

LALIT POLYMERS & ELECTRONICS LTD

Registered office: A-9A, Green Park Main, New Delhi-110016, Tel: 011- 26961849, Fax No: 011-26961358,
Web: www.Lalitpolymers.com, E-mail - cs_lpel@kanoria.org, CIN: L32109DL1984PLC316708

Ref No.: LPEL/2019-20

Date: 12.08.2019

To
The Manager (Listing & Corporate Services)
Bombay Stock Exchange Ltd.
Ground Floor, PhirozeJeejeebhoy Towers,
Dalal Street, Fort, Mumbai
Maharashtra -400001

BSE Code: 524250

Sub: Outcome of Board meeting.

Dear Sir,

This is to inform you that, in connection with voluntary liquidation process, the Board of Directors of the Company at its meeting held on 12th August, 2019 have taken the following decisions:

a. Approved Audited Financial Statements along with Audit Report of the Company for the period 01st April, 2019 to 31st July, 2019.

b. Approved revised Declaration of Solvency of the Company as per Audited Financial Statements of the Company for the period 01st April, 2019 to 31st July, 2019 prepared pursuant to the Insolvency and Bankruptcy Code, 2016 ("IBC, 2016");

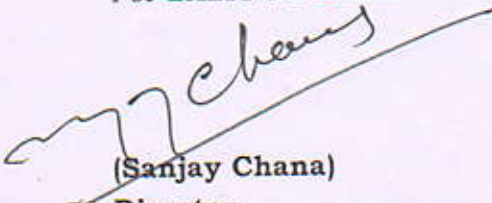
The meeting of Board of Directors commenced at 3.05 P.M. and concluded at 03.25P.M.

Kindly take the same on record.

Thanking You.

Yours faithfully,

For **LALIT POLYMERS & ELECTRONICS LIMITED**


(Sanjay Chana)

Director

DIN: 00292013

D K J & ASSOCIATES
CHARTERED ACCOUNTANTS
213, 1st FLOOR, SITE NO 1,
NEW RAJENDER NAGAR, NEW DELHI
TEL NO 9811351878, 40112100

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LALIT POLYMERS & ELECTRONICS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Lalit Polymers & Electronics Limited ("the Company"), which comprise the Balance Sheet as at July 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 July 31, 2019, the Loss for the period and total comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone 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.

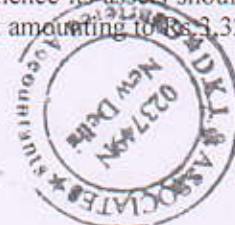
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

1. The Company had issued 1,30,000, 5% Non-convertible Redeemable preference Shares having a face value of Rs.100/- each pursuant to the offer Letter dated 25th June,2019.
2. As stated in Note No 40, the Board of Directors of the Company in its Board Meeting held on 6th August, 2019, approves the Voluntary Winding up of the affairs of the Company under section 59 and other applicable provisions of IBC, 2016, read with the Insolvency And Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 ("VLP, 2017") made thereunder., Therefore the company is not a going concern and Assets should be valued on Net realizable basis.

QUALIFIED OPINION

1. In our opinion and to the best of our information and according to the explanations given to us, we are unable to give any comment on the valuation and issuance of 5% Non-convertible Redeemable preference Shares having face value of Rs.100/- each.
2. In our opinion and to the best of our information and according to the explanations given to us, the Board approved the Voluntary winding up of the Company, hence its assets should be valued at Net Realizable value, but the company has taken GST Input Tax credit amounting to Rs.1,32,467.12/- which is shown as Current Assets at Book Value.



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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements



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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 during the year is in accordance with the provisions of section 197 of the Act.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. Except for the possible effects of the matters described in paragraphs of the Basis for Qualified Opinion.
 - ii. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - iii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : New Delhi

Dated : August 12, 2019

For **D. K. J. & Associates**
Chartered Accountants
(FIRN 023749N)



DINESH KUMAR JAIN
Proprietor
(Membership No. 84831)

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Lalit Polymers & Electronics Limited of even date)

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

We have audited the internal financial controls over financial reporting of **LALIT POLYMERS & ELECTRONICS LIMITED** ("the Company") as of July 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

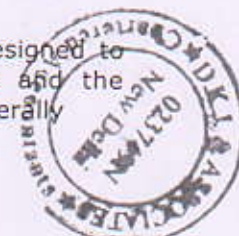
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally



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

Limitations of Internal Financial Controls Over Financial Reporting

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


Opinion

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

Place: New Delhi
Dated: August 12, 2019



For D. K. J. & Associates
Chartered Accountants
(FRN 023749N)


