

## FINE-LINE CIRCUITS LTD.

**Vision:-**

A Globally Respected Performance Driven Growing Manufacturer.

**Mission:-**

A Solutions provider to the various Electronic Interconnect needs of Circuit, Material, Delivery & Volumes.

**Goal:-**

All types of PCBs Delivered Rapidly in small to medium volume for high Reliability Applications.

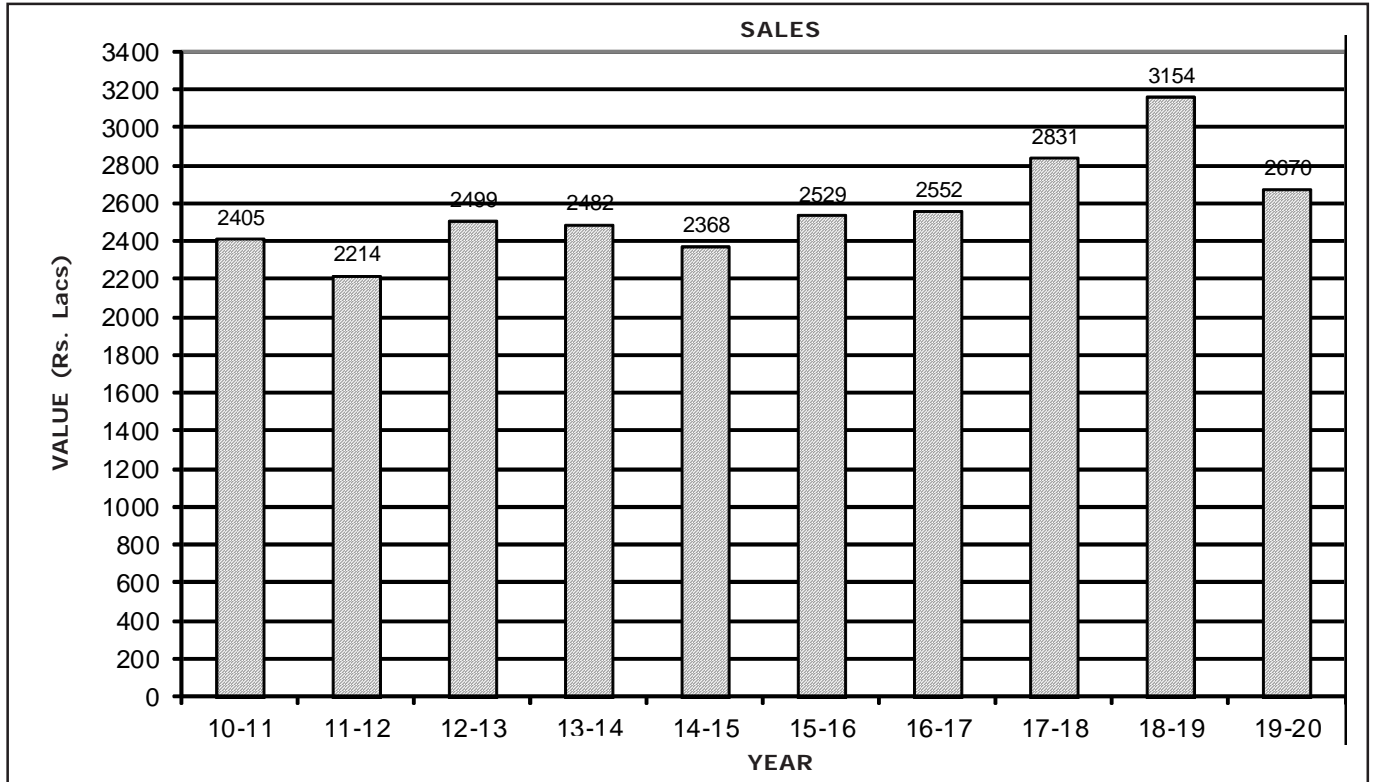
**Strategy:-**

On an ongoing basis the management will fulfill this vision by continuously improving the Company by making it:

Predictable Via	Sustainable Via	Profitable Via	Scalable Via
1. Listening to & responding to Customers, Suppliers & Stakeholders	1. Creating wealth & sharing it fairly with each stakeholders	1. Continuously increasing the value proposition to the customer	1. Upon reaching certain Critical Mass & Team Strength we will scale up.
2. Constant Diversification of markets in terms of Geography, Industries & Customers	2. Conducting business with integrity & professionalism & financial prudence & Social responsibility	2. Continuously improving the quantum & velocity throughput of a high variety mix with low inventory & controlled operating costs.	
3. Vigorous Employee interaction & issue resolution & Allowing everybody to work within a framework freely	3. Constant Technology growth focus & Actively Innovate on process, Capability & Product Range.	3. Constant cost reduction with special focus on Rejection reduction & Energy conservation & Water conservation.	
4. Paying attention to detail & executing efficiently	4. Constant efforts at Derisking the business & Deskillling the work.	4. Continuously increasing productivity with efficiently coordinated efforts & automation.	
5. Exceedingly strong sales team & order loading on the plant	5. Continuously generating a Talent Pipeline with good role clarity & functional competency with empowerment.	5. Continuously increasing panel capacity, panel utilization & panel size & panel complexity & panel layer count.	
6. Over communicate with Transparent information	6. International Approvals (ISO, TS, JSS)	6. Delivering Innovative & Competitive new products.	

### COMPANY ASPIRATION

Our Aspiration for Fine-Line is to be a Respected, Growing, Performance driven, High Quality, Manufacturer, Exporter "Pleasing Customers 100%" Providing All types of PCBs Delivered Rapidly in small to medium volume for high Reliability Applications



### AT A GLANCE (Rs. In Lacs)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>SALES &amp; EARNINGS</b>										
Sales	2405	2214	2499	2482	2368	2529	2552	2831	3154	2670
PBDT	84	(186)	73	76	50	72	84	95	97	71
<b>ASSETS &amp; LIABILITIES</b>										
Gross Fixed Assets	1681	1758	1773	1774	1647	1687	1767	1808	1849	1857
Net Fixed Assets	291	328	312	280	317	298	386	357	334	290
Net Current Assets	871	779	933	844	890	1079	990	1228	1437	1277
<b>REPRESENTED BY</b>										
Net Worth	922	644	652	673	677	685	690	702	726	734
Share Capital	483	483	483	483	483	483	483	483	483	483
Reserves	439	161	169	190	194	202	207	219	243	251
Borrowings	0	0	139	57	140	280	309	428	648	581
<b>RATIOS</b>										
Acid Test Ratio	0.8	0.4	0.5	0.7	0.6	0.6	0.5	0.5	0.4	0.5
Total Liability to Net Worth	0.3	0.4	0.5	0.4	0.4	0.5	0.5	0.6	0.6	0.6
Sales to Net Fixed Assets	8.3	6.8	8.0	8.9	7.5	8.5	6.6	7.9	9.4	9.2

**CIRCUITS LIMITED**
**CORPORATE INFORMATION**
**30th ANNUAL GENERAL MEETING ( AGM )**

Date : 26th September, 2020  
 Day : Saturday  
 Time : 11:00 a.m.  
 through Video Conferencing (VC) /  
 Other Audio-Visual Means ('OAVM')

**REGISTERED OFFICE**
**CIN :L72900MH1989PLC131521**

145, SDF - V, Seepz (SEZ),  
 Andheri (East),  
 Mumbai - 400 096.  
 Tel. # 91 22 28290244 Fax # 91 22 28292554

**AUDITORS**

**Ratanghaya & Co.**  
 Chartered Accountants

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s Universal Capital Securities Pvt. Ltd.  
 (Formerly Known as Mondkar Computers Pvt. Ltd.)  
 21, Shakil Niwas, Opp. Satyasaibaba Temple,  
 Mahakali Caves Road, Andheri (East),  
 Mumbai - 400 093.  
 Tel : 91 22 2820 7203/04/05 / 2836 6620  
 Fax: 91 22 2820 7207  
 Email: khade@unisec.in / info@unisec.in

**Nodal Officer :**

Name: Mr. Indrajeet Panday  
 Designation: Company Secretary  
 Address: Fine-Line Circuits Ltd.  
 145, SDF-V, Seepz, Andheri(E),  
 Mumbai-400096  
 Telephone No: 022-28290244 / 245  
 Email id: ipanday@finelineindia.com

**BOARD OF DIRECTORS**
**EXECUTIVE DIRECTORS**

Bhagwandas T. Doshi (DIN - 00040596)  
 Executive Chairman (Resigned wef 30.04.2020)  
 Abhay B. Doshi (DIN - 00040644) Managing Director  
 Rajiv B. Doshi (DIN - 00651098) Executive Director

**NON - INDEPENDENT DIRECTORS**

Dr. U. Nimmagadda (DIN - 00613289)  
 Gautam B. Doshi (DIN - 00328854)

**INDEPENDENT DIRECTORS**

Prof. Juzer Vasi (DIN - 00040682)  
 R. M. Premkumar (DIN - 00328942)  
 Apurva R. Shah (DIN - 00004781)  
 Kumudini K. Mehta (DIN - 03191065)  
 Jayesh K. Rambhia (DIN - 2049473)

**AUDIT COMMITTEE**

Apurva R. Shah (DIN - 00004781)	Chairman
R. M. Premkumar (DIN - 00328942)	Member
Kumudini K. Mehta (DIN - 03191065)	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Kumudini K. Mehta (DIN - 03191065)	Chairman
Prof. Juzer Vasi (DIN - 00040682)	Alternative Chairman
Abhay B. Doshi (DIN - 00040644)	Member
Rajiv B. Doshi (DIN - 00651098)	Member

**NOMINATION & REMUNERATION COMMITTEE**

R. M. Premkumar (DIN - 00328942)	Chairman
Apurva R. Shah (DIN - 00004781)	Member
Prof. Juzer Vasi (DIN - 00040682)	Member

**CHIEF FINANCIAL OFFICER COMPANY SECRETARY**

Prema Radhakrishnan	Indrajeet Panday (w.e.f. 14.02.2020)
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## **NOTICE**

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of FINE-LINE CIRCUITS LIMITED will be held through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') on Saturday, September 26, 2020 at 11:00 a.m.(IST) 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 March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Upendranath Nimmagadda(DIN:00613289), who retires by rotation and being eligible, offers himself for re-appointment and in that respect to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT Shri. Upendranath Nimmagadda (DIN: 00613289) who retires by rotation and being eligible, offers himself for re- appointment be and is hereby reappointed as Director of the Company.

