affects India’s economic growth and therefore is also one of the largest industries in India. India has the 5th largest electricity generating capacity and is the 6th largest energy consumer amounting for around 3.4 % of global energy consumption. India’s energy demand has grown at 3.6 % pa over the past 30 years. The consumption of the energy is directly proportional to the progress of manpower with ever growing population, improvement in the living standard of the humanity and industrialization of the developing countries. Very recently smart grid technology can attribute important role in energy scenario. Smart grid refers to electric power system that enhances grid reliability and efficiency by automatically responding to system disturbances. This paper discusses the new communication infrastructure and scheme designed to integrate data.

### **Indian Power**

The Indian Engineering sector has witnessed a remarkable growth over the last few years driven by increased investments in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy.

India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP. Business conditions in the Indian manufacturing sector continue to remain positive.

The Indian power sector itself has an investment potential of US\$ 250 billion in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and

equipment, according to Mr Piyush Goyal, Union minister of coal, power and renewable energy

### **Operating Results of the Company**

The financial statements have been prepared in compliance with the requirements of the Companies Act 2013 and Accounting Standards (AS) notified by the companies (Accounting Standards) Rules, 2006. The salient features of the company performance are:-

- Total Sales of Rs.100,91,20,924/-
- Net profit of Rs 1,36,13,804/-
- Earnings per share for the year of Rs 1.08 of Rs. 5/share which was Rs. 0.88 previous year.

With a net worth Rs.17,14,03,355/- as on March 31, 2020, Amba Enterprises Limited counts among the top Indian Power Ancillary manufacturing companies.

### **Outlook for the Company**

In the coming year, the company plans to continue to consolidate its business of Lamination by concentrating on the Lamination required for higher rating transformers and on the customers having pan India presence as well as global presence. The company has already moved from manual process to automation by installing state-of-art slitting machines and cut-to-length line. These machines will further help the company in achieving growth in market share, profitability, and increased customer acceptance and above all, lowest electrical losses. The stamping business of the company is doing well and the board is hopeful that the growth in this business shall be better than the previous year. Internal controls and their adequacy. The internal audit was carried out by an independent firm of Chartered Accountants who conduct the audit on the basis of Annual Audit Plan. The process includes review and evaluation of effectiveness of the existing process, controls and compliance. It also ensures adherence to policies and systems, and mitigation of the operational risk perceived for each area under audit. Significant observations including recommendations for improvement of the business process were reviewed by the management before reporting to the audit committee which reviewed the internal audit reports and status of implementation of the agreed action plan.

### **Internal Control System**

Your company maintains an internal control system in different areas like purchases, billing for the jobs etc. Moreover there are internal auditors who make consistent monitoring to have proper and sufficient care for maintenance of adequate accounting records required for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

## **Risk and Concerns**

The Company has to mainly depend on the foreign suppliers for import of Electrical Steel. Any delay in procurement of the same would impact the financials of the Company. However, the company has over the past 2 decades tied up with almost all the major global players and has developed a strong relationship with these suppliers. Further, fluctuations in the prices of Electrical steel would also have an impact on the bottom line of the company.

## **Disclosure by the Management**

Your board has not received any disclosure by the management relating to any material, financial and commercial transactions where any of the managerial staff has personal interest that may have a potential conflict with the interest of the company at large.

## **Cautionary Statement**

Statements in the Management Discussion and Analysis, describing the Company's objective, projections and estimates, are forward looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental/related factors. This MD&A provides analysis of the operating performance of the company's two business segments, as well as a discussion of cash flows, the impact of risks and outlook for the business, Additional information about the company. This discussion and analysis is the responsibility of management. The Board of Directors carries out its responsibilities for review of this disclosure principally through its Audit Committee, comprised exclusively of independent directors. The Audit Committee has reviewed and approved this disclosure and it has also been approved by the Board of directors.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

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

For Amba Enterprises Limited

Sd/-

Place: Mumbai  
Date: 30/06/2020

Ketan Mehta  
Managing Director

DIN: 01238700

## MANAGING DIRECTOR CERTIFICATION

**To,  
The Board of Directors,  
Amba Enterprises Limited**

I hereby certify that:

1. I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps and I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit Committee:
  - a. Significant changes in internal control over financial reporting during the year.
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Amba Enterprises Limited**

**Sd/-**

**Ketan Mehta  
(Managing Director)**

**(DIN: 01238700)**

**Place: Mumbai**

**Date: 30.06.2020**



***Declaration regarding compliance by Board Members and Senior Management  
Personnel with the Company's Code of Business Conduct & Ethics***

This is to certify that the Company has laid down Code of Business Conduct & Ethics for all Board Members and Senior Management Personnel of the Company and the copies of the same are uploaded on the website of the Company - [www.ambaltd.com](http://www.ambaltd.com).

Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed having complied with the Code applicable to them during the year ended 31<sup>st</sup> March, 2020.

For Amba Enterprises Limited

Sd/-

Ketan Mehta  
Managing Director

DIN: 01238700

Place: Mumbai  
Date: 30/06/2020

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

**To  
The Members,  
Amba Enterprises Limited.**

1. We have examined the compliance of conditions of Corporate Governance by Amba Enterprises Limited. ("the Company"), for the year ended on 31st March, 2020, as stipulated in:

- Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2019.

5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Anil Gala & Associates**  
**Chartered Accountants**  
**Firm's registration number: 126344W**  
Sd/-  
**Anil Gala**  
**Proprietor**  
**Membership no.119958**  
**Mumbai**  
**Date: 30/06/2020**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Amba Enterprises Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Amba Enterprises Limited having CIN : L99999MH1992PLC067004 and having registered office at Gala No 430, 4<sup>th</sup> Floor, Blue Road Industrial Estate, Western Express Highway, Near Metro, Borivali East, Mumbai: 400066 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or Securities Exchange Board of India or any such other Statutory Authority

Sr No	Name of Director	DIN	Date of Appointment
1	Mr Ketan Mehta	01238700	07/02/2007
2	Ms Sarika Bhise	06987209	30/09/2014
3	Mr Dharendra Mehta	07891935	14/08/2017
4	Mr Atul Thakker	07540785	17/06/2016
5	Mr Dhir Mehta	05209857	17/06/2016

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 04/09/2020

Place: Mumbai

UDIN : A022135B000637673

For & on behalf of SARK & Associates  
Sd/-  
Sumit Khanna  
(Partner)  
Company Secretaries  
CP No. 9304 / Membership No. 22135

**Secretarial Compliance Report of Amba Enterprises Limited for the year ended**  
**31<sup>st</sup> March, 2020**

I, Sumit Khanna, Partner of SARK & Associates, Practicing Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Amba Enterprises Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31.03.2020 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(Not attracted during the year under review)*
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not attracted during the year under review)*
- (e) **Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *(Not applicable)***
- (f) **Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not attracted during the year under review)***
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; *(Not applicable)*

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

And based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. no:	Compliance Requirement (Regulations! circulars! guidelines including specific clause)	Deviations	Observation/remark by Practicing Company Secretaries
Nil	Nil	Nil	Nil

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder: No Violation Occured

Sr. no:	Action taken by	Details of violation	Details of action taken	Observation/remark by Practicing Company Secretaries
Nil	Nil	Nil	Nil	Nil

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. no:	Observation/remark by Practicing Company Secretaries	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Nil	Nil	Nil	Nil	Nil

Place: Mumbai

Date: 21th July, 2020

For SARK & Associates  
Practicing Company Secretary

Sd/-

Sumit Khanna  
Partner

Membership No.: 22135

C P No.: 9304

UDIN : A022135B000481660

**F. Y. 2019-20**

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**M/S. AMBA ENTERPRISES LTD**

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**REGISTERED OFFICE ADDRESS :**

**UNIT NO. 430, 4TH FLOOR, BLUE ROSE INDUSTRIAL ESTATE  
W.E. HIGHWAY, NEAR METRO, BORIVALI (EAST), MUMBAI - 400 066**

***AUDITOR'S REPORT***

***&***

***STATEMENT OF ACCOUNT***

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***FOR THE YEAR ENDED***

***31st MARCH, 2020***

**ANIL GALA & ASSOCIATES.**

***CHARTERED ACCOUNTANT***

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**B/402, DHEERAJ PRESIDENCY,**

**M.G.CROSS ROAD,**

**NEAR NARVADE SCHOOL,**

**KANDIVALI (WEST)MUMBAI - 400 067.**

**TEL.: 28189745/ Mo.9819237787**

# **Independent Auditors' Report**

**To the Members of Amba Enterprises Limited**

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

## **Opinion**

We have audited the accompanying financial statements of **Amba Enterprises Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (herein after referred to as “financial statement”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.