DINESH KUMAR JAIN
Proprietor
(Membership No.084831)

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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Lalit Polymers & Electronics Limited of even date)

- i) Since the Company has No Fixed Assets, hence this clause is not applicable to the Company.
- ii) Since the Company is not having any inventory, hence clause 3 (ii) of the Order is not applicable to the Company.
- iii) According the information and explanations given to us, the Company has not granted unsecured loans to companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, Accordingly, the provisions of clause 3(iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted deposits during the period and does not have any unclaimed deposits as at July 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at July 31, 2019, for a period of more than six months from the date on when they become payable, **Except TDS Demand Rs.40,076/-**.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at July 31, 2019 for a period of more than six months from the date they became payable.
- viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix) During the period, the Company had issued 1,30,000, 5% Non-convertible Redeemable preference Shares having a face value of Rs. 100/- each pursuant to the offer Letter dated 25th June,2019. We are unable to give any comment on the valuation and issuance of these Redeemable Preference Shares.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us by the Management, No Managerial Remuneration has been paid or provided by the Company.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.



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to the Company.

- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) During the period, The Company had issued 1,30,000, 5% Non-convertible Redeemable preference Shares having a face value of Rs.100/- each pursuant to the offer Letter dated 25th June,2019. We are unable to give any comment on the valuation and issuance of these Redeemable Preference Shares.
- 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 transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: New Delhi
Dated: August 12 ,2019

For D. K. J. & Associates
Chartered Accountants
(FRN 023749N)



DINESH KUMAR JAIN
Proprietor
(Membership No.084851)

LALIT POLYMERS & ELECTRONICS LIMITED

Regd. Office A-9-A, GREEN PARK MAIN, NEW DELHI - 110016

CIN- L32109DL1984PLC316708, Web: www.lalitpolymers.com, Email: cs_lpe@kanoria.org, phone No. 011-26961549, Fax 011-26961858

Statement of Assets and Liabilities as at 31ST JULY, 2019

(In Rs.)

| Particulars | Note No. | As at 31st July, 2019 | As at 31st March, 2019 |
|---|----------|--------------------------|---------------------------|
| I ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, Plant & Equipment | 2 | - | - |
| (b) Capital work-in-progress | 2 | - | - |
| (c) Intangible assets | 2 | - | - |
| (d) Financial Assets | | | |
| (i) Investments | 3 | - | - |
| (ii) Others | 4 | - | - |
| (e) Other non-current assets | 5 | - | 6,291,744.00 |
| 2 Current assets | | | |
| (a) Inventories | 6 | - | - |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 7 | - | - |
| (ii) Cash and Cash Equivalents | 8 | 390.00 | 390.00 |
| (iii) Bank balances other than (ii) above | 9 | 3,023,937.68 | 90,655.68 |
| (iv) Loans | 10 | - | - |
| (v) Others | 11 | - | - |
| (c) Other current assets | 12 | 388,069.22 | 241,096.34 |
| TOTAL | | 3,412,396.90 | 6,623,886.02 |
| II EQUITY AND LIABILITIES | | | |
| 1 EQUITY | | | |
| (a) Equity Share Capital | 13 | 60,000,000.00 | 60,000,000.00 |
| (b) Other Equity | 14 | (69,718,900.10) | (68,838,245.98) |
| 2 LIABILITIES | | | |
| 2.1 Non-current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 13,000,000.00 | 15,365,841.00 |
| (ii) Other Financial Liabilities | 16 | - | - |
| (b) Deferred Tax Liabilities (Net) | 17 | - | - |
| (c) Provisions | 18 | - | - |
| 2.2 Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | - | - |
| (ii) Trade Payables | 20 | - | - |
| (iii) Other Financial Liabilities | 21 | 125,696.00 | 39,303.00 |
| (b) Other Current Liabilities | 22 | 5,601.00 | 56,988.00 |
| (c) Provisions | 23 | - | - |
| TOTAL | | 3,412,396.90 | 6,623,886.02 |

As per our separate report of even date

For D.K.J. & Associates
Chartered Accountants
Firm Registration No. 023749N
023749N
New Delhi
D.K.Jain
Proprietor
Membership No. 084831

Place: New Delhi
Date: 12th Aug, 2019

For and on behalf of Board


 Fani Gita Biswal
 Director
 DIN : 08034992


 Sanjay Chana
 Director
 DIN : 00292013


 Seema Saraf
 Company Secretary


 Omesh Chand
 CFO



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**STATEMENT OF AUDITED PROFIT AND LOSS
FOR THE PERIOD ENDED 31ST JULY, 2019**