FURTHER RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time, consent of the members be and is hereby accorded for continuation of Directorship of Shri. Upendranath Nimmagadda (DIN: 00613289) as a Non-Executive Non-Independent Director of the Company despite attaining the age of 75 years and more.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board**

**Abhay Doshi**  
Managing Director  
DIN: 00040644

### **Registered Office:**

145, SDF-V, Seepz-SEZ,  
Andheri (East), Mumbai - 400096  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244  
E-mail: [fineline@fineline.co.in](mailto:fineline@fineline.co.in),  
Website [www.finelineindia.com](http://www.finelineindia.com)  
Date: June 30, 2020

### **NOTES:**

1. In view of the global outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated 5<sup>th</sup> May 2020 read with General Circulars Nos. 14/2020 dated 8<sup>th</sup> April 2020 and 17/2020 dated 13<sup>th</sup> April 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Further the Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020 ('SEBI Circular') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, SEBI Circular, the AGM of the Company is being held through VC/OAVM.
2. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to business for item no. 2 and the relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.
4. Institutional Members are encouraged to attend and vote at this AGM through VC/OAVM. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM or vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by

email through its registered email address to [scrutinizer.finelineindia@gmail.com](mailto:scrutinizer.finelineindia@gmail.com) with a copy marked to Company at the email address viz: [lpanday@finelineindia.com](mailto:lpanday@finelineindia.com).

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In compliance with the MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.finelineindia.com](http://www.finelineindia.com) and website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice and Annual Report 2019-20 is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. <https://www.evotingindia.com>.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. The Register of Members and the Share Transfer books of the Company will be closed from Sunday, September 20, 2020 to Saturday, September 26, 2020 both days inclusive.
10. Benefits of Dematerialization:

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides risks associated with physical certificates such as forged transfer, fake certificates, bad deliveries, loss of certificates in transit, get eliminated. Since there are several benefits arising from dematerialization, we sincerely urge you to dematerialize your shares at the earliest, if you are still holding the shares in physical form.

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, "Universal Capital Securities Pvt. Ltd." for assistance in this regard.

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name and email address, etc., to their Depository Participants only and not to Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar & Share Transfer Agents, Universal Capital Securities Pvt. Ltd.

SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Universal Capital Securities Pvt. Ltd.

Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to Universal Capital Securities Pvt. Ltd., the details of such folios together with the share certificates and self-attested copies of PAN card of the holders for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form is enclosed herewith and is also available for download on the Company's website [www.finelineindia.com](http://www.finelineindia.com). Members are requested to submit the said form to Universal Capital Securities Pvt. Ltd. at [info@unisec.in](mailto:info@unisec.in), in case the shares are held in physical form and Members holding shares in electronic form are requested to contact their respective Depository Participants for the same.
13. At the Twenty-Eighth AGM held on September 29, 2018 the members approved appointment of M/s. Ratanghayara & Co, Chartered Accountants (Membership No. 103325 / Firm Registration No. 117626W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-third AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Thirtieth AGM.

14. Members who wish to inspect the relevant documents referred to in the Notice can send an email to [lpanday@finelineindia.com](mailto:lpanday@finelineindia.com) up to date of this Meeting.

**15. Registration of e-mail address permanently with Company/Depository Participant:**

To support 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their concerned Depository Participants, in respect of electronic holding and with Company's Registrar & Share Transfer Agents, Universal Capital Securities Pvt. Ltd., in respect of physical holding. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their Depository Participants/ Company's RTA to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

16. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The facility of casting votes by a member using remote e-voting system before the Meeting as well as remote e-voting during the AGM, will be provided by CDSL.

17. The remote e-voting period commences on Wednesday, 23<sup>rd</sup> September, 2020 (9.00 a.m. IST) and ends on Friday, 25<sup>th</sup> September, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut off date i.e. Saturday, 19<sup>th</sup> September, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently. The voting rights of Members (for voting through remote e-voting before the AGM and e-Voting during the AGM) shall be in proportion to their shares held in the paid up equity share capital of the Company as on cut-off date i.e. Saturday, 19<sup>th</sup> September, 2020.

18. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM at the AGM, who have not already cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, will be eligible to exercise their right to vote during such proceedings of the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.

19. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as remote e-voting during the AGM. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the User ID and Password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

20. The Chairman shall, at the AGM allow voting by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility before the AGM. The remote e-voting module during the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.

21. Ms. Sarvari Shah (Membership No. FCS 9697) or failing her Mr. Mitesh Dhaliwala (Membership No. FCS 8331) of Parikh & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the remote e-voting prior to and during the AGM, in a fair and transparent manner.

22. The Scrutinizer shall, immediately after the conclusion of remote e-voting at the AGM, first count the votes cast during the Meeting, thereafter unblock the votes cast through remote e-voting before the Meeting and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

23. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.finelineindia.com](http://www.finelineindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the results are declared and the same shall be communicated to BSE Limited, where the shares of the Company are listed.

24. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM i.e. Saturday, 26<sup>th</sup> September, 2020.

25. Instructions for attending the AGM through VC/OAVM and remote e-voting (before and during the AGM) are given below:

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.



3. Further shareholders 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 by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [lpanday@finelineindia.com](mailto:lpanday@finelineindia.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [lpanday@finelineindia.com](mailto:lpanday@finelineindia.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Wednesday, September 23, 2020 at 9.00 a.m. IST and ends on Friday, September 25, 2020 at 5.00 p. m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, September 19, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "FINE LINE CIRCUITS LIMITED" on which you choose to vote.

- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like 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 [info@unisec.in](mailto:info@unisec.in)
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 [info@unisec.in](mailto:info@unisec.in)

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING 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 shareholders, who are 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 available during the AGM.
  3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
  4. Shareholders 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.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [scrutinizer.fineonlineindia@gmail.com](mailto:scrutinizer.fineonlineindia@gmail.com) and to the Company at the email address viz: [lpanday@fineonlineindia.com](mailto:lpanday@fineonlineindia.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-

23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board**

**Abhay Doshi**  
Managing Director  
DIN: 00040644

**Registered Office:**

145, SDF-V, Seepz-SEZ,  
Andheri (East), Mumbai - 400096  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244  
E-mail: [fineline@fineline.co.in](mailto:fineline@fineline.co.in),  
Website [www.finelineindia.com](http://www.finelineindia.com)  
Date: June 30, 2020

**ANNEXURE TO THE NOTICE**

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

**Item No. 2:**

As recommended by the Board of Directors of the Company Shri. Upendranath Nimmagadda shall retire at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment.

Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the listed entities to obtain approval of the shareholders by way of special resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years or more.

The Company had already passed the resolution at the 28<sup>th</sup> AGM on September 29, 2018 for continuation of directorship of Shri. Upendranath Nimmagadda in view of his age being more than 75 years.

However, since Shri. Upendranath Nimmagadda retires by rotation at this meeting and since he has already attained the age of 75 years, the Company is required to obtain approval of Members by way of special resolution for continuation of his directorship in the Company.

Shri. Upendranath Nimmagadda is concerned or interested in the respective resolution mentioned at Item No. 2 of the Notice relating to his own re-appointment as Non-Executive Director of the Company. None of the other Directors, Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the resolution mentioned at Item No. 2 of the Notice.

The Board recommends the Special Resolution set out at item no. 2 of the Notice for approval of members.

**By Order of the Board**

**Abhay Doshi**  
Managing Director  
DIN: 00040644

**Registered Office:**

145, SDF-V, Seepz-SEZ,  
Andheri (East), Mumbai - 400096  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244  
E-mail: [fineline@fineline.co.in](mailto:fineline@fineline.co.in),  
Website [www.finelineindia.com](http://www.finelineindia.com)  
Date: June 30, 2020

**BRIEF PARTICULARS/PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO THE PROVISIONS OF REGULATION 26(4) & 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND PARAGRAPH 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:**

<b>Name of the Director</b>	<b>Shri. Upendranath Nimmagadda</b>
DIN	00613289
Date of Birth	01 <sup>st</sup> September, 1942
Qualification	MD (a professional doctorate for surgeons and physicians)
Experience	Above 52 Years
Terms and Conditions of Re-appointment	As per Notice
Date of first appointment on the Board	10 <sup>th</sup> May, 1991
Shareholding in the Company	4,70,100 equity sharesHeld in the name of Late. Usharani Nimmagadda (wife of Shri. Upendranath Nimmagadda)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None
Other Directorships	Nil
Membership/Chairman-ship of Committees of other Boards	<ol style="list-style-type: none"> <li>1. National Republic Bank of Chicago</li> <li>2. American College of Surgeons</li> <li>3. Royal College of Surgeons of Canada</li> <li>4. India Medical Association of Illinois</li> <li>5. Association of American Physicians of India (AAPI)</li> <li>6. Past President and present Trustee of Hindu Temple of Greater Chicago</li> </ol>

For other details such as number of meetings attended during the year and remuneration drawn by the Directors, please refer to the Corporate Governance Report in the Annual Report.

## **BOARD'S REPORT**

*[Pursuant to Section 134(3) of the Companies Act, 2013]*

To

**The Members**

**FINE-LINE CIRCUITS LIMITED**

The Directors have pleasure in presenting the Thirtieth Annual Report together with the Financial Statements for the year ended on March 31, 2020.

**FINANCIAL RESULTS:**

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>2019-2020</b>	<b>2018-2019</b>
Revenue from Operations	2669.83	3153.67
Other Income	9.44	04.46
Profit Before Depreciation & Tax	71.46	96.52
Less: Depreciation	80.09	80.38
<b>Profit/(Loss) Before Tax</b>	<b>(8.63)</b>	<b>16.14</b>
Less: Provision for Taxation		
Current Tax	0.57	0.54
Deferred Tax	(0.50)	(0.80)
<b>Profit/(Loss) After Tax</b>	<b>(8.70)</b>	<b>16.40</b>
Other Comprehensive Income	16.82	7.66
<b>Total Comprehensive Income for the Year</b>	<b>8.11</b>	<b>24.05</b>
Surplus brought forward from Previous Year	<b>251.37</b>	<b>243.25</b>

### **OPERATIONS/ STATE OF COMPANY'S AFFAIRS**

During the year under review, Sales were Rs. 2669.83 as against Rs.3153.67 Lakhs during the corresponding previous year resulting in a profit of Rs. 8.11 Lakhs as against profit of Rs. 24.05 Lakhs for the previous year.

### **DIVIDEND**

To conserve the resources your Directors do not recommend dividend on the equity shares of the Company for the financial year 2019-20.

### **TRANSFER TO GENERAL RESERVES**

**Rs. 251.37 Lakhs** is proposed to be retained in the Profit & Loss A/c of the Company.

### **OUTLOOK**

Your Company's Outlook is Positive.

New Products and New markets have been the focus in the last few years and due to this we have added to our Product offering PCBs with new materials and surface finishes and exported to multiple new markets spread across 14 countries.