## **Basis of Opinion**

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



### Emphasis of Matter

We draw attention to notes in the financial results which explain that COVID-19 has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

The Company's management, however, conducted physical verification of inventories on dates other than the date of financial statements but prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain locations (factories and warehouses) and has made available the documents in confirmation thereof. Inventories, being material to the financial statements/results of the Company, the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, cast a duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories.

We have performed alternate audit procedures based on documents and other information made available to us, to audit the existence of inventories as per the Guidance provided by the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial results.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

## Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
<b>Inventory Valuation:</b>	<b>Our procedures included:</b>
<ul style="list-style-type: none"> <li>• The Company has significant balances of inventory as on 31 March 2020 (refer note 8 to the Ind AS financial statements)</li> <li>• Inventories are valued at lower of cost or net realizable value (NRV). Cost is determined using First-In First-Out cost method</li> <li>• Valuation of inventories can be subjective due to inherent uncertainty due to volatility in prices of raw material and volatility in prices of finished goods due to changes in consumer demands</li> <li>• Determination of whether inventory will be realized for value less than cost requires management to exercise judgement and apply assumption</li> <li>• Because of size, inherent uncertainty in volatility in prices of raw material, assumption and complexities involved in inventory valuation, this is considered key audit matter.</li> </ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Obtaining understanding of production process and testing of key controls over recognition and measurement of inventory</li> <li>• Obtaining management’s calculation and relevant supporting for inventory valuation, validated mathematical accuracy of production costs and agreed the same with financial statements</li> <li>• Assessing reasonableness of assumption and judgements applied by management in inventory valuation including evaluating consistencies with management’s prior period estimations</li> <li>• Comparing historical trend of prices of raw material and finished goods to determine appropriateness of valuation of inventory</li> </ul>

**Evaluation of direct tax and indirect tax litigations (as described in note 37 of the accompanying Ind AS financial statements)**

<p>The Company's unsettled tax positions includes matters under dispute which involves significant judgment to determine the possible outcome of these disputes. These provisions are estimated using a significant degree of management judgement in interpreting the various relevant rules, regulations and practices. Provision for tax is also based on the presumption of significant estimates and assumptions on the allowability / disallowability of claims at the assessment level. Hence, it is considered as a Key Audit Matter.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> <li>• Obtained list of direct tax and indirect tax litigations as at March 31, 2020 from management.</li> <li>• Obtained understanding of the key uncertain tax provisions and also obtained information of completed tax assessments and demands/ refunds received by the Company during the financial year 2019-20;</li> <li>• Involved our experts to assess the management's assessment of the possible outcome of the disputes relating to direct tax and indirect tax litigations.</li> <li>• Our experts also considered legal precedence and other rulings in evaluating management's position on these uncertain direct tax and indirect tax litigations.</li> <li>• Discussed the matters with the management to understand the possible outcome of these disputes.</li> <li>• Critically reviewed the processes and controls in place over tax assessments and demands / refunds through discussions with the management's internal experts / external consultants and Corporate Overview Statutory Reports Financial Statements Annual Report 2019-20 reviewed the communications with those charged with governance pertaining to this issue.</li> <li>• Assessed whether the Company's disclosures in Note 37 to the financial statements - Contingent liabilities and commitments, adequately disclose the relevant facts and circumstances and potential liabilities of the Company.</li> <li>• For those matters where management concluded that no provisions should be recorded, considered the adequacy and completeness of the Company's disclosures.</li> </ul>
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Our audit procedures did not reveal material variations.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's management and 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) with respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

3. With respect to the other matters to be included in the Auditors' 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:

- a) The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its Financial Statements - Refer Note 37 to the Financial Statements.
- b) The Company did not have any material long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31 March 2020.
- c) The requirement to transfer amounts to the Investor Education and Protection Fund is not presently applicable to the company.

**For Anil Gala and Associates.**

Chartered Accountants

Firm Registration No. 126344W

**Sd/-**

**Mr. Anil V. Gala**

Proprietor

Membership No. 119958

UDIN : 20119958AAAAAE4430

**Place: Mumbai**

**Date : 30<sup>th</sup> June 2020**

## **ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT – 31<sup>ST</sup> MARCH 2020**

(Referred to in Paragraph 2 under the heading of “Report on Other Legal and Regulatory Requirements” section of our report of even date)

**Report on Companies (Auditor’s Report) Order, 2016 (‘the Order’) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (‘the Act’) of Amba Enterprises Ltd.**

- (i)
  - (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipments).
  - (b) According to the information and explanations given to us, the fixed assets are physically verified by the management in accordance with a phased program designed to cover all items of fixed assets over a period of one year, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this program, all fixed assets have been physically verified by the management during the year and as informed to us, no material discrepancies were observed on such verification.
  - (c) According the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
  - (d) In respect of immovable properties of land and building that have been taken on lease and disclosed as Right of Use Assets in the financial statements, the lease agreement are in the name of the company, where the company is the lessee in the agreement.
- (ii) According to the information and explanation given to us, the inventories, except for goods in transit and inventories lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For inventories lying with third parties, written confirmations have been obtained. Further, as informed, the discrepancies noticed on verification between the physical inventory and the records were not material.
- (iii) According to the information and explanation 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 Act. Accordingly, Para 3(iii) of the Order is not applicable to the company.
- (iv) According to the information and explanations given to us, the company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the company.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the company.



- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products and services where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' state insurance, Income tax, Goods and Services Tax, and Duty of customs, Cess, and other material statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year by the Company.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears at 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us details of disputed statutory dues of Income Tax and Value Added Tax which have not been deposited as at 31<sup>st</sup> March 2020 on account of dispute are given below:

Name of the statute	Nature of the Dispute	Amount (in `)	Period to which the amount relates	Forum where Dispute is pending
Income Tax	Tax, Interest and Penalty	Rs. 2,48,88,090/-	Assessment Year 2011-12	Income Tax Appellate Tribunal
Income Tax	Penalty	Rs. 95,060/-	Assessment Year 2010-11 and 2011-12	Commissionerate Appeal

- (viii) In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans from the government.
- (ix) According to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, on an overall basis, the term loan has been applied for the purpose for which the term loan was obtained.

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, the company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The relevant details of such related party transactions have been disclosed in the financial statements, etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank Of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For Anil Gala and Associates.**  
Chartered Accountants  
Firm Registration No. 126344W

**Sd/-**  
**Mr. Anil V. Gala**  
Proprietor

**Place: Mumbai**

**Date: 30<sup>th</sup> June 2020**

Membership No. 119958

UDIN : 20119958AAAAAE4430

## **ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT – 31<sup>ST</sup> MARCH 2020**

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

### **Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls with reference to financial statements of Amba Enterprise Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls over to 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 Institutes of Chartered Accountant of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference of Ind AS financial statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Ind AS financial statements include those policies and procedures that; (1) pertain to the maintenance of records that, in reasonable details accurately and fairly reflect the transaction and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls With Reference to Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, read together with Note 45 to the financial statements and our observations under paragraph Emphasis of Matter of our main report, 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 of 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Anil Gala and Associates.**  
Chartered Accountants  
Firm Registration No. 126344W

**Sd/-**  
**Mr. Anil V. Gala**  
Proprietor

Membership No. 119958

UDIN : 20119958AAAAAE4430

**Place: Mumbai**

**Date: 30<sup>th</sup> June 2020**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. COMPANY OVERVIEW**

Amba Enterprises is a public Limited Company incorporated in India having its registered office at Mumbai Maharashtra, India. The Company is engaged in the manufacturing and selling of Coil, Transformer Lamination Sheet and related products.

The financial statements for the year ended 31<sup>st</sup> March 2020 are approved for issue in accordance with resolution of the directors on 30<sup>th</sup> June 2020.

### **2. Basis of preparation**

#### **a) Statement of compliance**

These financial statements are prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 30<sup>th</sup> June, 2020.

Details of the Company’s significant accounting policies are disclosed in Note 3.

#### **b) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company’s functional and presentation currency. All values are rounded to nearest rupees except when otherwise stated and the currency of the primary economic environment in which the company operates.

#### **c) Historical cost convention**

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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.

#### **d) Use of estimates and critical accounting judgments**

The preparation of the company’s financial statements requires management to makes judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 3.11 – recognition of deferred tax assets
- Note 3.15 and 41 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 3.16 and 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.05 and 3.14– impairment of financial and non financial assets.
- Note 3.01 and 3.02 – management estimate for useful life of plant and machinery, electrical installation and intangible assets.
- Note 30 – Fair Value Measurement of Financial Instruments.

## **e) Current vs. non Current classification**

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities

For the purpose of Balance Sheet, an asset is classified as current if:

- expected to be realized in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset is held primarily for the purpose of trading;
- the asset is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

All other assets are classified as non-current

Similarly, a liability is classified as current if:

- expected to be settled in the Company's normal operating cycle
- the liability is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## **f) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal of the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstance and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1--- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 --- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 ---- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company's Management has set policies and procedures for recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and input to use for each case.