(In Rs.)

| Particulars | Note No. | Figures for the period ended on 31ST JULY, 2019 | Figures for the year ended on 31st MARCH, 2019 |
|--|----------|---|--|
| I. Revenue from operations | 24 | - | - |
| II. Other Income | 25 | - | 194270.83 |
| III. Total Revenue (I +II) | | - | 194270.83 |
| IV. Expenses: | | | |
| Cost of materials consumed | 26 | - | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 27 | - | - |
| Employee benefit expense | 28 | 60,000.00 | 69000.00 |
| Financial costs | 29 | 5487.00 | 15926.96 |
| Depreciation and amortization expense | 2 | - | - |
| Other expenses | 30 | 815167.12 | 1375184.6 |
| V. Total Expenses | | 880654.12 | 1460111.56 |
| VI. Profit/ (Loss) before exceptional and extraordinary items and tax (III - V) | | (880,654.12) | (1,265,840.73) |
| VII. Exceptional Items | | - | - |
| VIII. Profit/ (Loss) before extraordinary items and tax (VI-VII) | | (880,654.12) | (1,265,840.73) |
| IX. Extraordinary Items | | - | - |
| X. Profit Before Tax (VIII-IX) | | (880,654.12) | (1,265,840.73) |
| XI. Tax Expense | | - | - |
| XII. Profit/(Loss) for the period (X - XI) | | (880,654.12) | (1,265,840.73) |
| XIII. Earning per equity share of Rs 10 each: | | | |
| (1) Basic (in Rs.) | | (0.15) | (0.21) |
| (2) Diluted (in Rs.) | | (0.15) | (0.21) |

As per our separate report of even date

For D K J & Associates

Chartered Accountants

(Firm Registration No.023749N)



For and on behalf of Board

[Signature]
Fanindra Biswal
Director
DIN : 08034992

[Signature]
Sanjay Chana
Director
DIN: 00292013

[Signature]
Seema Saraf
Company Secretary

[Signature]
Dinesh Chand
CFO

Place: New Delhi

Date: 12th Aug, 2019

[Signature]

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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31st July, 2019

(In Rs.)

| Particulars | As at 31st July, 2019 | As at 31st March, 2019 |
|---|-----------------------|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITY | | |
| Profit before tax from continuing operations | (880,654.12) | (1,265,840.73) |
| Less: Adjustments | - | - |
| Profit Before Tax | (880,654.12) | (1,265,840.73) |
| <i>Adjustments to reconcile profit before tax to net cash flows:</i> | | |
| Depreciation and Impairment of Property, Plant and Equipment | - | - |
| Actuarial (Loss)/Gains on Defined Benefit Obligations (Gross Tax) | - | - |
| Loss/(Gain) on Fair Valuation of Investment | - | - |
| Loss/(Gain) on Disposal of Property, Plant and Equipment | - | - |
| Loss/(Gain) on Sale of Investment | - | - |
| Dividend Received | - | - |
| Finance Costs | - | - |
| <i>Working capital adjustments:</i> | | |
| (Increase)/Decrease in Trade and Other Receivables and Prepayments | - | - |
| (Increase)/Decrease in other Non Current Assets | 6,291,744.00 | 167,619.00 |
| (Increase)/Decrease in other Current Assets | (146,972.88) | (214,139.92) |
| (Increase)/Decrease in Bank Balances other than Cash & Cash Equivalents | - | - |
| (Increase)/Decrease in Inventory | - | - |
| (Increase)/Decrease in Loans, Advances and Other Assets | - | - |
| Increase/(Decrease) in Trade and Other Payables | - | - |
| Increase/(Decrease) in Provisions and Other Liabilities | 35,006.00 | (189,054.31) |
| | 5,299,123.00 | (1,501,415.96) |
| Income Tax Paid | - | - |
| Net Cash Flows From Operating Activities | 5,299,123.00 | (1,501,415.96) |
| B. CASH FLOW FROM INVESTING ACTIVITY | | |
| Proceeds from sale of Property, Plant and Equipment | - | - |
| Purchase of Property, Plant and Equipment | - | - |
| Proceeds from sale of Non Current Investment | - | - |
| Purchase of Non Current Investment | - | - |
| Movement in Balance of Capital Work-in-Progress | - | - |
| Dividend Received | - | - |
| Net Cash Flows Used In Investing Activities | - | - |
| C. CASH FLOW FROM FINANCING ACTIVITY | | |
| Proceeds from/(Repayment of) Long-Term Borrowings | - | - |
| Increase/(Decrease) in Borrowings | (2,365,841.00) | 1,574,278.00 |
| Proceeds from/(Repayment of) Short-Term Borrowings | - | - |
| Proceeds from Pref. Share Capital | - | - |
| Finance Cost | - | - |
| Payment of Finance Lease Obligation | - | - |
| Dividends Paid to Equity Holders | - | - |
| Dividend Distribution Tax | - | - |
| Net Cash Flows From/(Used In) Financing Activities | (2,365,841.00) | 1,574,278.00 |
| Net Increase In Cash And Cash Equivalents(A+B+C) | 2,933,282.00 | 72,860.04 |
| Cash And Cash Equivalents At The Beginning Of The Year | 91,045.68 | 18,185.64 |
| Cash And Cash Equivalents At Year End | 3,024,327.68 | 91,045.68 |