### **BUSINESS**

RF Microwave PCBs with special materials with special surface finishes and of special designs has resulted in good business growth and continues to show promise for the future. Further the company has put in place a New Product pipeline and this will augur well in the coming years. Also your company has identified fertile new markets to penetrate which will also augur well in the coming years whilst still being well rooted in its main markets of USA, Germany and India.

We can proudly say the company has come alive after a decade of struggle and slumber and is poised to rise to a higher level of performance.

### **MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report.

**IMPACT OF COVID-19**

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. In view of the evolving COVID-19 (Corona virus Disease 2019) situation and to comply with the directions of Government of India, the Company had temporarily shut down its Factory located in the state of Maharashtra. The Company switched to work from home policy for employees to work remotely and securely. This response has reinforced customer confidence in the Company and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

**NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

4 (Four) meetings of the Board of Directors were held during the year. Details of the Meetings of the board are referred in the Corporate Governance Report, which forms part of this report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri Bhagwandas Doshi (DIN: 00040596) resigned from his office as Whole-Time Director and Chairman of the Company with effect from April 30, 2020. The Board places on record their appreciation for the valuable contribution made by Shri Bhagwandas Doshi, during his tenure as the Whole-Time Director and Chairman of the Company.

Shri. Upendranath Nimmagadda (DIN: 00613289), Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Shri. Ravindra Joshi (Membership No: F1419) resigned as the Company Secretary and Compliance Officer of the Company with effect from January 15, 2020. The Board places on record the appreciation for the valuable contribution made by Shri. Ravindra Joshi, during his tenure as the Company Secretary and Compliance Officer of the Company.

Shri. Indrajeet Kumar Panday (ACS: A61135) was appointed as Company Secretary and Compliance Officer of the Company with effect from February 14, 2020. He was also appointed as the Nodal Officer of the Company.

**DECLARATION FROM INDEPENDENT DIRECTORS**

The Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("the Act") along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

**AUDIT COMMITTEE OF BOARD OF DIRECTORS**

The Audit committee of the Board of Directors of the Company consists of the following members:

1. Shri. Apurva Shah
2. Shri. R.M.Premkumar
3. Smt. Kumudini Mehta

**VIGIL MECHANISM**

The Company has formulated a Whistle Blower Policy to provide a mechanism ("Vigil Mechanism") for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Companies Act, 2013 and the revised Listing Regulations.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS**

The Remuneration Policy for Directors and Senior Management and the Criteria for selection of candidates for appointment as Directors, Independent Directors, Senior Management as adopted by the Board of Directors are placed on the website of the Company (<https://www.finelineindia.com/investors-relations/policies/criteria-for-selection-of-candidates-for-senior-management-and-members-on-the-board-of-directors/>). There has been no change in the policies since the last fiscal year. We affirm that the remuneration paid to the Directors is as per the terms laid out in the remuneration policy of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) 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;

- (iii) they have taken proper and sufficient care for 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 other irregularities;
- (iv) they have prepared the Annual Accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations
- Efficient use and safeguarding of resources
- Compliance with policies, procedures and applicable laws and regulations and
- Transactions being accurately reported and recorded timely
- The Company has budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

The Internal Auditor also regularly reviews the adequacy of internal financial control system.

#### **DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES**

The Company does not have any subsidiary/ joint ventures/ associates.

#### **EXTRACT OF ANNUAL RETURN**

As provided under sub Section (3) of Section 92 of the Act, the extract of annual return is enclosed, which forms part of the Boards' report as **Annexure I**. The same is available on (<https://www.finelineindia.com/investors-relations/policies/extract-of-annual-return/>)

#### **AUDITORS**

At the twenty-eighth AGM held on September 29, 2018 the members approved appointment of M/s. Ratanghaya & Co, Chartered Accountants (Membership No. 103325 / Firm Registration No. 117626W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-third AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditor for auditing the secretarial records of the Company for the financial year 2019-2020.

The Secretarial Auditors' Report is annexed as **Annexure II**.

#### **AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT**

The statutory auditors' report and secretarial auditor's report does not contain any qualifications, reservations or adverse remarks.

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

Information in accordance with Clause (m) of Sub-section (3) of Section 134 of the Act read with Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure III**.

#### **PARTICULARS OF EMPLOYEES**

Pursuant to Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed as **Annexure IV**.

#### **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORY / JUDICIAL AUTHORITY**

There are no significant or material orders passed by any regulator or court that would impact the going concern status of the Company and its future operations.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013.

**RISK MANAGEMENT POLICY**

The Board of Directors of the Company has framed a risk management policy and is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**RELATED PARTY TRANSACTIONS**

The Company has not entered into related party transactions as per Section 188 of the Act during the year and hence particulars of transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company.

**EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

An annual evaluation of the Board's own performance, Board committees and individual Directors was carried out pursuant to the provisions of the Act in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
1.	Each Individual Directors	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive Directors etc.
2.	Independent Directors	Entire Board of Directors excluding the Director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.
3.	Board, and its committees	All Directors	Board composition and structure; effectiveness of Board processes, information and functioning, fulfilment of key responsibilities, performance of specific duties and obligations, timely flow of information etc.  The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has not received any complaint of sexual harassment during the financial year 2019-2020.

**PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS**

During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company.

**MAINTENANCE OF COST RECORDS**

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company.



#### **DISCLOSURE REQUIREMENTS**

As per SEBI Listing Regulations, corporate governance report along with auditors' certificate thereon and a management discussion and analysis are attached, which forms part of this report.

Details of the familiarization program of the independent Directors are disclosed on the website of the Company (<https://www.fine-lineindia.com/investors-relations/policies/familiarisation-programme-for-independent-directors/>)

Policy on dealing with related party transactions is disclosed on the website of the Company (<http://www.fine-lineindia.com/about-us/Company-policies/policy-on-related-party-transactions/>)

#### **LISTING AGREEMENT AND LISTING FEES**

The Company entered into Listing Agreement with BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued on September 2, 2015 effective from December 1, 2015.

The Company has paid the listing fees to BSE Limited for the year 2020-2021.

#### **INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE**

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended is available on our website. (<http://www.fine-lineindia.com/about-us/code-of-conduct/>)

#### **SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENT**

We acknowledge our appreciation to our clientele and vendors for their invaluable support during the year.

We also place on record our deep appreciation for the contribution made by the staff and the contract workmen at all levels. Their contribution has in no small measure enabled the Company to remain competitive.

Grateful thanks are also due to SEEPZ-SEZ Authorities, for their continued support extended to the Company from time to time.

Shareholders' appreciation for the management's efforts in such competitive times, at the General Meeting of the Company will be of great fillip to strive for better performance in spite of severe competitive factors faced by the Company.

**On behalf of the Board of Directors,**

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

**Abhay Doshi**                      **Rajiv Doshi**  
**Managing Director**              **Wholetime Director**

## ANNEXURE I

A. **Extract of Annual Return as on Financial year ended 31.03.2020 [Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 7.10(1)]**I. **Registration and other details:**

i.	CIN Number of the Company:	<b>L72900MH1989PLC131521</b>
ii.	Registration Date:	<b>09.10.1989</b>
iii.	Name of the Company:	<b>FINE-LINE CIRCUITS LIMITED</b>
iv.	Category/ Sub-category of the Company:	Public Company Limited by Shares/Indian Non-Government Company
v.	Address of Registered office and contact details:	145, SDF-V, SEEPZ-SEZ, ANDHERI (EAST), MUMBAI – 400096
vi.	Whether listed Company:	Yes
vii.	Name, Address and contact details of Registrar and Transfer Agent :	M/s Universal Capital Securities Pvt. Ltd. (Formerly Mondkar Computers Pvt. Ltd) 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai 400093 Tel: 91-22 2825 7641, 91-22 2820 7203-05. Fax: 2 820 7207 Email: <a href="mailto:info@unisec.in">info@unisec.in</a>

II. **Principal Business Activity of the Company:**

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

Sr. No.	Name and Description of main products/ services	NIC Code of the product/ service	Percentage to total turnover of the company
1.	Printed Circuits Boards	HSN # 8534.00	100%

III. **Particulars of Holding, Subsidiary and Associate Companies:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Percentage of shares held	Applicable Section
			NIL		

IV. **Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)**i. **Category wise shareholding:**

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2019)				No of shares held at the End of the year (as on 31.03.2020)				%Change during the year (9-5)
	Demat	physical	Total	% of total shares	Demat	physical	Total	% of total shares	
1	2	3	4	5	6	7	8	9	10
<b>Promoters</b>									
<b>Indian</b>									
Individuals / Hindu Undivided Family	1125334	0	1125334	23.41%	1125334	0	1125334	23.41%	0.00%
Central Government	0	0	0	0.00%	0	0	0	0.00%	0.00%
State Governments(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Bodies Corporate	301695	0	301695	6.28%	301695	0	301695	6.28%	0.00%
Financial Institutions / Banks	0	0	0	0.00%	0	0	0	0.00%	0.00%
HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
Directors & their relatives	0	0	0	0.00%	0	0	0	0.00%	0.00%
Clearing Member	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-Total (A) (1)</b>	<b>1427029</b>	<b>0</b>	<b>1427029</b>	<b>29.68%</b>	<b>1427029</b>	<b>0</b>	<b>1427029</b>	<b>29.68%</b>	<b>0.00%</b>