For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 30 and Note 2.d)
- Quantitative disclosures of fair value measurement hierarchy (Note 30)
- Investment properties (Note 3.10)
- Financial instruments (including those carried at amortized cost) (Note 31)

### **3. Significant accounting policies**

#### **3.01 Property, plant and Equipment(PPE)**

##### **(i) Recognition and measurement**

All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

##### **The cost of an item of property, plant and equipment comprises:**

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipments.

Property, plant and equipment which are not ready to intended use as on the date of Balance sheet are disclosed as Capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss.

##### **(ii) Subsequent expenditure**

- Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16- Property plant and Equipment.
- All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

### 3.02 Depreciation

- i.
  - a. Depreciation is systematic allocation of the depreciable amount of PPE over its useful life and is provided in a straight-line-basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.
  - b. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the company.
  - c. where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding assets, the components depreciated over its shorter life.
  - d. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- i. Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production.
- ii. Depreciation on assets sold, discarded or demolished during the year is being provided upto the month in which such assets are sold, discarded or demolished.

### 3.03 Intangible Assets

Intangibles are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible assets are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

#### **Amortization methods, estimated useful lives and residual value:**

Intangible assets are amortized on a straight line basis over their estimated useful lives.

The amortization period, residual value and the amortization method are reviewed at least at each financial year end. If the expected useful life of the

asset is significantly different from previous estimates, the amortization period is adjusted prospectively.

### **3.04 Revenue Recognition**

#### **i. Sale of goods**

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceed one year. Hence, the company does not adjust revenue for the time value of money.

#### **ii. Interest income**

Revenue is recognized on a time proportion basis taking into account the amount outstanding on effective interest rate.

#### **iii. Dividend income**

Dividend income is accounted for when Company's right to receive the income is established.

#### **iv. Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### **v. Difference between the sale price and carrying value of investment is recognized in statement of profit and loss on sale/ redemption on investment on trade date of transaction.**

#### **vi. Other Income**

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

### **3.05 Impairment of non financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is higher of the asset's/cash-generating unit's net selling price or value in use, i.e. the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss is recognized in the statement of profit and loss if the carrying amount of an asset/cash-generating unit exceeds its estimated recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized or relates to the change in the estimate of the recoverable amount in the previous periods. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **3.06 Expenditure during construction period:**

Expenditure/Income during construction period (including financing cost related to Borrowed funds for construction or acquisition of qualifying PPE) is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards as acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non- current Assets".

### **3.07 Foreign currency transactions**

#### **A. Functional and Presentation Currency :**

The financial statements of the Company are presented in Indian rupees (INR), which is the functional currency of the Company and the presentation currency for the financial statements.

## **B. Transactions and Balances :**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange rates prevailing on reporting date are generally recognized in Statement of profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

### **3.08 Borrowing cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are an assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

### **3.09 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ministry of Corporate Affairs (MCA) has vide notification dated March 30, 2019 has mandated applicability of Ind AS 116 (Leases) from April 1, 2019.

#### **Company as a Lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **(i) Right-of-Use Assets**

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any

remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note no 3.05 Impairment of non-financial assets.

**(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head “ Financial Liabilities”.

**(iii) Short - term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term

**Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lessee, the contract is classified as a finance lease. All other lease are classified as operating lease. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

**Under Ind AS 17**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases

**Finance Leases:**

Lease arrangements in which substantially all risks and rewards of ownership of the under-lying assets are transferred to the Company, are classified as finance lease.

Assets held under finance leases are initially recognized at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

**Operating leases:**

The leases which are not classified as finance lease are operating leases.

Lease arrangements where the risks and rewards of ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **3.10 Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company, based on technical assessment made by management, depreciates the building over estimated useful lives of 60 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

### **3.11 Income Tax**

Income tax expense comprises of current and deferred tax. It is recognized in Statement of profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

#### **(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously



## **(ii) Deferred Tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets and Deferred tax liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax relating to items recognized outside profit or losses are recognized as a part of these items (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

## **3.12 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

## **3.13 Inventories**

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO Basis.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on FIFO Basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO Basis.

**Waste / Scrap:**

Waste / Scrap inventory is valued at NRV.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### 3.14 Financial instruments

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

**(i) Initial Recognition:**

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 and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

**(ii) Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

**Amortized Cost:**

A financial asset shall be classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.
- In case of financial assets at amortized costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of Profit and Loss.

**Fair Value through OCI:**

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

**Fair Value through Profit or Loss:**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

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

**(iii) Classification and Subsequent Measurement: Financial liabilities**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVPTL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

**(iv) Impairment of financial assets:**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognized a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk.

**(v) Derecognition of financial assets and financial liabilities:**

**Financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

**Financial Liabilities**

The Company derecognized a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes financial liabilities when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

**(vi) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivates are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in statement of Profit and Loss immediately. During the year the company has not entered in any derivative contracts.

### **3.15 Employee Benefits**

#### **Short-term employee benefit:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability after deducting any amount already paid.

#### **Long-term employee benefit:**

- I) No provision has been considered in accounts towards future payment of gratuity to the employees as the same is proposed to be accounted on cash basis. No provision has been made towards accrued leave wages which is continued to be accounted on cash basis.
- II) The company has adopted PAY-AS-YOU-GO method for payment of other retirement benefits if any payable to the employees.

### **3.16 Provisions, Contingent Liabilities and Contingent Assets :**

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

Provisions are measured at the present value, wherever the Company can estimate the time of settlement, of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provisions due to passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from 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 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.

Where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized

### **3.17 Earnings per share**

#### **a) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year

#### **b) Diluted earnings per share**

- Diluted earning per share computed using the weighted average number of equity and dilutive equity equivalent share outstanding during the period.

### **3.18 Dividend distribution to equity shareholder**

Annual dividend distribution to the shareholder is recognized as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognized directly in other equity.

### **3.19 Derecognition of Financial Liabilities:**

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the statement of profit and loss.

### **3.20 Statement of Cash Flows :**

Cash flows are reported using the indirect method, whereby profit or loss before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents (including bank balances) shown in the Statement of cash flows exclude items which are not available for general use as at the date of balance sheet.

### **3.21 Segment reporting policies**

The main business of the Company is manufacturing and selling of Coil, Transformer Lamination Sheet and related products and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

### 30. Financial instruments- Fair values and Risk management.

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2f to the financial statements.

#### A. Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Financial Assets at amortized cost #</b>		
Trade Receivables	11,68,99,856	19,97,50,414
Other Financial Assets	11,35,338	92,978
Cash and Cash Equivalents	4,21,933	14,14,024
Bank Balance other than Cash & Cash Equivalents	2,04,58,640	52,020,958
<b>Financial Assets at fair value through profit or loss</b>		
Investments	Nil	Nil
<b>Financial Assets at fair value through other comprehensive income</b>		
Investments (Non-Current)	38,99,650	1,000
<b>Total</b>	<b>14,28,15,417</b>	<b>25,32,79,374</b>
<b>Financial Liabilities at amortized cost #</b>		
Term Loan from Banks	44,10,877	46,65,796
Cash Credits/Working Capital Borrowing	1,54,76,335	98,83,571
Trade Payables	1,57,11,931	14,31,25,110
Other Financial Liabilities	16,81,476	13,56,607
<b>Fair Value Hedging Instruments</b>		
Derivative Liability/(Asset)	Nil	Nil
<b>Total</b>	<b>3,86,26,741</b>	<b>15,90,31,084</b>

Financial assets and financial liabilities, fair value is same as amortized cost.

## B. Fair Value Hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1\_\_ Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2\_\_ Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as price) or indirectly (i.e. derived from prices).
- Level 3\_\_ Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in same instrument nor are they based on available market data.

Particulars	Fair Value	
	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Finance at fair value through other comprehensive income</b>		
Investments –Level 3	38,99,650	1,000

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.



### 31. Financial Risk Management:

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade and other receivables, investments and cash and cash equivalents and bank balances other than cash & cash equivalents that are derived directly from its operations.

The Company is exposed primarily to fluctuations in credit, liquidity and market risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and financial liabilities. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

The sources of risks which the company is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
<b>A. Market risk</b>			
<b>1) Foreign Exchange Risk</b>	Committed commercial transaction Financial Liabilities not denominated in INR	There are no major foreign exchange transaction	Foreign exchange transaction are in the nature of current payments and effected at current exchange rate
<b>2) Interest Rate</b>	Borrowings at variable rates	Sensitivity Analysis, Interest rate movements	Interest rate Diversification
<b>3) Commodity Price Risk</b>	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price
<b>B. Credit Risk</b>	Trade receivables, Investments, Loans	Aging analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
<b>C. Liquidity Risks</b>	Borrowings and Other Liabilities and Liquid investments	Rolling cash flow forecasts	Adequate unused credit lines and sufficient Bank FDRs
<b>D. COVID-19 Risk</b>	Financial Assets & Liabilities	Impairment testing	Efficient and optimum use of resources and maintaining liquidity position to meet any unforeseen developments

## A. Market Risk Management:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the market price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

The Company has designed risk management frame work to control various risk effectively to achieve the business objectives. This includes identification of risk, its assessments, control and monitoring at timely intervals.