As per our separate report of even date

for D.K.J. & ASSOCIATES

Chartered Accountants

(Firm Registration No.023749N)

023749N
D.K.Jain
Proprietor
Membership No. 864831

Place: New Delhi

Date: 12th Aug, 2019

For and on behalf of Board

Fanindra Biswal
Director
DIN : 08034992

Sanjay Chana
Director
DIN: 00292013

Seema Saraf
Company Secretary

Ghansh Chand
CFO

Company Information and Significant Accounting Policies

A. Company Information:

LALIT POLYMERS & ELCTRONICS LIMITED (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and trading of Equity shares of the company are suspended. The Company is incorporated on 18/08/1984. The Company is mainly engaged in trading of GRP Pipes & other products.

B. Basis of Preparation

1. Statement of Compliance

The financial statements are prepared on realizable basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable), applicable provisions of the Companies Act, 1956.

Basis of measurement/Use of Estimates

- (i) The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities that are measured at fair value. The methods used to measure fair values are discussed in notes to financial statements.
- (ii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized

2. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Thousand (upto two decimals), except as stated otherwise.

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS.



1. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets including deferred tax asset are classified as non-current.

A liability is current when:

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

All other liabilities including deferred tax liability are classified as non-current.

2. Property Plant & Equipment

2.1. Initial recognition and measurement

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

During the year company doesn't have any fixed assets.

2.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in Statement of Profit and Loss as incurred.

2.3. Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with



the carrying amount of Property, Plant and Equipment, are recognized in the Statement of Profit and Loss.

2.4. Depreciation/Amortization

Depreciation is recognized in Statement of Profit and Loss on a Straight line method basis over the estimated useful lives of each part of an item of Property, Plant and Equipment. Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Assets costing up to Rs. 5,000/- are fully depreciated in the year of acquisition.

Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a Property, Plant and Equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

For charging depreciation falling useful life is considered based as per Schedule II of the Companies Act, 2013.

3. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

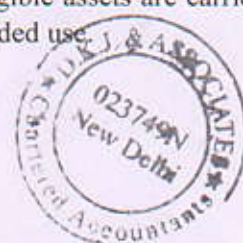
4. Intangible assets and Intangible Assets under Development

4.1. Initial recognition and measurement

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

4.2. Derecognition



An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

4.3. Amortization

Intangible assets having definite life are amortized on straight line method in their useful lives. Useful life of computer software is estimated at 3 years. If life of any intangible asset is indefinite then it is not amortized and tested for Impairment at the reporting date.

5. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are charged to revenue as and when incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

6. Inventories

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

- (i) The cost of raw materials, stores, components at factories are taken at weighted average rate, after providing for obsolescence.
- (ii) The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation on Property, Plant and Equipment. The cost of work in process is taken at material cost and stage-wise overhead cost including depreciation on Property, Plant and Equipment.

Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

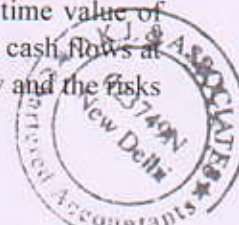
During the year company doesn't have any inventories i.e. Raw material, Store & Spares, Finish & WIP goods.

7. Cash and Cash Equivalent

Cash and cash equivalent in the Balance Sheet comprises cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

8. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks



specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

No contingent asset is recognized but disclosed by way of notes to accounts only when its recognition is virtually certain.

9. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

10. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable and taking into account contractually defined terms of payment. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with dispatch. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable including excise duty, net of returns and allowances, trade discounts and volume rebates.