<b>Foreign</b>									
Non-Resident Individuals	223100	0	223100	4.64%	223100	0	223100	4.64%	0.00%
Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
Bodies Corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
Any Other (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-Total (A) (2)</b>	<b>223100</b>	<b>0</b>	<b>223100</b>	<b>4.64%</b>	<b>223100</b>	<b>0</b>	<b>223100</b>	<b>4.64%</b>	<b>0.00%</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>1650129</b>	<b>0</b>	<b>1650129</b>	<b>34.32%</b>	<b>1650129</b>	<b>0</b>	<b>1650129</b>	<b>34.32%</b>	<b>0.00%</b>
<b>Public Shareholding</b>									
<b>Institutions</b>									
Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
Financial Institutions / Banks	0	100	100	0.00%	0	100	100	0.00%	0.00%
Central Government	0	0	0	0.00%	0	0	0	0.00%	0.00%
State Governments(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
Foreign Institutional Investors	0	0	0	0.00%	0	0	0	0.00%	0.00%
Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
Any Other (Specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0.00%</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Non-Institutions</b>									
<b>Bodies Corporate</b>									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Individuals</b>									
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	751091	910880	1661971	34.57%	723307	899780	1623087	33.76%	0.81%
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	719553	0	719553	14.97%	765541	0	765541	15.92%	-0.96%
Any Other (Specify)	8033	8500	16533	0.34%	7468	8500	15968	0.33%	0.01%
NBFC registered with RBI/Trusts/									
<b>Bodies Corporate</b>									
Clearing Member	914	0	914	0.02%	500	0	500	0.01%	0.01%
MARKET MAKER	0	0	0	0.00%	0	0	0	0.00%	0.00%
Non Resident Indians	26133	544700	570833	11.87%	544700	24827	569527	11.85%	0.03%
HUF	187753	0	187753	3.91%	182934	0	182934	3.80%	0.10%
Directors & their relatives	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B) (2)</b>	<b>1693477</b>	<b>1464080</b>	<b>3157557</b>	<b>65.68%</b>	<b>2224450</b>	<b>933107</b>	<b>3157557</b>	<b>65.68%</b>	<b>0.00%</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>1693577</b>	<b>1464180</b>	<b>3157757</b>	<b>65.68%</b>	<b>2224450</b>	<b>933207</b>	<b>3157657</b>	<b>65.68%</b>	<b>0.00%</b>
<b>TOTAL (A) + (B)</b>	<b>3343706</b>	<b>1464180</b>	<b>4807886</b>	<b>100.00%</b>	<b>3874579</b>	<b>933207</b>	<b>4807786</b>	<b>100.00%</b>	<b>0.00%</b>
Shares held by Custodians Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>3343706</b>	<b>1464180</b>	<b>4807886</b>	<b>100.00%</b>	<b>3874579</b>	<b>933207</b>	<b>4807786</b>	<b>100.00%</b>	<b>0.00%</b>

## ii. Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 01.04.2019			Shareholding at the end of the Year - 31.03.2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	Bhagwandas T Doshi	465277	9.68	-	465277	9.68	-	-
2	Gautam B Doshi	223100	4.64	-	223100	4.64	-	-
3	Rajiv B Doshi	223100	4.64	-	223100	4.64	-	-
4	Abhay B Doshi	165600	3.44	-	165600	3.44	-	-
5	Kusum B Doshi	143347	2.98	-	143347	2.98	-	-
6	Vibha A Doshi	83000	1.73	-	83000	1.73	-	-
7	Vijay A Kumbhani	45010	0.94	-	45010	0.94	-	-
8	Kapurwala Properties Pvt Ltd	301695	6.28	-	301695	6.28	-	-
	<b>Total</b>	<b>1650129</b>	<b>34.32</b>	<b>-</b>	<b>1650129</b>	<b>34.32</b>	<b>-</b>	<b>-</b>

## III. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year -01.04.2019		(+)/Increase/(-) Decrease In Share Holding		Shareholding at the end of the year - 31.03.2020	
		No. of Shares	% of total shares of the Company	Date	Shares	No. of Shares	% of total shares of the Company
1	Usharani Nimmagadda						
	At the beginning of the year (01/04/2019)	470100	9.78	-	-		
	At the End of the year (31/03/2020)			-	-	470100	9.78
2	Ajay Pranlal Shah						
	At the beginning of the year (01/04/2019)	187321	3.90	-	-		
	At the End of the year (31/03/2020)			-	(+)9916	197237	4.10
3	Ravi Kumar Aggarwal						
	At the beginning of the year (01/04/2019)	160100	3.33	-	-		
	At the End of the year (31/03/2020)			-	-	160100	3.33
4	Sangeeta S						
	At the beginning of the year (01/04/2019)	-	-	-	-		
	At the End of the year (31/03/2020)			-	(+)155657	155657	3.24
5	Kushal Ajay Shah						
	At the beginning of the year (01/04/2019)	44683	0.93	-	-		
	At the End of the year (31/03/2020)			-	(+)31175	75858	1.58
6	Vijay Aggarwal						
	At the beginning of the year (01/04/2019)	75000	1.56	-	-		
	At the End of the year (31/03/2020)			-	-	75000	1.56
7	Harsha Ramesh Vala						
	At the beginning of the year (01/04/2019)	56875	1.18	-	-		
	At the End of the year (31/03/2020)			-	(1000)	55875	1.16
8	VenkateshwaraRaoPolavaraju						
	At the beginning of the year (01/04/2019)	55200	1.15	-	-		
	At the End of the year (31/03/2020)			-	-	55200	1.15
9	Haresh R Mehta						
	At the beginning of the year (01/04/2019)	31900	0.66	-	-		
	At the End of the year (31/03/2020)			-	(+)7938	39838	0.83
10	Hayatahmed Ansari						
	At the beginning of the year (01/04/2019)	31526	0.66	-	-		
	At the End of the year (31/03/2020)			-	-	31526	0.66

## IV. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Folio/Beneficiary Account no	Name of the Share Holder	Date	Reason	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.	1203150000198645	Abhay B Doshi	01/04/2019	At the Beginning of the year	165600	3.44	165600	3.44
			31/03/2020	At the End of the year	165600	3.44	165600	3.44
2.	1203150000198630	Bhagwandas T Doshi	01/04/2019	At the Beginning of the year	465277	9.68	465277	9.68
			31/03/2020	At the End of the year	465277	9.68	465277	9.68
3.	1203150000204913	Gautam B Doshi	01/04/2019	At the Beginning of the year	223100	4.64	223100	4.64
			31/03/2020	At the End of the year	223100	4.64	223100	4.64
4.	1203150000198913	Rajiv B Doshi	01/04/2019	At the Beginning of the year	223100	4.64	223100	4.64
			31/03/2020	At the End of the year	223100	4.64	223100	4.64
<i>Key Managerial Personnel</i>								
1.	Prema Radhakrishnan		01/04/2019	At the beginning of the year	NIL	0	0	0
			31/03/2020	At the end of the year	NIL	0	0	0
2.	Ravindra Joshi		01/04/2019	At the beginning of the year	NIL	0	0	0
			15.01.2020	Resignation	NIL	0	0	0
			31/03/2020	At the end of the year	NA	0	0	0
3.	Indrajeet Kumar Panday		01/04/2019	At the beginning of the year	NA	0	0	0
			14/02/2020	Appointment	NIL	0	0	0
			31/03/2020	At the end of the year	NIL	0	0	0
<b>TOTAL</b>					<b>1077077</b>	<b>22.40</b>	<b>0</b>	<b>0</b>

## V. Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(1) Principal Amount	480.49	167.53	NIL	648.02
(2) Interest due but not paid	0.00	0.00		0
(3) Interest accrued but not due	0.00	0.00		0
Total(i+ii+iii)	480.49	167.53	NIL	648.02
Change in Indebtedness during the financial year				
- Addition	706.77	130.00	NIL	836.77
- Reduction	(797.37)	(106.03)		(903.40)
Net Change	(90.60)	23.97		( 66.63)
Indebtedness at the end of the financial year				
(i) Principal Amount	389.89	190.50	NIL	580.39
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total(i+ii+iii)	<b>389.89</b>	<b>191.50</b>	<b>NIL</b>	<b>581.39</b>

VI. Remuneration of Directors and Key Managerial Personnel

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

(Rs. in Lakhs)

	<b>Bhagwandas Doshi – Chairman &amp; Executive Director (Resigned w.e.f 30.04.2020)</b>	<b>Abhay Doshi – Managing Director</b>	<b>Rajiv Doshi – Executive Director</b>
Gross Salary			
a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	9.00	10.80	10.80
b) Value of Perquisites u/s 17(2) of Income Tax Act, 1961	1.53	1.29	2.23
c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
Others (PL encashment)			
HRA	5.40	6.48	6.48
LTA	0.75	0.88	0.33
Medical	0.75	0.88	0.33
PF	-	1.30	1.30
Incentives	2.54	2.54	2.54
<b>Total (A)</b>	<b>19.97</b>	<b>24.17</b>	<b>24.01</b>
Ceiling as per the Act	Schedule V of the Act	Schedule V of the Act	Schedule V of the Act

## B. Remuneration to other Directors

<b>NAME OF DIRECTORS</b>	<b>Remuneration (Rs)</b>	<b>SITTING FEES (Rs.)</b>	<b>Commission (Rs.)</b>
<b>Independent Directors</b>			
Apurva Shah	-	0.25	-
Juzer Vasi	-	0.12	-
R. M. Premkumar	-	0.33	-
Kumudini Mehta	-	0.34	-
* Jayesh K Rambhia	-	-	-
<b>TOTAL (B1)</b>	-	<b>1.03</b>	-
<b>Other Non-Executive Directors</b>			
Gautam Doshi	-	0.10	-
* U. Nimmagadda	-	-	-
<b>TOTAL (B2)</b>	-	<b>0.10</b>	-
<b>TOTAL B1+B2</b>	-	<b>1.13</b>	-

\* Mr. Jayesh K Rambhia and Mr. U. Nimmagadda have waived their sitting fees

## C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD-

(Rs. in Lakhs)

Particulars	Prema Radhakrishnan 2019-20	Ravindra Joshi (for the period 01.04.2019 to 15.01.2020)	Indrajeet Kumar Panday (for the period 14.02.2020 to 31.03.2020)
Designation	Chief Financial Officer	Company Secretary	Company Secretary
Basic Salary	2.54	0.92	0.19
Perquisites		-	-
Incentives - CPA	0.97	-	-
Other, Please specify (Bonus)	0.07	-	-
HRA	3.43	-	-
LTA	0.44	-	-
Medical	0.39	-	-
CA	0.19	-	-
<b>Total</b>	<b>8.05</b>	<b>0.92</b>	<b>0.19</b>

VII. Penalties/ Punishment/ Compounding of Offences- NONE

On behalf of the Board of Directors,

Place: Mumbai  
Date: June 30, 2020Abhay Doshi  
Managing DirectorRajiv Doshi  
Wholetime Director**Annexure II****FORM No. MR-3**

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> 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,  
Fine-Line Circuits Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fine-Line Circuits 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, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2020, generally 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 made available to us and maintained by the Company for the financial year ended on 31<sup>ST</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) 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; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
- 1) Special Economic Zones Act, 2005 and the rules made thereunder.
  - 2) Standards prescribed by IPC (Institute for Printed Circuits)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was 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.

Decisions at the Board Meetings were taken unanimously.

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.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: June 30, 2020

Signature:  
Shalini Bhat  
Partner  
FCS No: 6484 CP No: 6994  
UDIN: F006484B000400405

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*



**'Annexure A'**

To,  
The Members  
Fine-Line Circuits Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. 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 process 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 procedure 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.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: June 30, 2020

Signature:  
Shalini Bhat  
Partner  
FCS No: 6484 CP No: 6994  
UDIN: F006484B000400405

**ANNEXURE III**

**A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO: [RULE9.10(3)]**

**1. Conservation of energy:**

Your Company has a systematic in-house energy conservation program on the lines of ISO 50000. Several measures have been taken to conserve the energy and these are being implemented satisfactorily.