### 1. Foreign Currency Risk:

Foreign Currency Risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities which is very minimal. The details of foreign currency exposures not hedged by Derivative Instruments are as under :

<b>Outstanding foreign currency exposure as at</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
Trade Payables		
₹JSD	40,800	40,800

#### **Foreign Currency Sensitivity on unhedged exposure**

Since the exposure is not significant, 1% increase in foreign exchange rates will have negligible impact on profit before tax.

### 2. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Market Interest Rates. The Company's exposure to the risk of changes in Market Interest Rates relates primarily to the Company's short term debt obligations with floating interest rates.

The table below illustrates the impact of a 50 basis points increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year

**INR Interest Rate Exposure:**

<b>Particulars</b>	<b>Total borrowings</b>	<b>Floating rate borrowings</b>
Total as at 31 <sup>st</sup> March 2020	2,01,27,131	4,02,895
Total as at 31 <sup>st</sup> March 2019	1,47,54,900	98,83,571

**Interest rate sensitivities for unhedged exposure (impact on increase in 50 bps):**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2020</b>	<b>As at 31<sup>st</sup> March 2018</b>
<b>INR</b>	2,014	49,417

Note: If the rate is decreased by 50 bps profit will increase by an equal amount. Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

**3. Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of raw materials. Therefore, the Company monitors its purchases closely to optimize the price.

**B. Credit Risk Management:**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of Credit Risk principally consist of investments classified as loans and receivables, trade receivables, loans and advances, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of Credit Risk.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

## Trade Receivables

Customer Credit Risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

**Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:**

Particulars	As at 31st March, 2020	As at 31st March, 2019
No Past due	6,67,97,017/-	13,22,92,286/-
Past due 1-360 days	4,30,94,485/-	6,21,42,070/-
Past due 361-720 days	61,68,904/-	36,92,437/-
Past due more than 720 days	8,39,450/-	16,23,621/-

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

### **Financial assets that are neither past due nor impaired:**

Cash and cash equivalents, financial assets carried at fair value are neither past due nor impaired. Cash and cash equivalents with banks has high credit rating assigned by international and domestic credit-rating agencies. Financial assets carried at fair value are investments in equity shares. With respect to Trade Receivables and other financial assets that are past due but not impaired, there are no indications as of 31<sup>st</sup> March, 2020. Trade Receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

### **Financial Instruments and Cash Deposits**

The Company held cash and cash equivalents and bank deposits with banks and financial institutions. The credit worthiness of such banks and financial institutions is evaluated by the management on an on-going basis and is considered to be good. The cash surpluses of the Company are short term in nature and are invested in Fixed Deposit with Nationalized / Scheduled Commercial banks. Hence, the assessed Credit Risk is low.

### C. Liquidity Risk Management:

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders and trade creditors.

During the year, the Company has made repayment of principal and interest on borrowings on or before due dates. The Company did not have any defaults of principal and interest as on the reporting date.

The table below summarizes the maturity profile of the Company's financial liability based on contractual undiscounted payment and financial assets based on contractual undiscounted receipts

Particulars	Less than 1 Year	1-5 Year	More than 5 Year	Total
<b>As at 31<sup>st</sup> March 2020</b>				
Borrowings	1,57,16,254	44,10,877	-	2,01,27,131
Trade Payables	1,57,11,931	-	-	1,57,11,931
<b>As at 31<sup>st</sup> March 2019</b>				
Borrowings	1,00,89,104	46,65,796	-	1,47,54,900
Trade Payables	14,31,25,110	-	-	14,23,51,020

### D. COVID-19 Risk

The spread of COVID-19 has affected the business from mid-March 2020, which culminated into suspension of plant operations, post imposition of national lock down. The Company had taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities, warehouses and adopting work from home policy for employees across locations. Pursuant to the relaxed lockdown guidelines by Central and State Governments, the Company has resumed its manufacturing operations as allowed in strict compliance with Government advisories.

Given the uncertainty of quick turnaround to normalcy post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future. Since the situation is continuously evolving, the impact assessed may be different from the

estimates made as at the date of approval of these financial Statements. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation

## 32. RELATED PARTY DISCLOSURES

List of related parties with whom transactions have taken place during the current accounting year and relationship

### 1. Names of Related Parties :

- |    |   |  |
|----|---|--|
| a. | Key Management Personnel:                                     | Mr. Ketan H Mehta<br>Mrs. Sarika Bhise<br>Mr Swaminath Jaiswar<br>Ms Monika Sharma |
| b. | Enterprise in which Relatives of Key Management are partners: | Shiv Shakti Enterprises<br>Chhaya Info-Tech Industries Private Limited             |
| c. | Relatives of Key Management: Mehta                            | Mrs Chhaya K   |

### 2. Aggregated Related Party Transactions

Sr. No	Name of Party/Entity (with Relationship)	Nature of Transaction	For the year ended 31 March, 2020	For the year ended 31 March, 2019
A)	KEY Managerial Personal			
1	Mr Ketan H Mehta	Remuneration	58,75,670/-	52,00,000/-
		Rent	7,26,000/-	6,01,920/-
		Deposit for Rent	10,00,000/-	-
2	Mrs Sarika S Bhise	Remuneration	6,35,000/-	4,67,711/-
3	Mr Swaminath Jaiswar	Salary	-	5,77,034/-
4	Ms Monika Sharma	Salary	2,61,600/-	-

B)	Relatives of key managerial personal			
	Mrs Chhaya K Mehta	Salary	12,88,370/-	13,00,000/-
		Rent	10,23,400/-	8,47,000/-
C)	Enterprise in which Relatives of KMP are partners			
1	Shiv Shakti Enterprises	Sales	38,63,196/-	-
		Purchase	2,09,90,602/-	-
2	Chhaya Info-Tech Private Limited	Loan Received	1,50,00,000/-	-
		Interest	81,600/-	-

Sr No	Name of Party / Entity	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>A.</b>	<b>Balance in Liabilities</b>		
1	Mr Ketan H Mehta	3,91,397/-	3,24,992/-
2	Mrs Sarika S Bhise	44,735	33,000/-
3	Mrs Chhaya K Mehta	1,39,300/-	1,57,670/-
4	Ms Monika Sharma	20,811	-
5	Shiv Shakti Enterprises	71,05,618/-	-
6	Chhaya Info-Tech Private Limited (Unsecured Loans)	1,50,73,440/-	-
<b>B.</b>	<b>Balance in Assets</b>		
	Ketan H Mehta (Rent Deposits)	10,00,000/-	

### 33. EARNING PER SHARE:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

	<u>31/03/2020</u>	<u>31/03/2019</u>
a) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	` 13,613,804	` 11,142,506
b) Weighted average number of equity shares for calculation of earnings per share	1,26,60,480	1,26,60,480
c) Basic and diluted earnings per share of ` 5/- per share	` 1.08	` 0.88

### 34. CAPITAL MANAGEMENT

#### a) Risk management

The aim of capital structure management is to maintain the financial flexibility needed to further develop the Company's business portfolio and take advantage of strategic opportunities. The objectives of the Company's financing policy are to secure solvency, limit financial risks and optimize the cost of capital.

The Company's capital structure is managed using equity and debt ratios as a part of Company's financial planning.

Generally a mix of commercial paper program and bank loans is used for short term financing while group loans are used for financing funding requirements. The goal is to optimize the Company's capital cost financing conditions.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders

**The Company monitors capital on the basis of the following ratios:**

#### 1. Equity ratio – Total equity divided by Total assets

Particulars	As at March 31, 2020	As at March 31, 2019
Total Equity	17,14,03,355	16,16,28,332
Total assets	21,43,62,007	32,56,91,288
Equity ratio	79.96%	49.63%



## 2. Debt equity ratio – Total debt divided by Total equity

Total debt = Long term borrowings + Short term borrowings + Current maturities of long term debts

Particulars	As at March 31, 2020	As at March 31, 2019
Total debt	2,01,27,131	1,47,54,900
Total equity	17,14,03,355	16,16,28,332
Debt Equity ratio	0.12	0.09

## b) Dividends

	Particulars	As at March 31, 2020	As at March 31, 2019
<b>1</b>	<b>Cash dividend on equity shares declared and paid</b>		
	Final dividend for the year ended on 31 <sup>st</sup> March, 2019, 3%: (31 <sup>st</sup> March 2018, 3%)	18,99,072	18,99,072
	Dividend Distribution tax on final dividend	3,90,360	3,90,360
	<b>Total Dividend Paid</b>	<b>22,89,432</b>	<b>22,89,432</b>
<b>2.</b>	<b>Proposed Dividend on equity shares:</b>		
	Final dividend for the year ended on 31 <sup>st</sup> March, 2020: Nil (31 <sup>st</sup> March 2019: Nil)	Nil	Nil
	Dividend Distribution tax on final dividend	Nil	Nil
	<b>Total Dividend proposed</b>	<b>Nil</b>	<b>Nil</b>

## 35. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 116, LEASES

The Company has adopted Ind AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards), Amendment Rules, 2019, using the modified retrospective method. Under this simplified approach, the Company recognised equal amount of right of use asset and lease liability on the transition date, adjusted by the amount of prepayments pertaining to such leases, carried in the Balance Sheet on such transition date. Further, following practical expedients permitted on initial application have been applied by the Group:

- The Company has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
- The Company has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease.