Rendering of services



Revenue in respect of work contracts, execution of which is spread over different accounting periods, is recognized on the basis of percentage of completion method in accordance with Ind AS 11- 'Construction Contracts'. As per this method, the revenue is recognized in proportion to the actual cost incurred as against the total estimated cost of the project under execution with the company. Difference between costs incurred plus recognized profit/ less recognized losses and the total amount of progress billings is treated as Work-in-Progress.

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

The company has adopted "percentage of completion method" for working out profit/loss on works contracts undertaken to comply with the guidelines stated in Ind AS 11.

An expense which may occur during warranty period will be charged to Statement of Profit and Loss in the year of occurrence only.

Interest Income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividend

Dividend Income is recognized when the Company's right to receive is established which generally occurs when the shareholders approve the dividend except in case of inter dividend.

Other Income

Other income is recognized in the Statement of Profit and Loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

11. Employee Benefits

11.1. Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

11.2. Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:



11.2.1. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation.

11.2.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. Leave Encashment is payable at the end of the employment is also a post employment defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

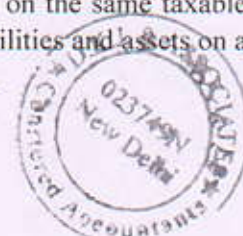
The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

12. Income Taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.



Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets 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.

Minimum Alternative Tax credit (MAT Credit) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

13. Impairment of Non-financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount (higher of its fair value less costs to disposal and its value in use) is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in previous years are assessed at each reporting date. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

14 Operating Segments

In accordance with Ind AS 108 – 'Operating Segments', the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. For management purpose company is organized into major operating activity of Trading of GRP Pipes.

15 Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

16 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.



17 Earnings Per Share

Basic Earnings per Equity Share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

18 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.

19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI



Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However the company may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments in subsidiaries and joint ventures are measured at cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance



- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value on the reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains



or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

a) Cash flow hedge

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedge reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

b) Fair Value Hedge

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss.

D. Major Estimates made in preparing Financial Statements

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

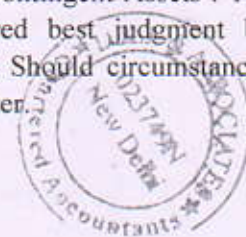
The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and is adjusted prospectively, if appropriate.

2. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

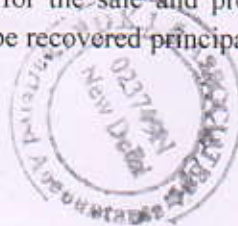
3. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter



4. Asset Held for Sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.



LALIT POLYMERS & ELECTRONICS LTD

NOTES FORMING PART OF AUDITED BALANCE SHEET AS AT 31st July, 2019

Regd. Office A-9-A, GREEN PARK MAIN, NEW DELHI - 110016

CIN- L32109DL1984PLC316708, Web: www.lalitpolymers.com, Email: cs_lpel@kanoria.org, phone No. 011-26961849, Fax 011-26961358

(In Rs.)

| Particulars | As at 31st July, 2019 | As at 31st March, 2019 |
|--|--------------------------|---------------------------|
| Non Current Assets | | |
| Note 2 - Fixed Assets | | |
| (a) Property, Plant & Equipment | - | - |
| (b) Capital Work In Progress | - | - |
| (c) Intangible Assets | - | - |
| Total | - | - |
| Financial Assets | | |
| Note - 3 - Investment | | |
| Total | - | - |
| Note- 4 - Others | | |
| Total | - | - |
| Note- 5 - Others Non Current Assets | | |
| Loans and Advances Unrelated Parties | - | 6291744.00 |
| Total | - | 6291744.00 |
| Current Assets | | |
| Note 6 - Inventories | | |
| a. Raw Materials | - | - |
| b. Finished Goods | - | - |
| Total | - | - |
| Financial Assets | | |
| Note 7- Trade Receivables | | |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | | |
| (Secured, considered good) | - | - |
| (Unsecured, considered good) | - | - |
| Total(A) | - | - |
| Trade receivables outstanding for a period more than six months from the date they are due for payment | | |
| (Secured, considered good) | - | - |
| (Unsecured, considered good) | - | - |
| Total(B) | - | - |
| Total (A+B) | - | - |