**2. Technology absorption :**

The Company continues to use latest technologies for improving the productivity & quality of its products. The Company's operation do not require significant import of technology.

**3. Research & Development :**

**Since last 20 years, through the pursuit of several R&D initiatives the Company has been incurring R&D expenditures on the following activities:**

- Development of new products and of higher complexities and of newer materials
- Continuous improvement of existing products to better Thermal, Mechanical and Electrical reliability
- New processes, up gradation and existing production process improvement
- Redesigning of manual processes for automation
- Better environmental compliance.

**Research & Development was completed on the following projects:**

- Thermal stability on Teflon materials
- Electrical stability on high frequency materials
- Processing of Halogen free materials
- Thin core (3 mils in dimension) processing stabilized.
- Processing of 12 mil BGAs

- Processing of oversized boards stabilized

**Research & Development was initiated on the following projects:**

- Production of 24 layer Multilayer PCBs
- Production of On Board / Space standards compliant PCBs
- Metal backed (Thick Copper plane/core) PCBs
- Ceramic filled with PTFE PCBs
- Various Hybrid materials PCBs
- Tighter controlled impedance tolerance (+/-8%)
- Minimum board thickness (0.30 mm)
- Minimum finished hole size 0.20 mm
- Immersion Nickel Immersion Palladium Gold surface finish
- Much improved electrical testing capabilities.
- Unbalanced Copper design PCB production

**Benefits:**

- Benefits derived as a result of R&D are improvement of Quality of the products and reduced operational cycle time through infusion of the latest technology.
- Upgradation of the products to higher standards
- Meeting the expectations of the demanding customers in the high reliability markets
- Import substitution
- Cost reduction

**Future plan of action:**

Future R&D will continue along similar lines as at present and also growth with an enhanced focus on ability to serve the demanding customers in the Medical, Defence and Aerospace markets.

**Expenditure incurred on Research and Development:**

Over the last 19 years in pursuit of its R&D endeavours the Company has been regularly incurring expenditure on R&D. The same is reflected in the respective accounts of Balance Sheet and Profit and Loss account. During the Financial year 2019-2020 the Company has incurred Rs. 11.50 lakhs as R&D revenue expenditure. (Previous year Rs. 12.00 Lakhs)

**4. Foreign exchange earnings and Outgo :**

The details of Foreign Exchange Earnings and Outgo (in Rs. Lacs) are as under:

Year ended 31 <sup>st</sup> March	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Foreign Exchange												
Earning	1834	2176	2283	1920	2183	2178	2375	2230	2316	2312	1763	2686
Outgo	1122	1427	1178	963	1060	1063	1256	1137	970	1172	690	1266
Net Earning	712	749	1105	957	1122	1115	1119	1093	1347	1140	1106	1420

On behalf of the Board of Directors,

Place: Mumbai  
Date: June 30, 2020

Abhay Doshi  
Managing Director

Rajiv Doshi  
Wholetime Director

**ANNEXURE IV  
PARTICULARS OF EMPLOYEES**

**B. REMUNERATION OF DIRECTORS [SECTION 197(12) AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

<b>Executive Directors</b>	Ratio to median remuneration
Bhagwandas T. Doshi (Resigned w.e.f.30.04.2020)	3.75
Abhay B. Doshi	4.28
Rajiv B. Doshi	4.28

(b) The percentage increase in remuneration of each Director, chief executive officer, chief financial officer, Company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/decrease in remuneration in the financial year
<b>Executive Director</b>	
Bhagwandas T. Doshi (Resigned w.e.f.30.04.2020)	-5.02%
Rajiv B. Doshi	9.23%
<b>Managing Director</b> :Mr. Abhay B. Doshi	6.66%
<b>Chief Financial Officer</b> :Mrs. Prema Radhakrishnan	-0.65%
<b>Company Secretary</b> : Mr. Ravindra Joshi (upto 15.01.2020) Mr. Indrajeet Panday (w.e.f. 14.02.2020)	NIL

(c) The percentage increase in the median remuneration of employees in the financial year: 6%

(d) The number of permanent employees on the rolls of Company 162 Nos.

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

(f) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.

**II] The names of the top ten employees in terms of remuneration drawn is as under: (Rs. in Lakhs)**

Name of employee	Designation	Remuneration received	Nature of employment	Qualifications	Experience	Age	Last employment	Percentage of equity shares held
Bhagwandas T. Doshi (Resigned on 30.04.2020)	Chairman	19.97	Permanent	B.Sc	60	85	Steel Cast Ltd.	9.68
Abhay B Doshi	Managing Director	24.17	Permanent	B.E., MBA	32	59	Maxtor Inc	3.44
Rajiv B Doshi	Director	24.01	Permanent	B. Com	24	53	Forshas Forgings Pvt Ltd	4.64
Joy Chacko	Vice-President	5.61	Permanent	DME	41	65	Stovec Industries Ltd.	NIL
Prakash Morgaonkar	Sr. GM	8.61	Permanent	BE	27	49	Electrotech	NIL
Milan Trivedi	Sr. GM	9.47	Permanent	DMTE	32	55	Stovec Industries Ltd	NIL
Prema Radhakrishnan	CFO	8.05	Permanent	M. Com	26	52	N/A	NIL
Nikhil Kumar M	GM	7.48	Permanent	DME	34	56	Grafica Display Co	NIL
Vijay Kumar D	Sr. Manager	5.60	Permanent	B.Sc	37	60	Precision Photo Fabricators	NIL
Umakant Mudpe	Sr. Manager	5.57	Permanent	DEE	28	52	Wellman Hindustan	NIL

Note: The employees falling in the management cadre are being considered for the above purpose.

There are no employees who are in receipt of remuneration in aggregate of Rupees One Crore and two Lakh for the year or Rupees Eight Lakh fifty thousand per month, if employed for part of the year.

**On behalf of the Board of Directors,**

Place: Mumbai  
Date: June 30, 2020

**Abhay Doshi**  
Managing Director

**Rajiv Doshi**  
Wholtime Director

## **MANAGEMENT DISCUSSION AND ANALYSIS (MDA)**

As per the provisions of the Corporate Governance under the Listing regulations, the Management Discussion and Analysis (MDA) Report form part of the Boards' Report and reflects current state of the business.

Your Company is making Printed Circuit Boards (PCBs) and has its manufacturing facilities in Seepz- SEZ, Mumbai. It continues to remain a 100% EOU.

### **1) INDUSTRY STRUCTURE AND DEVELOPMENT**

PCBs are basic Electronic Building Block components used in all Electrical and Electronic Products. As a 100% EOU, the main Global supply comes from China. The product is a complex one with several aspects of technology intricacy and above all continuously increasing customer expectations.

Electronics Manufacture in India has a disability relative to China & the Government has recognized this and to boost & Support the Electronics manufacturing has formulated & announced the National Policy on Electronics having various incentives to affect the disabilities faced by Indian Electronics Manufacturer with this Electronics Manufacture is sure to grow.

Our own focus after exports to over 14countries is now also on the domestic Market, hence we are well positioned to ride this growth phase.

### **2) MODERNISATION, OPPORTUNITY AND THREATS**

The Company continuously updates its manufacturing processes focused towards yield, capability and capacity improvements. The improvements are on all fronts, equipments, processes / systems and personnel Training.

The opportunities are in the small to medium volume, faster delivery and with broad range of surface finishes focused for the European markets.

The threats are on account of volatile exchange rate movements and rising input and personnel costs.

### **3) SEGMENTWISE PERFORMANCE**

Printed Circuits Boards (PCBs) is the only business segment in which the Company is dealing.

### **4) OUTLOOK**

#### **a) BUSINESS SCENARIO**

RF Microwave PCBs with special materials with special surface finishes and of special designs has resulted in good business growth and continues to show promise for the future. Further the Company has put in place a New Product pipeline and this will augur well in the coming years. Also your Company has identified fertile new markets to penetrate which will also augur well in the coming years whilst still being well rooted in its main markets of USA, Germany and India.

We can proudly say the Company has come alive after a decade of struggle and slumber and is poised to rise to a higher level of performance.

#### **b) HIGH TECHNOLOGY MULTILAYER UNIT**

The High Technology Multilayer Unit (HTMU) continued to progress well.

### **5) RISK AND CONCERNS**

The financial status of the Company is stable. The cash flow is judiciously managed to get the best exchange rate gains. Slow growth in the global markets, high power cost, volatile exchange rate movements and consistently rising personnel costs are risks that the Company is facing and tackling.

### **6) INTERNAL CONTROL**

The Company has Internal Auditors who conducts internal audit that assesses the internal control systems. The Statutory Auditors and the Audit Committee review these controls regularly. Any change in the internal control that is recommended is studied and implemented based on the Company needs and feasibility of implementation.

### **7) FINANCIAL PERFORMANCE**

The Company rationalized the products line considering the price levels to remain competitive in the volatile Exchange Rate, Higher material and power cost scenario. The Company expects to improve on all these counts in the coming year.

### **8) HUMAN RESOURCE DEVELOPMENT AND BUILDING LEADERSHIP QUALITIES**

The personnel of the Company are vital part of the organization. The Company continues its policy to train them in-house, provide opportunity for external training and challenges them to exert and rewards superior performance. The Company is pleased to state that this has made the 2<sup>nd</sup> level supervisory personnel to show encouraging performance and to rise up. The Company has engaged contractor's workmen for support services and follows the

same policy of training and rewarding the good performers.

The number of employees of the Company as on 31<sup>st</sup> March 2020 was 162. (Previous year 158).

**9) There were significant changes in the following ratios as compared to the immediately previous financial year:**

(i) Net Profit Margin (%) – (32.60)%

**10. FUTURE OUTLOOK**

Your Company has had growth for last two consecutive years and the Outlook is Positive.

New Products and New markets have been the focus in the last few years and due to this we have added to our Product offering PCBs with new materials and surface finishes and exported to multiple new markets spread across 14 countries.

**Cautionary Statement:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

**On behalf of the Board of Directors,**

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

**Abhay Doshi**                      **Rajiv Doshi**  
**Managing Director**              **Wholetime Director**



No other Non Executive Directors hold any shares in the company.