### Company as lessee

#### A: Right-of-Use assets Buildings

Cost	Amount
<b><u>Balance as on 1<sup>st</sup> April'2019</u></b>	-
Additions	19,18,729
Disposal / derecognised during the year	-
<b>Balance as on 31<sup>st</sup> March 2020</b>	<b>19,18,729</b>
<b><u>Accumulated depreciation</u></b>	
<b>Balance as at 1st April, 2019</b>	-
Depreciation Expenses	6,98,066
Disposal / derecognised during the year	-
<b><u>Balance as on 31st March 2020</u></b>	<b>6,98,066</b>

#### B. Lease Liabilities Buildings

Particulars	Amount
<b><u>Balance as on 1<sup>st</sup> April'2019</u></b>	
Additions	19,18,729
Accredition of interest	1,53,393
Payments	7,26,000
<b>Balance as on 31<sup>st</sup> March 2020</b>	<b>13,46,122</b>

**C. Amounts recognised in Statement of profit and loss**

<b>Particulars</b>	<b>Amount</b>
Depreciation expense of Right-of-Use assets (Refer Note 2)	6,98,066
Interest expense on lease liabilities (Refer Note 29)	1,53,393

General Description of leasing agreements:

- Leased Assets : Offices, Factory Building
- Future lease rentals are determined based on agreed terms
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing
- Lease agreements are generally cancellable and are renewable by mutually agreed terms.

**36 INCOME TAXES (IND AS 12):**

(i) Reconciliation of Effective Tax Rate

<b>Particulars</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
Profit before tax	1,91,05,807	1,53,63,773
Tax Expenses	54,92,003	42,21,267
Effective Tax Rate (%)	28.75	27.48
Effect of Non deductible Expenses (%)	1.64	0.07
Effect of allowances for Tax Purpose (%)	4.64	-
Others(%)	1.80	-
Applicable Tax Rate	27.55	27.55

**37 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)(INDAS**

Claims against the Company not acknowledged as debt:

<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
(a) Income Tax Matters	2,49,83,153	3,85,77,160

It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration/appellate proceedings.

**38 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES:**

The Management has identified and on the basis letter received from the enterprises which have provided goods and services to the company and which qualify under the definition of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March, 2019 has been made in the financial statements based on information received and available with the company.

<b>Sr No</b>	<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
1	The amounts remaining unpaid to Micro, Small and Medium Suppliers at the end of the year.	12,339	81,430

**39 SEGMENT REPORTING**

The Company is engaged only in the business of producing and reselling of Coil, Transformer Lamination Sheet and related products. As such, there are no separate reportable segments, the disclosure as required as per Indian Accounting Standard on “Operating Segments” (IND AS – 108) is not given.

**40 AUDITORS’ REMUNERATION (EXCLUDING TAXES) AND EXPENSES**

<b>Particulars</b>	<b>Year Ended 31st March, 2019</b>	<b>Year Ended 31st March, 2019</b>
Statutory Auditors:		
Audit fees (including quarterly Limited Review)	2,00,000	2,00,000
tax audit fees	1,50,000.	1,00,000
Fee for other services	50,000	-

- 41** The Company has not made provision for gratuity as per AS 15 "Employee Benefits". No provision has been considered in accounts towards future payment of gratuity to the employees as the same is proposed to be accounted on cash basis. No provision has been made towards accrued leave wages which is continued to be accounted on cash basis.
- 42** Previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year classification.

As Per Our Report Even Date Attached

For **Anil Gala & Associates.**  
Chartered Accountants  
Firm Registration No.126344W

FOR AND ON BEHALF OF THE BOARD  
**AMBA ENTERPRISES LTD.**

Sd/-  
**Anil Gala**  
Proprietor  
Membership No. 119958  
UDIN : 20119958AAAAAE4430

Sd/-  
**Mr. Ketan H. Mehta**  
Managing Director  
DIN- 01238700

Sd/-  
**Mrs. Sarika S. Bhise**  
Executive Director  
DIN- 06987209

Place : Mumbai  
Date : 30/06/2020

Sd/-  
**Mr. Dharendra Mehta**  
Independent Director  
DIN- 07891935

Sd/-  
**Ms Monika Sharma**  
Company Secretary

**M/S. AMBA ENTERPRISES LTD.**  
**BALANCE SHEET AS AT 31st MARCH, 2020**

PARTICULARS	Notes	Year ended 31st March 2020	Year ended 31st March 2019
<b>I. ASSETS</b>			
<b>1. Non-current Assets</b>			
(a) Property, Plant and Equipment	4	2,71,80,304	2,58,91,811
<b>(b) Financial Assets</b>			
(i) Investments	5	38,99,650	1,000
(ii) Others	6	11,35,338	92,978
(c) Other Non-Current Assets	7	2,10,74,866	2,65,32,333
<b>2. Current Assets</b>			
(a) Inventories	8	1,51,31,434	1,64,35,380
<b>(b) Financial Assets</b>			
(i) Trade receivables	9	11,68,99,856	19,97,50,414
(ii) Cash and Cash equivalents	10	4,21,933	14,14,024
(iii) Cash and Cash equivalents other than (ii) above	11	2,04,58,640	5,20,20,958
(c) Current Tax Assets	12	11,72,651	-
(d) Other Current Assets	13	69,87,335	35,52,390
<b>Total</b>		<b>21,43,62,007</b>	<b>32,56,91,288</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	6,33,02,400	6,33,02,400
(b) Other Equity	15	10,81,00,955	9,83,25,932
<b>LIABILITIES</b>			
<b>1. NON-CURRENT LIABILITIES</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	16	50,43,978	46,65,796
(b) Deferred Tax Liabilities (Net)	17	8,09,336	5,74,833
<b>2. CURRENT LIABILITIES</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	18	1,54,76,335	98,83,571
(ii) Trade Payables	19	1,57,11,931	14,31,25,110
(ii) Other Financial Liabilities	20	23,94,497	13,56,607
(b) Current Tax Liabilities	21	-	9,25,128
(c) Other Current Liabilities	22	35,22,575	35,31,911
<b>Total</b>		<b>21,43,62,007</b>	<b>32,56,91,288</b>
Significant Accounting Policies		2 & 3	
The accompanying notes are an integral part of these Financial Statement			

This is the Balance Sheet referred to in our report of even date.