| Particulars | As at 31st July, 2019 | As at 31st March, 2019 | |
|---|---|---|-----------------------------------|
| Note 8 - Cash and Cash Equivalents | | | |
| Cash on hand | 390.00 | 390.00 | |
| Total | 390.00 | 390.00 | |
| Note 9- Bank balances | | | |
| HDFC Bank Ltd. | 3012543.48 | 11904.48 | |
| Punjab National Bank | 11394.20 | 78751.2 | |
| Fixed Deposit | - | - | |
| Total | 3023937.68 | 90655.68 | |
| Note 10 - Loans | | | |
| Loans and Advance to Unrelated parties | - | - | |
| Total | - | - | |
| Note 11 - Other Advances | | | |
| Advance Paid to Suppliers | - | - | |
| Total | - | - | |
| Note 12 - Other Current Assets | | | |
| Others Receivables | 388069.22 | 241096.34 | |
| Total | 388069.22 | 241096.34 | |
| | | (In Rs.) | |
| Particulars | As at 31st July, 2019 | As at 31st March, 2019 | |
| Note 13 - Share Capital | | | |
| Authorized : | | | |
| 80,00,000 Equity Shares of Rs. 10/- each (Previous year No. of Shares 80,00,000) | 80000000.00 | 80000000.00 | |
| 150000 5% Redeemable Preference Share @100/- each (Previous year No. of Shares Nil) | 15000000.00 | - | |
| | 95000000.00 | 80000000.00 | |
| Issued, Subscribed and Paid-up : | | | |
| 60,00,000 Equity Shares of Rs. 10/- each fully paid up in cash (Previous year No. of Shares 60,00,000) | 60000000.00 | 60000000.00 | |
| TOTAL | 60000000.00 | 60000000.00 | |
| The reconciliation of the number of Equity shares outstanding is set out below : | | | |
| Particulars | As at 31st July, 2019 No. of Shares | As at 31st March 2019 No. of Shares | |
| Equity Shares at the beginning of the year | 6000000 | 6000000 | |
| Add: Shares issued during the year | - | - | |
| Less: Shares cancelled during the year | - | - | |
| Equity Shares at the end of the year | 6000000 | 6000000 | |
| The reconciliation of the number of 5% Redeemable Preference shares outstanding is set out below : | | | |
| Particulars | As at 31st July, 2019 No. of Shares | As at 31st March 2019 No. of Shares | |
| 5% Redeemable Preference Shares at the beginning of the year | - | - | |
| Add: 5% Redeemable Preference Shares issued during the year | 130,000.00 | - | |
| Less: 5% Redeemable Preference Shares cancelled during the year | - | - | |
| 5% Redeemable Preference Shares at the end of the year | 130000.00 | - | |
| Details of Equity Shares Holders Holding more than 5% Equity Shares | | | |
| Name of Share Holder | No of Shares Held as at 31.07.2019 | % of Shares Held as at 31.07.2019 | % of Shares Held as at 31.03.2019 |
| Landmark Dealers Pvt.Ltd. (Previous Year 3218696 shares) | 3218696 | 53.64 | 53.64 |
| Details of 5% Redeemable Preference Shares Holders Holding more than 5% Shares | | | |
| Name of Share Holder | No of Shares Held as at 31.07.2019 | % of Shares Held as at 31.07.2019 | % of Shares Held as at 31.03.2019 |
| Landmark Dealers Pvt.Ltd. (Previous Year Nil) | 39000 | 30.00 | - |
| Alok Fintrade Pvt. Ltd. (Previous Year Nil) | 44000 | 33.85 | - |
| Ganga Projects Pvt. Ltd. (Previous Year Nil) | 34000 | 26.15 | - |
| Anchal Fintrade Pvt. Ltd. (Previous Year Nil) | 13000 | 10.00 | - |



LALIT POLYMERS & ELECTRONICS LTD

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CIN: L32102DL1964PLC316708, Web: www.lalitpolymers.com, Email: ca_lpe@kanira.org, phone No. 011-26961849, Fax 011-26961358

NOTES FORMING PART OF AUDITED BALANCE SHEET AS AT 31st July, 2019

(In Rs.)

| Particulars | As at 31st July, 2019 | As at 31st March, 2019 |
|--|--------------------------|---------------------------|
| Note 14 - Other Equity (Reserves & Surplus) | | |
| <u>Special Capital Reserve</u> | | |
| Opening Balance | - | - |
| Add: Additions/(Deletions) during the year | - | - |
| Closing balance | A | |
| <u>Surplus</u> | | |
| Opening Balance | (68,838,245.98) | (67,572,405.25) |
| Add: Profit/(loss) after tax during the year | (880,654.12) | (1,265,840.73) |
| Adjustments | - | - |
| Closing balance | B | (68,838,245.98) |
| TOTAL | (A+B) | (68,838,245.98) |
| Note - 15- Non Current Financial Liabilities - Borrowings | | |
| <u>Secured</u> | | |
| <u>Term loans</u> | | |
| -From banks | - | - |
| -From others | - | - |
| <u>Unsecured</u> | | |
| (i) <u>Term loan</u> | | |
| -From banks | - | - |
| -From others | - | - |
| (ii) Loans and advances from related parties | | 15365841.00 |
| (iii) Other loans and advances | 13000000.00 | - |
| (iv) 130000 5% Redeemable Pref.Share @100/- each | 13000000.00 | 15365841.00 |
| Total | 13000000.00 | 15365841.00 |
| Note- 16 - Other Financial Liabilities | | |
| <u>Outstanding Liabilities</u> | - | - |
| <u>Statutory Dues</u> | - | - |
| Total | - | - |
| Note- 17 - Defered Tax Liabilities | | |
| Total | - | - |
| Note - 18 Non Current Provision | | |
| <u>Provision for Leave</u> | - | - |
| <u>Provision for Gratuity</u> | - | - |
| Total | - | - |