The Company conducted a familiarization program for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the Manufacturing and Providing of Technical services in relation to Printed Circuit Boards. Industry and the Company's business model. The familiarization programs have been uploaded on the website of the company at (<http://www.fine-lineindia.com/investors-relations/policies/familiarisation-programme-for-independent-directors/>)

**The names of other listed entities where Director of the Company hold directorship and its category:**

Name of the Director	Other Listed Entity Directorships	Category of Directorship
Mr. Apurva R. Shah	1. Asian Star Company Limited 2. Steel Cast Limited	Director

**The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company available with the Board:**

Name of the Director	Area of Skills /Expertise / Competence						
	Strategy	Finance	Leadership	Technical	HR	Governance	Regulatory
Mr. Bhagwandas Doshi (Resigned w.e.f April 30, 2020)	√	√	√	√	√	√	√
Mr. Premkumar	√	√	√		√	√	√
Prof. Juzer Vasi	√		√	√	√		
Dr. Upendranath Nimmagadda	√	√	√			√	
Mr. Apurva Shah	√	√			√	√	√
Mr. Jayesh Rambhia	√		√		√		√
Mrs. Kumudini Mehta					√	√	
Mr. Gautam Doshi	√	√	√	√		√	
Mr. Rajiv Doshi	√		√		√	√	
Mr. Abhay Doshi	√	√	√	√	√	√	

**Number and date of Board Meetings held:**

4 (Four) Board Meetings were held during the year 2019-20. The dates on which the said meetings were held are as follows:

25<sup>th</sup> May, 2019, 03<sup>rd</sup> August, 2019, 09<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020

The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.

The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.

The Company has not entered into any materially significant transactions during the year under report with Promoters, Directors, Key/Senior Management personnel, etc. other than the transactions entered into in the normal course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts.

The Company confirms that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**Information on Directors retiring by rotation and seeking appointment / re-appointment**

**Shri. Upendranath Nimmagadda (DIN 00613289)**

Shri Upendranath Nimmagadda is an US National, aged about 78 years is on the Board of the Company since 1991. He holds a MBBS degree from Andhra University and ECFMG passed in 1965. He retired as a Surgeon having over three decades of an outstanding medical career. He is presently teaching at the Illinios Masonic Medical Center at Chicago. He is the Chairman of Executive Committee of National Republic Bank of Chicago, IL, USA since 1986. He is also member of following institutions:

1. Amercian College of Surgeons,
2. Royal College of Surgeons of Canada
3. India Medical Association of Illinios and

4. Association of American Physicians of India (AAPI)
5. Past President and present Trustee of Hindu Temple of Greater Chicago.

### Code of Conduct

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.fine-lineindia.com](http://www.fine-lineindia.com). The Board members and senior management personnel have affirmed compliance with the said code of conduct. A certificate to this effect given by Shri. Abhay B. Doshi, Managing Director of the Company is attached to this report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.fine-lineindia.com](http://www.fine-lineindia.com). All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

### 3. Audit Committee

#### Terms of reference of the audit committee:

The role of Audit Committee, inter alia, are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To recommend the appointment/re-appointment/re-placement, remuneration and terms of appointment of the Statutory Auditors and the Internal Auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee;
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date or such other limit as may be prescribed.
22. Reviewing the financial statements, in particular, the investments made by the unlisted subsidiary/ies.
23. Establish a Vigil Mechanism (Whistle Blower Policy) for Directors and employees to report genuine concerns in such manner and to review the said policy and cases reported thereunder.
24. To appoint Registered Valuer and approve the terms and conditions of appointment. [Section 247(1)]
25. In respect of Cost Auditors
  - (i) Recommendation to the Board for the appointment of the Cost auditors and their remuneration and terms of appointment.
  - (ii) Review with Cost auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - (iii) Approval of fees to Cost auditors for any other services rendered by them.
  - (iv) Review Cost Auditors' Report and recommend to the Board for the approval.
  - (v) Reviewing, with the management, the performance of the Cost Auditors.
26. Monitoring and reviewing cyber security inter-alia to protect unauthorized access to data centers and other computerized systems

The Audit Committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- (3) management letter/letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses;
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (6) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

The members of the Audit Committee have knowledge on financial matters and majority of them have accounting or related financial management expertise. The Chairman of the Audit Committee is an independent director.

The statutory auditors, finance personnel are invitees to the meetings of the Audit Committee. The representative from M/s. DKP & Associates, Chartered Accountants who are the Internal Auditor of the Company are also invitees to the meetings of the Audit Committee.

The Audit Committee reviews all the information that is required mandatorily to be reviewed by it under corporate governance.

The Chairman of the Audit Committee was present at the 29th Annual General Meeting held on August 03, 2019.

Four meetings of the Committee on the dates mentioned below were held during the year 2019-20:

25<sup>th</sup> May, 2019, 03<sup>rd</sup> August, 2019, 09<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020

The Composition of the Audit Committee and the details of the Meetings attended are as follows:

Sr. No.	Name of Director	Category	Committee	No. of Meeting attended
1.	Mr. Apurva Shah	NI	Chairman	3
2.	Mr. R.M.Premkumar	NI	Alternate Chairman	4
3.	Ms. Kumudini Mehta	NI	Member	4

#### **Vigil Mechanism/Whistle Blower Policy**

The Board of Directors on the recommendations of the Audit Committee has approved and adopted a Whistle Blower Policy that provides a formal mechanism for all Directors and employees of the Company to approach the Chairman of the Audit Committee about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. No personnel have been denied access to the Audit Committee.

#### **4. Nomination and Remuneration Committee**

##### **Terms of Reference**

The role of the Nomination and Remuneration Committee inter alia are as follows:

- a) To lay down criteria such as qualification, positive attributes and independence for appointment of persons as Directors or in the Senior Management.
- b) To identify persons who are qualified to become Directors and who may be appointed in Senior Management positions, as per the criteria laid down.
- c) To recommend to the Board the appointment and removal of the Directors, including Independent Directors and 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.
- d) To carry out evaluation of every director's performance.
- e) To recommend to the Board a policy relating to the remuneration for directors, including Managing Director(s) and Whole-time Director(s), Key Managerial Personnel and other employees. While formulating the policy, the committee shall ensure that:
- f) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- g) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- i) To recommend remuneration to be paid to a Director for any service rendered by him to the Company which are of a professional nature and provide an opinion, whether such Director possess the requisite qualification

The remuneration paid to Managing Director and Executive Directors is stated here in below. The Non-Executive Directors are not drawing any remuneration. However, following sitting fees are paid to the Non-Executive Directors for attending meetings of the Board of Directors/ Committees.

(Rs. in Lakhs)

Name of Director	Sitting Fees	Salaries & Perquisites	Performance Incentive	Total
<b>A. Executive Directors</b>				
Mr. Bhagwandas T. Doshi	NIL	19.97	NIL	19.97
Mr. Abhay B. Doshi	NIL	24.17	NIL	24.17
Mr. Rajiv B. Doshi	NIL	24.01	NIL	24.01
<b>Total</b>	<b>NIL</b>	<b>68.15</b>	<b>NIL</b>	<b>68.15</b>
<b>B. Non-Executive Directors</b>				
Ms. Kumudini Mehta	0.34	NIL	NIL	0.34
Mr. Juzer Vasi	0.12	NIL	NIL	0.12
Mr. U. Nimmagadda	0	NIL	NIL	0
Mr. Gautam Doshi	0.10	NIL	NIL	0.10
Mr. Apurva R. Shah	0.25	NIL	NIL	0.25
Mr. R. M. Premkumar	0.33	NIL	NIL	0.33
Mr. Jayesh Rambhia	0	NIL	NIL	0
<b>Total</b>	<b>1.13</b>	<b>NIL</b>	<b>NIL</b>	<b>1.13</b>

Salaries and perquisites include contribution to Provident Fund, Leave Travel Allowance, reimbursement of medical expenses, wherever applicable as per the rules of the Company. The services are terminable by either party by giving to the other 6 (six) calendar months' notice in writing or by payment of a sum of equivalent remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

- Sitting Fees includes payment for Board level committee meetings.

Stock Options: The members of the Company have approved the Stock Options scheme for the benefit of the persons who are in the permanent employment of the Company. The Company is yet to frame the scheme for grant of stock options.

#### 5. Stakeholders Relationship Committee:

Terms of reference:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/annual reports, transfer/transmission of shares, issue of new/duplicate certificates, general meetings etc., and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- Authorize any person to take such actions as necessary or deemed fit by the Committee for any matter.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Look into various aspects of interest of shareholders and other security holders.

The Following are the members of the Committee:-

Sr. No.	Members	Committee	No. of Meetings attended
1	Smt. Kumuduni Mehta	Chairman	4
2	Mr. Juzer Vasi	Alternate Chairman	2
3	Mr. Abhay B. Doshi	Member	4
4	Mr. Rajiv B. Doshi	Member	4

There were 4 (four) meetings of the Committee on the dates mentioned below were held during the year 2019-20:

25<sup>th</sup> May, 2019, 03<sup>rd</sup> August, 2019, 09<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020

Shri. Ravindra Joshi resigned as the Company Secretary and Compliance Officer of the Company with effect from January 15, 2020. Shri. Indrajeet Kumar Panday was appointed as Company Secretary and Compliance Officer of the Company with effect from February 14, 2020.

Ms. Prema Radhakrishnan, CFO is the permanent invitee to the said committee.

Universal Capital Securities Pvt. Ltd, (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Transfer Agents do the pre-transfer scrutiny of shares. They are authorized to communicate with the transferor and transferee to redress and attend to their needs. They generate reports, update members' records and provide data to the Committee for various statutory compliances. There are no pending share transfers as on March 31, 2020.

Investors Services

Complaints received during the year:

Sr. No.	Particulars	2019-20	2018-19
1	Complaints received during the year	NIL	NIL
2	Resolved to the satisfaction of shareholders.	NIL	NIL
3	No. of pending complaints	NIL	NIL

There are no legal proceedings pending relating to transfer of shares.

The Shareholders' grievances are dealt by M/s. Universal Capital Securities Pvt. Ltd (Formerly Mondkar Computers Pvt. Ltd) and reported to the Committee regularly.

#### 6. Subsidiary Companies

The company does not have any subsidiary company. The company has one branch office in USA, the financial statements of which are regularly reviewed by the Audit Committee.

#### 7. Risk Management

The Company has adopted a risk management policy. The Board of Directors have been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

#### 8. Independent Directors Meeting

During the year under review, the Independent Directors met on 08<sup>th</sup> February, 2020, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

#### 9. General Body Meetings

Details of the location and time where the last three Annual General Meetings (AGM) were held.

AGM	Year	Venue	Day & Date	Time	Special resolution, if any
29 <sup>th</sup>	2018-19	2 <sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri - (E), Mumbai - 400096	Saturday, August 03, 2019	03:30 p.m.	Yes 1. Re-appointment of Shri. R.M.Premkumar (DIN 00328942) as an Independent Director of the Company. 2. Re-appointment of Shri. Juzer Vasi (DIN 00040682) as an Independent Director of the Company. 3. Re-appointment of Shri. Apurva Shah (DIN 0000478) as an Independent Director of the Company. 4. Re-appointment of Smt. Kumudini Mehta (DIN 03191065) as an Independent Director of the Company.