**For Anil Gala & Associates**  
Chartered Accountants  
Firm Registration No.126344W

**Anil Gala**  
Proprietor  
Membership No. : 119958  
UDIN : 20119958AAAAAE4430

Place : Mumbai  
Date : 30/06/2020

**For AMBA ENTERPRISES LTD.**

**Mr. Ketan H. Mehta**  
(Managing Director)  
DIN- 01238700

**Mrs. Sarika S. Bhise**  
(Executive Director)  
DIN- 06987209

**Mr. Dharendra Mehta**  
(Independent Director)  
DIN- 07891935

**Ms Monika Sharma**  
Company Secretary

**M/S. AMBA ENTERPRISES LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

PARTICULARS	Notes	Year ended 31st March 2020	Year ended 31st March 2019
<b>I. Revenue from operations</b>		<b>1,00,72,18,927</b>	<b>88,84,60,002</b>
<b>II. Other Income</b>	23	19,01,997	34,11,095
<b>III. Total Revenue (I + II)</b>		<b>1,00,91,20,924</b>	<b>89,18,71,097</b>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed	24	2,80,18,859	4,66,05,254
(b) Purchase of Stock-in-Trade		92,67,80,658	80,57,39,141
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	39,98,700	(41,35,463)
(d) Employee benefit expense	26	1,17,20,309	1,12,21,511
(e) Financial costs	27	34,68,100	54,33,173
(f) Depreciation and amortization expense	28	34,82,760	23,98,274
(g) Other expenses	29	1,25,45,731	92,45,434
<b>V. Total Expenses</b>		<b>99,00,15,117</b>	<b>87,65,07,324</b>
<b>VI. Profit/(Loss) before tax (III - V)</b>		<b>1,91,05,807</b>	<b>1,53,63,773</b>
<b>Tax expense:</b>			
(1) Current tax		52,57,500	39,87,416
(2) Deferred Tax Liabilities (Assets)		2,34,503	2,33,851
<b>VII. Total Tax Expense</b>		<b>54,92,003</b>	<b>42,21,267</b>
<b>VIII. Profit/(Loss) for the period (VI-VII)</b>		<b>1,36,13,804</b>	<b>1,11,42,506</b>
<b>Other Comprehensive Income/(Loss)</b>			
(i) Items that will not be reclassified to Profit and Loss			
(a) Re-measurement gains/(losses) on defined benefit plans		-	-
(b) Income tax effect on above		-	-
(c) Equity instrument through other comprehensive income		-	-
(d) Income tax effect on above		-	-
<b>IX. Total Other Comprehensive Income / (Loss)</b>		<b>-</b>	<b>-</b>
<b>X. Total Comprehensive Income/(Loss) for the year (VIII + IX) (Comprising profit and other comprehensive income for the year)</b>		<b>1,36,13,804</b>	<b>1,11,42,506</b>
<b>XI. Earning per equity share</b>			
<b>Equity shares of par value Rs 5/- each</b>			
(a) Basic		1.08	0.88
(b) Diluted		1.08	0.88
<b>Weighted average number of equity shares used in computing earnings per share</b>			
(a) Basic		1,26,60,480	1,26,60,480
(b) Diluted		1,26,60,480	1,26,60,480
Significant Accounting Policies	2 & 3		
The accompanying notes are an integral part of these Financial Statement			

This is the Statement of Profit and Loss referred to in our report of even date.

**For Anil Gala & Associates**  
Chartered Accountants  
Firm Registration No.126344W

**For AMBA ENTERPRISES LTD.**

**Mr. Ketan H. Mehta**  
(Managing Director)  
DIN- 01238700

**Mrs. Sarika S. Bhise**  
(Executive Director)  
DIN- 06987209

**Anil Gala**  
Proprietor  
Membership No. : 119958  
UDIN : 20119958AAAAAE4430

**Mr. Dharendra Mehta**  
(Independent Director)  
DIN- 07891935

**Ms Monika Sharma**  
Company Secretary

Place : Mumbai  
Date : 30/06/2020

**M/S. AMBA ENTERPRISES LTD.****CASH FLOW STATEMENT**

For the year ended 31s March, 2020

Particulars		YEAR ENDED 31-03-2020	YEAR ENDED 31-03-2019
A)	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	1,91,05,807	1,53,63,773
	Adjustment for :		
	Depreciation	34,82,760	23,98,274
	Interest Received	(16,16,792)	(30,63,873)
	<b>Operating Profit before Working Capital Changes</b>	<b>2,09,71,775</b>	<b>1,46,98,174</b>
	Adjustment for		
	Inventories	13,03,946	1,11,69,009
	Trade Receivables	8,28,50,558	(4,58,72,658)
	Long term Loans and Advances and other Current assets	(12,78,010)	(36,53,605)
	Trade payables and Other Liabilities	(12,71,32,032)	11,07,96,865
	Short term Loans and Advances and other Current assets	(34,34,945)	7,76,314
	<b>Net Changes in Working Capital</b>	<b>(4,76,90,483)</b>	<b>7,32,15,925</b>
	<b>Cash Generated from Operations</b>	<b>(2,67,18,708)</b>	<b>8,79,14,099</b>
	Direct Taxes Paid (Net of Refund)	(71,10,161)	(30,68,745)
	<b>Net Cash Generated / ( used) from Operating Activities</b>	<b>(3,38,28,869)</b>	<b>8,48,45,354</b>
B)	<b>Cash Flow from Investing Activities</b>		
	Purchase of Fixed Assets	(49,44,905)	(35,87,860)
	Sale of Machinery	1,73,652	-
	Interest Received	16,16,792	30,63,873
	<b>Net Cash used / Provided by Investment Activities</b>	<b>(31,54,461)</b>	<b>(5,23,987)</b>
C)	<b>Cash Flow from Financing Activities</b>		
	Proceeds from Borrowings (Net of repayments)	67,18,353	(3,36,06,109)
	(Increase)/ Decrease in other cash and cash equivalents	3,15,62,318	(4,84,90,467)
	Dividend Paid (including tax)	(22,89,432)	(22,89,432)
	<b>Net Cash generated/(used ) in Financing Activities</b>	<b>3,59,91,239</b>	<b>(8,43,86,008)</b>
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(9,92,091)</b>	<b>(64,641)</b>
	Add : Balance at the beginning of the year	14,14,024	14,78,665
	<b>Cash and Cash Equivalents at the close of the year</b>	<b>4,21,933</b>	<b>14,14,024</b>

## Notes :

- The above cash flow statement has been prepared under the "indirect method" set out in indian accounting standard (IND AS) - 7 on Statement of cash flow.
- Figure in bracket indicate cash outflow.
- Previous year comparatives have been reclassified to confirm with current year's presentation, whenever applicable.

The accompanying notes are an integral part of these financial statement.

This is the cashflows statement referred to in our report even date.

**For Anil Gala & Associates**  
Chartered Accountant  
Firm Registration No.126344W

FOR AND ON BEHALF OF THE BOARD

**Mr. Ketan H. Mehta**  
(Managing Director)  
DIN : 1238700

**Mrs. Sarika S. Bhise**  
(Executive Director)  
DIN : 06987209

**Anil Gala**  
Proprietor  
Membership No. : 119958  
UDIN : 20119958AAAAAE4430

**Mr. Dharendra Mehta**  
(Independent Director)  
DIN : 07891935

**Ms Monika Sharma**  
Company Secretary

Place : Mumbai  
Date : 30/06/2020



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. Equity Share Capital					
	Subscribed and fully paid - up		Subscribed and partly paid - up		Total Equity Share Capital
	No of shares	Amount	No of shares	Amount	Amount
<b>As at March 31, 2018</b>	1,26,60,480	6,33,02,400	-	-	6,33,02,400
Receipt of calls in arrears	-	-	-	-	-
<b>As at March 31, 2019</b>	1,26,60,480	6,33,02,400	-	-	6,33,02,400
Issue of equity share capital	-	-	-	-	-
Receipt of calls in arrears	-	-	-	-	-
<b>As at March 31, 2020</b>	1,26,60,480	6,33,02,400	-	-	6,33,02,400

B. Other Equity				
	Reserves and Surplus			Total
	Securities Premium Reserve	General Reserve	Retained Earnings	
<b>Balance as at March 31, 2018</b>	3,14,97,600	79,00,000	5,02,65,331	8,96,62,931
Profit for the year	-	-	1,11,42,506	1,11,42,506
Transfer from Retained Earnings to General Reserves	-	10,00,000	(10,00,000)	-
Other comprehensive income for the year, net of taxes	-	-	-	-
<b>Total comprehensive income</b>	3,14,97,600	89,00,000	6,04,07,837	10,08,05,437
Equity Dividend for the year 2017-18	-	-	(18,99,072)	(18,99,072)
Tax on Equity Dividend	-	-	(3,90,360)	(3,90,360)
	-	-	(1,90,073)	(1,90,073)
<b>Balance as at March 31, 2019</b>	3,14,97,600	89,00,000	5,79,28,332	9,83,25,932
Profit for the year	-	-	1,36,13,804	1,36,13,804
Transfer from Retained Earnings to General Reserves	-	10,00,000	(10,00,000)	-
Other comprehensive income for the year, net of taxes	-	-	-	-
<b>Total comprehensive income for the year</b>	3,14,97,600	99,00,000	7,05,42,136	11,19,39,736
Issue of share capital	-	-	-	-
Equity Dividend for the year 2018-19	-	-	(18,99,072)	(18,99,072)
Tax on Equity Dividend	-	-	(3,90,360)	(3,90,360)
Short Provision of Income Tax	-	-	(15,49,349)	(15,49,349)
<b>Balance as at March 31, 2020</b>	3,14,97,600	99,00,000	6,67,03,355	10,81,00,955

This is the Other Equity Statement referred to in our report of even dae.

For AMBA ENTERPRISES LTD.