| Particulars | As at 31st July, 2019 | As at 31st March, 2019 |
|--|--------------------------|---------------------------|
| Current Financial Liabilities | | |
| Note - 19 Borrowings | | |
| Working capital loans from banks | - | - |
| Bills purchase limit | - | - |
| Stand by line of credit (SLC) | - | - |
| Total | - | - |
| Note 20 - TRADE PAYABLES | | |
| Micro, Small and Medium Enterprises | - | - |
| Other than Micro, Small and Medium Enterprises | - | - |
| Total | - | - |
| Note 21 - Other Current Financial Liabilities | | |
| Current maturities of long-term debt | - | - |
| Interest accrued but not due on borrowings | - | - |
| Other payables | 125696.00 | 39303 |
| Total | 125696.00 | 39303 |
| Note 22 - OTHER CURRENT LIABILITIES | | |
| Statutory dues | 5601.00 | 56988.00 |
| Advance against Sales | - | - |
| Total | 5601.00 | 56988.00 |
| Note 23 Current Provisions | | |
| Provision for Leave | - | - |
| Provision for Gratuity | - | - |
| Provision for Income tax | - | - |
| Total | - | - |



B

LALIT POLYMERS & ELECTRONICS LTD

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CIN- L32109DL1984PLC316706, Web: www.lalitpolymers.com, Email: cs_lpel@kanoria.org, phone No. 011-26961848, Fax 011-26961358

NOTES FORMING PART OF AUDITED PROFIT & LOSS ACCOUNT AS AT 31st July,2019

(In Rs.)

| Particulars | For the period ended on 31st July,2019 | For the year ended on 31st March, 2019 |
|--|---|---|
| Note 24 - Revenue from Operations | | |
| Sales | - | - |
| Jobwork Charges | - | - |
| Total | - | - |
| Note 25- Other Income | | |
| Sundry Balance W/off | - | 194270.83 |
| Interest Received | - | - |
| Total | - | 194270.83 |
| Note 26 - Cost of Materials Consumed | | |
| Raw Materials | | |
| Opening Stock | - | - |
| Purchases | - | - |
| Less: Sale | - | - |
| Less: Closing Stock | - | - |
| Total | - | - |
| Consumables (Consumed in the year of purchases) | | |
| Total | - | - |
| Note 27 - Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | | |
| Opening Stock of Finished Goods | - | - |
| Less: Closing Stock of Finished Goods | - | - |
| Total | - | - |
| Note 28 - Employee benefit expense | | |
| Salary & Wages | 60000.00 | 69000 |
| Employee Benefits | - | - |
| Total | 60000.00 | 69000 |
| Note 29 - Financial costs | | |
| Interest Expense | - | 230.00 |
| Bank Charges | 5487 | 15696.96 |
| Total | 5487 | 15926.96 |
| Note 30 - Other expenses | | |
| Auditors' Remuneration | 30,000.00 | 30,000.00 |
| Manufacturing Expenses | - | - |
| Advertisement Exp. | 11272.00 | 30400.60 |
| Administrative Expenses | 540995.12 | 582176.00 |
| Fees & Subscription | - | 534800.00 |
| Consultancy Expenses | 232900.00 | 197808.00 |
| Total | 815167.12 | 1375184.60 |

As per our separate report of even date

for D K J & ASSOCIATES

Chartered Accountants

(Firm Registration No.023749N)



023749N

New Delhi


(D.K.Jam) Proprietor

Membership No. 084831

Place: New Delhi

Date: 12th Aug, 2019

For and on behalf of Board


 Kapendra Biswal Sanjay Chana
 Director Director
 DIN -08034992 DIN:00292013


 Seema Saraf Dinesh Chand
 Company Secretary CFO



LALIT POLYMERS & ELECTRONICS LIMITED

CIN- L320109PN1984PLC033783

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY, 2019

Note 31 - Contingent Liabilities

Nil

Note 32

The Company is engaged in the business of manufacturing of GRP Pipe & other Products, which as per Accounting Standard -17 and in the opinion of the management, is considered to be the only reportable business segment. The geographical segmentation is not relevant.