					5. Re-appointment of Shri Abhay Doshi (DIN: 00040644) as Managing Director of the Company. 6. Re-appointment of Shri Rajiv Doshi (DIN: 00651098) as Whole-time Director of the Company.
28 <sup>th</sup>	2017-18	2 <sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri – (E), Mumbai - 400096	Saturday, September 29, 2018	10:30 a.m.	Yes 1. Continuation of directorship of Appointment of Mr. U. Nimmagadda as a director of the Company. 2. Re-appointment of Shri Bhagwandas T. Doshi as Whole-time Director of the Company.
27 <sup>th</sup>	2016-17	2 <sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri – (E), Mumbai - 400096	Saturday, September 23, 2017	10:30 a.m.	Yes 1. Appointment of Shri. Jayesh Khimji Rambhia (DIN 02049473) as a Director/ Independent Director of the Company.

No postal ballots were used for voting in last year. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

#### 10. Means of communication

The quarterly, half-yearly and annual results are regularly submitted to the Stock Exchange in accordance with the Listing Regulations and are published in newspapers like, Free Press Journal & Navshakti. In view of the cost and economy measures the quarterly results were not sent individually to the shareholders.

The results are displayed and available on Company's website: [www.finelineindia.com](http://www.finelineindia.com).

There were no presentations made to the institutional investors or analysts.

#### 11. General Shareholders Information

AGM : Date, Time and Venue : Saturday, September 26, 2020 at 11.00 a.m.through VC/OAVM

Financial Year : 1<sup>st</sup> April –31<sup>st</sup> March

First quarter results : first week of August\*

Second quarter results : last week of October\*

Third quarter results : first week of February\*

Annual results : last week of May\*

\* tentative

Date of Book closure : September 20<sup>th</sup>, 2020 to September 26<sup>th</sup>, 2020 (both days inclusive).

Dividend Payment dates(s) : The Company has not paid any interim or final dividend on the equity share capital for the financial year 2019-20.

Listing on Stock Exchanges : BSE Limited (BSE) Listing fees have been paid to the stock exchange for the financial year 2019-20 in April 2019. The fees of the depositories for the financial year 2020-21 are also paid in the month of April 2020.

Stock code – Physical and ISIN : 517264 on BSE; INE087E01011  
Number for NSDL and CDSL

Corporate Identity Number : L72900MH1989PLC131521  
allotted by Ministry of  
Corporate Affairs

**Market price data: high, low during each month in last financial year**

Stock Price Data during 2019-20 (BSE Table below gives the monthly highs and lows of the Company's shares on Bombay Stock Exchange (BSE))

**High and Low prices of the Company's Shares on BSE with corresponding BSE Sensex April 2019 to March 2020**

Months	High (Rs.)		Low (Rs.)	
	FLCL Price	BSE Sensex	FLCL Price	BSE Sensex
Apr 19	16.95	39,487.45	15.15	38,460.25
May 19	14.65	40,124.96	13.95	36,956.10
Jun 19	13.26	40,312.07	11.97	38,870.96
Jul 19	14.30	40,032.41	11.38	37,128.26
Aug 19	15.00	37,807.55	12.69	36,102.35
Sep 19	19.48	39,441.12	14.25	35,987.80
Oct 19	26.45	40,392.22	16.60	37,415.83
Nov 19	26.15	41,163.79	17.10	40,014.23
Dec 19	27.90	41,809.96	17.15	40,135.37
Jan 20	29.65	42,273.87	22.55	40,476.55
Feb 20	31.90	41,709.30	21.20	38,219.97
Mar 20	29.90	39,083.17	22.15	25,638.90

**Stock performance in comparison to BSE Sensex** : This has been shown in the table based Indices given above in comparison with BSE Sensex.

**Registrars and share transfer agents** : M/s Universal Capital Securities Pvt. Ltd.

(Formerly Mondkar Computers Pvt. Ltd)  
 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road,  
 Andheri (East), Mumbai 400093  
 Tel: 91-22 2825 7641, 91-22 2820 7203-05.  
 Fax: 2820 7207  
 Email: info@unisec.in

**Share transfer system** : All share transfers and related operations are conducted by M/s Universal Capital Securities Pvt. Ltd., (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Share Transfer Agents of the Company. They are registered with SEBI. The company has constituted as Stakeholders Relationship Committee for redressing shareholders' and Investors' complaints.

**Distribution of shareholding/ shareholding pattern as on 31.03.2020**

Shareholdings of Nominal Value	Shareholders		Shares Held	
	Number	%	No. of Shares	%
Upto 500	10406	97.18	1250733	26.02
501-1000	155	1.45	127910	2.66
1001-2000	66	0.62	98193	2.04
2001-3000	23	0.22	57601	1.20
3001-4000	11	0.10	37605	0.78
4001-5000	9	0.08	41349	0.86
5001-10000	9	0.08	63324	1.31
10000 and above	29	0.27	3131071	65.13
<b>Total</b>	<b>10708</b>	<b>100</b>	<b>4807786</b>	<b>100</b>

b) Categories of Shareholding as on 31<sup>st</sup> March 2020

	Category	No. of Shares Held	% Of Share holding
A	Promoter's holding		
1	Promoters		
	- Indian Promoters	1427029	29.68
	- Foreign Promoters	223100	4.64
2	Person Acting in concert		
	<b>Sub - Total</b>	<b>1650129</b>	<b>34.32</b>
B	Non-Promoters Holding	-	-
3	Institutional Investors		
A	Mutual funds & UTI	-	-
B	Bank, Financial Institutions, Insurance Companies (Central/ State Govt. Institution/ Non- Govt. Institutions)	100	0
C	FIIS	-	-
	<b>Sub - Total</b>	<b>100</b>	<b>0</b>
4	Others		
A	Private Corporate Bodies	-	-
B	Indian Public	2587130	53.81
C	NRIs/ OCBs	569527	11.85
D	Any other shares in transit - clearing members	500	0.01
E	Trusts	400	0.01
	<b>Sub - Total</b>	<b>3157557</b>	<b>65.68</b>
	<b>GRAND TOTAL</b>	<b>4807786</b>	<b>100</b>

Dematerialisation of shares and liquidity : Demat Position as on 31<sup>st</sup> March, 20:

	NSDL — 1096225	22.80%
	CDSL — 2258481	46.97%
<b>Total Demat</b>	<b>3354706</b>	<b>69.77%</b>

In Demat form the shares are tradable in the unit of one equity share giving maximum amount of flexibility and liquidity

Outstanding GDRs/ADRs/warrants/ convertible instruments, etc. : NIL

## Plant Locations:

<b>Unit 1</b> 145, SDF-V, SEEPZ-SEZ ANDHERI East, MUMBAI 400096 Tel: 91-22 2829 0244 /45 Fax: 91-22 2829 2554 E-mail: : fineline@fineline.co.in	<b>Unit 2</b> HIGH TECHNOLOGY MULTILAYER UNIT 148, SDF-V, SEEPZ -SEZ, ANDHERI (E), MUMBAI 400 096. Tel: 91-22 2829 0244 /45 Fax: 91-22 2829 2554. E-mail: flcindia@fineline.co.in
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Address for Correspondence:

**Registrar and Share Transfer Agents :**

M/s Universal Capital Securities Pvt. Ltd.  
(Formerly known as Mondkar computers Pvt. Ltd.)  
21, Shakil Niwas, Opp. Satyasaibaba  
Temple, Mahakali Caves Road,  
Andheri (East) Mumbai 400093  
Tel: 91-22 2825 7641, 91-22 2820 7203-05.  
Fax : 91-22 2 820 7207  
Email: info@unisec.in

**Registered office**

Compliance Officer:  
Mr. Indrajeet Kumar Pandey  
Fine-line Circuits Limited  
145, SDF-V, SEEPZ-(SEZ)  
ANDHERI (E), MUMBAI - 400 096  
Tel No. -022 28290244-245  
e-mail: fineline@fineline.co.in

**12. Other Disclosures**

**a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink: <http://www.finelineindia.com/about-us/company-policies/policy-on-related-party-transactions/>). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

**b) Details of non-compliance by the Company, penalties, and structures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years: None**

**c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee**

There is a Whistle Blower Policy in the Company and that no personnel have been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company (weblink: <http://www.finelineindia.com/about-us/company-policies/whistle-blower-policy/>).

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all the mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e) Web link where policy for material subsidiaries is disclosed: (weblink: <http://www.finelineindia.com/about-us/company-policies/material-subsidiary-policy/>).**

**f) A certificate has been received from Parikh & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.**

**g) An amount of Rs. 2,10,000/-, was paid to M/s. Ratanghaya & Co. , Statutory Auditors of the Company for financial year 2019-20, by the Company towards Statutory Audit, Certification, Tax audit, etc.**

**h) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Company has not received any complaints during the financial year 2019-20.

**i) Details of commodity price risk or foreign exchange risk and hedging activities – As Mentioned in Notes to Accounts**



j) In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, the Company do not have equity shares in suspense account.

**13. ADOPTION OF DISCRETIONARY REQUIREMENTS AS PER SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS**

The Company has moved towards a regime of financial statements with unmodified audit opinion.

The internal auditor of the Company reports directly to the audit committee.

14. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 have been made in this corporate governance report.

15. The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 forms part of this Annual Report.

**DECLARATION**

To,  
The Members of  
Fine-Line Circuits Limited

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2020.

On behalf of the Board

Place: Mumbai  
Dated: June 30, 2020

**ABHAY DOSHI**  
MANAGING DIRECTOR

**Practicing Company Secretary's Certificate on Corporate Governance**

**TO**  
**THE MEMBERS,**  
**FINE-LINE CIRCUITS LIMITED**  
CIN: L72900MH1989PLC131521  
145, SDF-V, Seepz-SEZ, Andheri (East),  
Mumbai - 400096,  
Maharashtra, India.

We have examined the compliance of the conditions of Corporate Governance by FINE-LINE CIRCUITS LIMITED ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

We further state that such compliance 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.

**Yash Mehta**  
**Proprietor**  
**For Yash Mehta & Associates**

Date : 30.06.2020  
Place : Ahmedabad

**Company Secretaries**  
**ACS No.: 45267 C. P. No.: 16535**

## **Independent Auditors' Report**

### **TO THE MEMBERS OF FINE LINE CIRCUITS LIMITED REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Opinion**

We have audited the accompanying financial statements of Fine Line Circuits Limited, ("the Company"), which comprise the Balance Sheet as at March, 31, 2020, the statement of Profit and Loss (including other comprehensive Income), the cash Flow Statement and the statement of Changes in Equity for the year then ended, and Notes to the Financial Statements, including a summary of significant Accounting Policies and other explanatory information. (hereinafter referred to as "financial statements").