For Anil Gala & Associates  
Chartered Accountants  
Firm Registration No.126344W

Mr. Ketan H. Mehta  
(Managing Director)  
DIN- 01238700

Mrs. Sarika S. Bhise  
(Executive Director)  
DIN- 06987209

Anil Gala  
Proprietor  
Membership No. : 119958  
UDIN : 20119958AAAAAE4430

Mr. Dharendra Mehta  
(Independent Director)  
DIN- 07891935

Ms Monika Sharma  
Company Secretary

Place : Mumbai  
Date : 30/06/2020

**M/S. AMBA ENTERPRISES LTD**

**Notes forming part of Financial statements**

**Note No 4 : Property, Plant & Equipment**

Particular	Computer & Accessories	Veihal	Furniture & Fixtures	Plant & Equipment	Office Equipment	Office Premises	Lease hold Property	Total
<b>I. Gross Block</b>								
Balance As at 1 April 2018	8,24,531	79,74,063	40,88,266	71,78,956	9,74,550	26,34,800	-	2,36,75,166
Additions	-	-	24,34,869	94,68,350	2,15,066	-	-	1,21,18,285
Disposals	-	-	-	2,01,158	-	-	-	2,01,158
Balance as at 31 March 2019	8,24,531	79,74,063	65,23,135	1,64,46,148	11,89,616	26,34,800	-	3,55,92,293
Additions	25,000	-	-	27,53,019	2,48,157	-	19,18,729	49,44,905
Disposals	-	-	-	13,00,000	-	-	-	-
Balance as at 31 March 2020	8,49,531	79,74,063	65,23,135	1,78,99,167	14,37,773	26,34,800	19,18,729	3,92,37,198
<b>II. Accumulated Depreciation</b>								
Balance As at 1 April 2018	6,29,528	13,59,134	5,32,965	39,27,658	5,14,390	4,39,129	-	74,02,804
Depreciation expenses for the year	84,051	9,28,391	4,79,601	7,24,787	1,37,532	43,912	-	23,98,274
Disposal of assets	-	-	-	1,00,596	-	-	-	1,00,596
Balance as at 31 March 2019	7,13,579	22,87,525	10,12,566	45,51,849	6,51,922	4,83,041	-	97,00,482
Depreciation expenses for the year	70,292	9,28,388	5,72,164	10,06,115	1,63,823	43,912	6,98,066	34,82,760
Disposal of assets	-	-	-	11,26,348	-	-	-	11,26,348
Balance as at 31 March 2020	7,83,871	32,15,913	15,84,730	44,31,616	8,15,745	5,26,953	6,98,066	1,20,56,894
Balance as at 31 March 2019	1,10,952	56,86,538	55,10,569	1,18,94,299	5,37,694	21,51,759	-	2,58,91,811
Balance as at 31 March 2020	65,660	47,58,150	49,38,405	1,34,67,551	6,22,028	21,07,847	12,20,663	2,71,80,304

Note: On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant & equipment recognised as at 1 April 2016 measured as per GAAP, which in case of Company, corresponds with carrying costs measured in accordance with Ind AS 16 Property, plant & Equipment.

**A) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets**

- (i) Certain property, plant and equipment are pledged as security against borrowings, the details related to which have been described in Note 16 & 20 on borrowings.
- (ii) Gross Block of buildings includes value of offices in co-operative societies
- (iii) Capital work in progress comprises of property Plant & Equipment under construction are transferred to respective assets during the year 2018-19.
- (iv) Carrying amount of property, plant and equipment given as collateral for borrowings is Rs. 47,58,150/- ; (Previous year Rs. 56,86,538/-)
- (v) The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019)

(vi) The Company's long term leases mainly comprise of Factory buildings. The Company leases Factory buildings for manufacturing and warehouse facilities.

**M/S. AMBA ENTERPRISES LTD.**  
**NOTES Forming part of the Financial Statements**

**5) Non Current Investments**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	Investments carried at fair value through OCI		
	Unquoted Investments		
	Equity Shares of Kalayan Janata Sahakari Bank Ltd	1,000	1,000
	Investment Property - Flat at Umergaon	38,98,650	-
	<b>Total in `</b>	<b>38,99,650</b>	<b>1,000</b>

Investments at fair value through OCI (Fully Paid) reflect investment in unquoted equity securities of co-operative bank. These equity shares are designated as FVTOCI as they are not held for trading purpose and not in similar line of business. Thus disclosing their fair value fluctuation in profit & loss will not reflect the purpose of holding.

Investment property is stated at cost. Cost of Investment property includes Purchase price, directly attributable expenditure, property taxes, Stamp Duty etc.

**6) Non Current Financial Assets - Others**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Bank Deposits with more than 12 month maturity	5,000	5,000
2	Security deposits	11,30,338	87,978
	<b>Total in `</b>	<b>11,35,338</b>	<b>92,978</b>

**7) Other Non Current Assets**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Inter- Corporate Advances	2,00,17,866	2,00,17,866
2	Other Deposits	10,57,000	47,20,000
3	Advances recoverable from Government Authority	-	17,94,467
	<b>Total in `</b>	<b>2,10,74,866</b>	<b>2,65,32,333</b>

The Company has given the inter corporate advances of Rs 1,42,866 and advance for flat of Rs 1,98,75,000 in earlier years to M/s Dhanashree Developers Pvt Ltd in respect of which the Company has initiated legal proceedings for recovery of amount. Management of the Company is of the view that entire amount is good for recovery (in view of securities wherever available, Personal guarantee of promoters of borrower Company etc) on the basis of legal opinion and hence no provision for the above receivable is necessary at this stage.

**8) Inventories**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Raw Material	45,89,565	18,94,811
2	Stock in Trade, WIP and Finished Goods	1,05,41,869	1,45,40,569
	<b>Total in `</b>	<b>1,51,31,434</b>	<b>1,64,35,380</b>

**Note:** Refer Note 3.13 for mode of valuation of Inventories

**M/S. AMBA ENTERPRISES LTD.**  
**NOTES Forming part of the Financial Statements**

**9) Trade Receivables**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	<b>Unsecured, Considered Good :</b>		
	Outstanding for more than six months	1,36,10,590	1,86,01,100
	Others	10,32,89,266	18,11,49,314
	<b>Total in `</b>	<b>11,68,99,856</b>	<b>19,97,50,414</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.

**10) Cash & Cash Equivalent**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Cash on Hand	3,95,473	6,12,001
2	Balances with Banks	26,460	8,02,023
	<b>Total in `</b>	<b>4,21,933</b>	<b>14,14,024</b>

**11) Bank Balances Other than Cash & Cash Equivalent**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	For Unpaid Dividend Accounts	6,79,498	5,61,658
2	For Unpaid Fractional Shares	729	729
3	Term Deposits with Banks - Having maturity less than 12 months	1,97,78,413	5,14,58,571
	<b>Total in `</b>	<b>2,04,58,640</b>	<b>5,20,20,958</b>

**12) Current Tax Asset**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Income tax - Advance Tax & TDS (Net)	11,72,651	-
	<b>Total in `</b>	<b>11,72,651</b>	<b>-</b>

**13) Other Current Asset**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Balance with Revenue Authorities (Indirect Taxes)	25,91,008	22,18,227
2	Advance to suppliers	38,16,918	8,15,710
3	Other Advances	5,74,208	5,18,453
4	Prepaid Exps	5,201	
	<b>Total in `</b>	<b>69,87,335</b>	<b>35,52,390</b>

**M/S. AMBA ENTERPRISES LTD.**  
***NOTES Forming part of the Financial Statements***

The Company was entitled to the transitional Credit under GST Act of Rs 12,05,742 as carried forward unclaimed excise duty as per excise record. Due to a technical problem, the Company was unable to upload the Trans 1 form on or before the due date as prescribed by the GST Act. Hence the claim of said CGST credit couldn't be allowed by GST Authority and same was not considered in GST Return of the Company. The Company has taken the advice from the consultant and is claiming the said credit amount in the GST Returns for the year 2020-21. On the basis of legal advice, the management of the Company is of the view that no provision is to be created for the said CGST claim of Rs 12,05,742/-.

**M/S. AMBA ENTERPRISES LTD.**  
Notes forming part of the Financial Statements

**14) Equity Share Capital**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	<b>AUTHORIZED SHARE CAPITAL</b> <b>Equity Share Capital</b> 3,00,00,000 equity shares of Rs 5 each (March 31, 2019: 3,00,00,000 Equity shares of ` 5 each )	15,00,00,000	15,00,00,000
		15,00,00,000	15,00,00,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 1,26,60,480 Equity shares of Rs 5 each (March 31, 2019: 1,26,60,480 Equity shares of ` 5 Each)	6,33,02,400	6,33,02,400
	<b>Total in `</b>	<b>6,33,02,400</b>	<b>6,33,02,400</b>

a) **Reconciliation of Numbers of Shares equity shares outstanding at the beginning and at the end of year is as given below.**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Rs	No of Shares	Rs
Equity share outstanding as at the beginning of year	1,26,60,480	6,33,02,400	1,26,60,480	6,33,02,400
Number of shares outstanding at the end of the year	1,26,60,480	6,33,02,400	1,26,60,480	6,33,02,400

b) **Terms / Rights Attached to Equity Shares**

The company has only one class of shares referred to as equity shares having a par value of ` 5 each.