Note 33- Disclosure in respect of Related Parties pursuant to Accounting Standard-18

List of Related Parties

| <u>DISCLOSURE</u> | <u>RELATED PERSON</u> |
|--|--|
| A. Key Managerial Personnel | i) Shri Sanjay Chana, Director ii) Shri Munna Lal Goyal, Director iii) Shri Fanindra Biswal, Director iv) Ms. Seema Saraf, Co. Secretary v) Shri Dinesh Chand CFO vi) Shri Kuldeep Goyal, Manager |
| B. Name of Related Enterprises in which Directors are Interested | Nil |

(Rs. in lacs)

| Disclosure of transactions with Related Parties | A | B |
|---|---|---|
| i. Purchase of goods | - | - |
| ii. Sale of goods | - | - |
| iii. Remuneration paid | - | - |
| Iv. Out of Pocket Expenses | - | - |
| v. Amount Paid | - | - |
| Vi Amount Received | - | - |

Note 34

Debit/Credit Balances in Parties Account are subject to confirmation.

Note 35- Micro, Small & Medium Scale business entities

There are Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st July, 2019. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, and have been determined



B

LALIT POLYMERS & ELECTRONICS LIMITED

CIN- L320109PN1984PLC033783

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY, 2019

to the extent such parties have been identified on the basis of information available with the Company. The outstanding dues which are more than 45 days old amounting to Rs NIL (Previous Year Rs.NIL) .

Note 36

Interest paid to others is Rs. Nil (Previous year Rs.230/-). Tax deducted at source on interest is Rs. Nil (Previous year Rs.Nil)

Note 37

In the opinion of the management, all the Current Assets, Loans & Advances have a value on realization in the ordinary course of business equal to an amount at which they are stated.

Note 38 - Tax Assessment

Liability, if any, arises on completion of pending assessment in respect of VAT, Service Tax, Income Tax,GST,TDS etc. will be provided in the year of completion of such assessment.

Note 39 – Earning per Share

| | Current Period | Previous Year |
|--|----------------|---------------|
| Profit attributable to Equity Shareholders | (880654) | (1265841) |
| No. of Equity Shares | 60,00,000 | 60,00,000 |
| Nominal Value of Equity Shares(Rs.) | 10.00 | 10.00 |
| Earnings per share (Annualized)(Rs.) | (0.15) | (0.21) |

5% Redeemable Preference Shares

| | Current Period | Previous Year |
|--|----------------|---------------|
| Profit attributable to 5% Redeemable Preference Shareholders | | |
| No. of 5% Redeemable Preference Shares | 1,30,000 | - |
| Nominal Value of Equity Shares(Rs.) | 100 | - |

During the period under consideration the company has issued 1,30,000 5% redeemable Preference Shares of face value of Rs. 100/- each of Rs. 130 lakhs. No provision towards dividend payable to redeemable preference shares have been made in the books of accounts. Board of Directors have approved filing of an application for Winding up of the company.



LALIT POLYMERS & ELECTRONICS LIMITED

CIN- L320109PN1984PLC033783

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY, 2019

Note 40

The Board of Directors of the Company on 06.08.2019 approved the Voluntary Winding up of the affairs of the Company under section 59 and other applicable provisions of IBC, 2016, read with the Insolvency And Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 ("VLP, 2017") made thereunder, subject to approval of shareholders in the ensuing general meeting; Therefore the company is not a going concern.

Note 41

Consequent to the Notification under the Company's Act, 2013; the Financial Statements for the period ended on 31st July, 2019 are prepared under the Schedule III of the Companies Act, 2013.

Note 42 – Foreign Exchange Earning and Outgo

There were no export earnings and foreign exchange out flow during the year Rs. Nil (Previous year Rs. Nil).

Note 43

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

As per our Report of even date attached

For D K J & Associates

Firm Registration No. 023749N

Chartered Accountants



Proprietor

M.No.084831

Place: New Delhi

Date: 12th Aug, 2019

For and on behalf of Board


Seema Saraf
Company Secretary


Dinesh Chand
CFO


Fanindra Biswal
Director
DIN-08034992


Sanjay Chana
Director
DIN-00292013