Each shareholder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all the matters submitted to vote in the shareholders meeting.

The company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The company does not have any holding company/ultimate holding company.

d) **Details of shareholders holding more than 5% Equity shares of the Company**

Name of Shareholders	Current Year	Previous Year
Mr. Ketan H Mehta (%) of shareholding	35,51,251 28.05%	17,16,000 13.55%
Mrs. Chhaya Mehta (%) of shareholding	13,20,000 10.43%	13,20,000 10.43%
Mr. Manish Desai (%) of shareholding	12,78,720 10.10%	12,78,720 10.10%
Mr. Alpesh V Doshi (%) of shareholding	9,18,789 7.26%	8,59,689 6.79%
Mrs. Parul Gandhi (%) of shareholding	7,85,047 6.20%	7,90,078 6.24%

e) In the period of five years immediately preceding March'2020

a) The company has allotted 21,10,080 paid up equity shares during the quarter ended June 2016, pursuant to 1:5 bonus shares issue.

b) The company has not bought back any equity shares.

c) The company has not allotted any equity shares as fully paid up without payment being received in cash.

**M/S. AMBA ENTERPRISES LTD.**  
Notes forming part of the Financial Statements

**15) Other Equity**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	<b>Securities Premium account</b>		
	Closing balance	3,14,97,600	3,14,97,600
		3,14,97,600	3,14,97,600
2	<b>General Reserve</b>		
	Balance as per the last financial statements	89,00,000	79,00,000
	Add: Transferred from surplus in statement of profit and loss	10,00,000	10,00,000
	Closing balance	99,00,000	89,00,000
3	<b>Retained Earnings</b>		
	Balance as per the last financial statements	5,79,28,332	5,02,65,331
	Profit for the Year	1,36,13,804	1,11,42,506
	Less: Final Dividend declared and paid	18,99,072	18,99,072
	Less: Dividend distribution tax	3,90,360	3,90,360
	Less: Transfer to General reserve	10,00,000	10,00,000
	Less: Short Provision of Income Tax	15,49,349	1,90,073
	<b>Closing Balance</b>	<b>6,67,03,355</b>	<b>5,79,28,332</b>
	<b>Total in `</b>	<b>10,81,00,955</b>	<b>9,83,25,932</b>

**Nature and Purpose of Reserve:**

**A) Securities Premium Reserve:**

Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

**B) General Reserve**

The general reserve is used from time to time transfer profits from retained earnings for appropriation purpose. There is no policy of regular transfer.

**C) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, net-off less any transfers to general reserve, dividends or other distributions paid to shareholders.

This reserve can be utilized in accordance with the provisions of the Companies Act, 2013

**16) Non-Current Financial Liabilities - Borrowings**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Vehicle Loan - Secured	44,10,877	46,65,796
2	Lease liability	6,33,101	-
		-	-
	<b>Total in `</b>	<b>50,43,978</b>	<b>46,65,796</b>

1 The secured loan from HDFC Bank is a vehicle loan with carrying amount of Rs. 46,50,796/- (31st March, 2019 - Rs. 48,71,329/-)

a. Rate of Interest is 8.46%

b. Repayable in monthly installment starting from August 2017 with last installation payable on 07 July 2024.

c. Secured against hypothecation of vehicle.

2 Land and Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 1 year to 5

years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements

**17) Deferred Tax Liabilities**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Property, Plant and Equipment	8,09,336	5,74,833
	<b>Total in `</b>	<b>8,09,336</b>	<b>5,74,833</b>

**M/S. AMBA ENTERPRISES LTD.**  
Notes forming part of the Financial Statements

**18) Current Financial liabilities - Borrowings**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	<b>(a) Working Capital Loans</b>		
	Short Term Borrowings from Bank	4,02,895	98,83,571
	Short Term Borrowing from Financial Institution	-	-
	<b>(b) Intercorporate Loans</b>	1,50,73,440	-
	<b>Total in</b>	<b>1,54,76,335</b>	<b>98,83,571</b>

a) Working Capital facility from bank and other financial institutions are sanction against the personal guarantees of managing director.

b) The company has not defaulted in the payment of interest and installment of the loans as at 31st March 2020.

**19) Current Financial Liabilities - Trade Payable**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Creditors for Material/Supplies	1,30,47,900	13,99,22,862
2	Creditors for Services	26,64,031	32,02,248
	<b>Total in</b>	<b>1,57,11,931</b>	<b>14,31,25,110</b>

The disclosures relating to Micro and Small Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act 2006" is given under note

**20) Current Financial liabilities - Others**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Current maturities of Long-Term Borrowings (Refer Note No. 16)		
	- Vehical Loan	2,39,919	2,05,533
	- Lease Liability	7,13,021	-
2	Unclaimed Dividend	6,79,498	5,61,658
3	Fractional Shares Payable	729	729
3	Other Payables		
	- Salary & Wages Payable	3,53,892	3,27,494
	- Director Remuneration Payable	3,72,387	2,61,193
	- Expenses payable	35,051	-
	<b>Total in</b>	<b>23,94,497</b>	<b>13,56,607</b>

**21) Current Tax Liabilities**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	Income Tax Net of Advance Tax	-	9,25,128
	<b>Total in</b>	<b>-</b>	<b>9,25,128</b>

**22) Other Current Liabilities**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Advance from Customers	18,38,339	23,21,660
2	Statutory Dues and other Liabilities	16,84,236	12,10,251
	<b>Total in</b>	<b>35,22,575</b>	<b>35,31,911</b>



**M/S. AMBA ENTERPRISES LTD.**  
**SCHEDULES TO PROFIT & LOSS ACCOUNT**

**23) Other Income**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Interest Received	13,65,988	22,00,983
2	Other Non Operating Income	2,45,847	3,33,430
3	Job work Receipt	-	13,792
4	LC Interest	2,50,804	8,62,890
5	Foreign Exchange Gain	39,358	
	<b>Total in `</b>	<b>19,01,997</b>	<b>34,11,095</b>

**24) Cost of Material Consumed**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	Opening Stock	18,94,811	1,71,99,283
	Purchases Of Raw Materials And Stores	3,07,13,613	3,13,00,782
		<b>3,26,08,424</b>	<b>4,85,00,065</b>
	<u>Less: Closing Stock</u>	45,89,565	18,94,811
		<b>2,80,18,859</b>	<b>4,66,05,254</b>
	<b><u>Details of Raw Materials Consumed</u></b>		
	Iron & Steel	2,80,18,859	4,66,05,254

**25) Change in Inventories**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	Opening Stock of Stock in Trade, WIP & Finished Goods	1,45,40,569	1,04,05,106
	Closing Stock of Stock in Trade, WIP & Finished Goods	1,05,41,869	1,45,40,569
	<b>Total in `</b>	<b>39,98,700</b>	<b>(41,35,463)</b>

**26) Employment Benefit Expenses**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Salaries ,Wages and bonus to employees	1,13,65,155	1,09,51,901
2	Contribution to ESIC	53,402	54,319
3	Contribution to provident Fund	1,00,690	
3	Staff Welfare Expenses	2,01,062	2,15,291
	<b>Total in `</b>	<b>1,17,20,309</b>	<b>1,12,21,511</b>

**M/S. AMBA ENTERPRISES LTD.**  
**SCHEDULES TO PROFIT & LOSS ACCOUNT**

**27) Financial Cost**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Interest on Bank Borrowings	25,82,856	41,48,996
2	Interest on car Loan	4,03,467	4,21,287
3	Other Borrowing Cost	4,81,777	8,62,890
	<b>Total in</b>	<b>34,68,100</b>	<b>54,33,173</b>

**28) Depreciation and Amortization Expense**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Depreciation	34,82,760	23,98,274
	<b>Total in</b>	<b>34,82,760</b>	<b>23,98,274</b>

**29) Other Expenses**

Sr. No	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
1	Payment to Auditors		
	For Audit Fee	2,00,000	2,00,000
	For Taxation Matter	1,50,000	1,00,000
2	Transportation, Octroi, Clearing & Forwarding Expenses	18,94,087	18,24,554
3	Insurance Charges	33,000	74,945
4	Labour Charges	17,36,380	16,45,811
5	Professional Charges	9,19,940	8,93,205
6	Power & Fuel Charges	2,04,109	2,03,070
7	Advertisement Expenses	1,64,108	1,26,265
8	Rent	11,69,543	18,53,820
9	Rates & taxes	2,45,766	1,59,700
10	Repairs		
	Plant & Machinery	2,03,399	2,30,121
	Building	84,655	68,300
	Others	92,486	84,934
11	Other Expenditure	54,48,258	17,80,709
	<b>Total in</b>	<b>1,25,45,731</b>	<b>92,45,434</b>