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, as amended ("the Act"), in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India, of the state of affairs of the Company as at March, 31, 2020, its losses, and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for opinion:**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibility under those Standards are further described in the 'Auditors responsibilities for the Audit of the financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 audit opinion on the financial statements.

#### **Other information**

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statement and our auditors report thereon.

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

In connection with our audit of financial statement, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards, IND AS, prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

In preparing the financial statements, the Board of Directors 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 the Board of Directors intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **AUDITORS' RESPONSIBILITY FOR THE AUDIT OF 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.
- 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 misstatement 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.

#### **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 Annexure "1" a statement on the matters specified in paragraph 3 and 4 of the Order.
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 Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read, with Companies (Indian Accounting Standard) Rules, 2015, as amended,
  - e) On the basis of the written representations received from the Directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "2"

- 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) As explained to us, the Company does not have any pending litigations which would impact its financial position.
  - (ii) There are no foreseeable losses as required on long term contracts including derivative contracts.
  - (iii) There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With reference to other matters to be included in Auditors report in accordance with the requirements of Section 197(16) ;

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.

**For Ratanghayara & Co.**  
**Chartered Accountants**  
**Firm Registration No. 117626W**

**Paresh Ratanghayara**  
**Proprietor**  
**Membership No. 103325**  
**UDIN :20103325AAAAAK5407**

**Mumbai.**  
**Dated : 30<sup>th</sup> June, 2020**

**ANNEXURE "1" REFERRED TO IN PARAGRAPGH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF FINE LINE CIRCUITS LIMITED:**

(Referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets on the basis of available information.
- (b) As explained to us, majority of the fixed assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have immovable property therefore the provision of sub clause (c) of clause (1) of the Order is not applicable to the Company.
- ii. As explained to us, physical verification of Inventories has been conducted at reasonable intervals by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its Inventories. No material discrepancies were noticed on such physical verification.
- iii. As explained to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties as listed in the register maintained under section 189 of the Companies Act, 2013 and hence clause (iii) of the said Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of (v) of the said order are not applicable.
- vi. We have broadly reviewed the Books of Accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of the Cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of the Company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- vii. In respect of statutory dues:
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, Goods and Service Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
  - b) According to the information and explanations given to us, there are no disputed aforesaid statutory dues pending as on 31<sup>st</sup> March, 2020.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to banks. The Company did not have any outstanding loans or borrowings dues in respect of the Financial Institutions or to the Government or dues to Debenture Holders during the year.
- ix. The Company has not raised money by way of initial public offer or further public offer including debt instruments or by way of term loans during the year.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or Employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of para 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company's transactions with its Related Party are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable, and details of related party transactions have been disclosed in the Financial Statement as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or Private Placement of Shares or fully or Partly convertible debentures and hence reporting under clause (xiv) of para 3 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 transactions with its Directors or persons connected with him and covered under section 192 of the Act, and hence reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Ratanghayara & Co.**  
**Chartered Accountants**  
**Firm Registration No. 117626W**

**Paresh Ratanghayara**  
**Proprietor**  
**Membership No. 103325**  
**UDIN :20103325AAAAK5407**

**Mumbai.**  
**Dated : 30<sup>th</sup> June, 2020**

**"Annexure 2" To the Independent Auditor's Report of even date on the Financial Statements of FINE LINE CIRCUITS LIMITED**

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

**(Referred to in paragraph 2 (f) under report on other Legal and Regulatory requirements of our report of even date.)**

We have audited the internal financial controls with reference to financial statements of **FINE LINE CIRCUITS 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 is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statement 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 (the "Guidance Note"), issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI, 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 with reference to financial statement 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide a 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 financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with 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 control with reference to the 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For Ratangharyana & Co.**  
**Chartered Accountants**  
**Firm Registration No. 117626W**

**Paresh Ratangharyana**  
**Proprietor**  
**Membership No. 103325**  
**UDIN :20103325AAAAAK5407**

**Mumbai.**  
**Dated : 30<sup>th</sup> June, 2020**

**BALANCE SHEET AS AT 31st March, 2020**

(Rs. in Lakhs)

Particulars	NOTE NO.	As at 31st March, 2020	As at 31st March, 2019
		Rs.	Rs.
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a. Property, Plant and Equipment	1	277.77	300.23
b. Capital Work in Progress	1	6.00	6.00
c. Intangible Assets	1	6.19	28.08
d. Financial Assets			
Investments	2	5.00	4.25
e. Deferred Tax Assets (Net)	3	16.35	15.86
f. Other Non Current Assets	4	57.68	34.89
<b>Total non-current assets</b>		<b>368.99</b>	<b>389.31</b>
<b>Current Assets</b>			
a. Inventories	5	542.41	661.47
b. Financial assets			
i) Trade Receivables	6	448.14	489.28
ii) Cash and Cash Equivalents	7	219.10	205.65
c. Other Current Assets	8	66.94	80.50
<b>Total current assets</b>		<b>1,276.59</b>	<b>1,436.90</b>
<b>TOTAL ASSETS</b>		<b>1,645.58</b>	<b>1,826.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a. Equity Share Capital	9	482.65	482.65
b. Other Equity	10	251.37	243.25
<b>Total equity</b>		<b>734.02</b>	<b>725.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a. Financial Liabilities			
i) Borrowings	11	57.87	111.07
<b>Total non-current liabilities</b>		<b>57.87</b>	<b>111.07</b>
<b>Current Liabilities</b>			
a. Financial Liabilities			
i) Borrowings	12	471.27	490.28
ii) Trade Payable	13		
Outstanding Dues to Micro and Small Enterprises		0.67	1.29
Outstanding dues of creditors other than Micro and Small Enterprise		219.39	347.09
iii) Other Financial Liabilities	14	52.25	46.68
b. Other Current Liabilities	15	110.12	103.90
<b>Total Current Liabilities</b>		<b>853.69</b>	<b>989.24</b>
		<b>911.56</b>	<b>1,100.30</b>
<b>Total Equity and Liabilities</b>		<b>1,645.58</b>	<b>1,826.21</b>
Significant Accounting Policies			
See accompanying Notes to Financial Statements	1 to 34		

As per our Report of even date  
For Ratanghayara & Co.  
Chartered Accountants

Paresh Ratanghayara  
Proprietor  
Membership No. 103325

Place : Mumbai  
Date : 30th June, 2020

For and on behalf of the Board  
Abhay B. Doshi  
(Managing Director)

Prema Radhakrishnan  
(CFO)

Place : Mumbai  
Date : 30th June, 2020

Rajiv B. Doshi  
(Executive Director)

Indrajeet Panday  
(Company Secretary)

**Statement of Profit and Loss for the Year Ended 31st March, 2020**

(Rs. in Lakhs)

Particulars	NOTE NO.	2019-20 Rs.	2018-19 Rs.
<b>INCOME</b>			
Revenue from Operations	16	2,669.83	3,153.67
Other Income	17	9.44	4.46
<b>TOTAL INCOME</b>		<b>2,679.27</b>	<b>3,158.13</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	18	902.43	1,345.42
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	19	41.83	16.52
Employee Benefits Expenses	20	518.11	501.91
Finance Costs	21	55.09	54.35
Depreciation and Amortisation Expenses	22	80.09	80.38
Other Expenses	23	1,090.35	1,143.42
<b>TOTAL EXPENSES</b>		<b>2,687.90</b>	<b>3,141.99</b>
<b>Profit (Loss) before taxes</b>		<b>-8.63</b>	<b>16.14</b>
<b>Tax Expenses</b>			
Current Tax		0.57	0.54
Deferred Tax		-0.50	-0.80
<b>Profit after tax for the year</b>		<b>-8.70</b>	<b>16.40</b>
<b>Other Comprehensive Income</b>			
<b>A) Items that will not be reclassified to profit or loss</b>			
(a) (i) Remeasurement gain / (loss) of defined benefit plans		16.82	7.66
(ii) Income tax relating to above		-	-
<b>Total Other Comprehensive Income</b>		<b>16.82</b>	<b>7.66</b>
<b>Total Comprehensive Income for the year</b>		<b>8.11</b>	<b>24.05</b>
<b>Earning Per Equity share of Face value of ₹ 10/- each</b>	25		
Basic and Diluted (in Rs)		(0.18)	0.34
<b>Earning Per Equity share of Face value of ₹ 10/- each</b>	25.1		
(including Other Comprehensive Income)			
Basic and Diluted (in Rs)		0.17	0.50
<b>Significant Accounting policies</b>			
<b>See accompanying Notes to the Financial Statements</b>	1 to 34		

As per our Report of even date  
For Ratanghayara & Co.  
Chartered Accountants

Paresh Ratanghayara  
Proprietor  
Membership No. 103325

Place : Mumbai  
Date : 30th June, 2020

For and on behalf of the Board  
Abhay B. Doshi  
(Managing Director)

Prema Radhakrishnan  
(CFO)

Place : Mumbai  
Date : 30th June, 2020

Rajiv B. Doshi  
(Executive Director)

Indrajeet Panday  
(Company Secretary)



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

(Rs. in Lakhs)

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Rs.	Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit (Loss) before taxes and exceptional items	(8.63)	16.14
Adjustment for :		
Depreciation and amortization	80.09	80.38
Loss (gain) on fixed assets (net)	(0.97)	(0.15)
Dividend Income	(0.30)	(0.03)
Interest Income	(8.16)	(4.28)
Interest on Loans	55.09	54.35
Effect of exchange rate change due to revaluation	(5.91)	0.85
Provision for gratuity charges / Leave (gains)	16.82	0.87
<b>Operating profit before working capital changes</b>	<b>128.02</b>	<b>148.12</b>
Adjustment for :		
Trade and other Receivables	42.39	(89.65)
Inventories	119.05	(21.61)
Trade and other Payables	(122.15)	(26.24)
<b>Cash generated from operations</b>	<b>167.31</b>	<b>10.62</b>
Taxes paid	(2.72)	(1.53)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES (A)</b>	<b>164.60</b>	<b>9.08</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(39.15)	(54.94)
Proceed from fixed assets	2.03	0.76
Purchase of non-current investments	(0.75)	(3.50)
Dividend income	0.30	0.03
Interest received	8.16	4.28
<b>NET CASH USED IN INVESTING ACTIVITIES : (B)</b>	<b>(29.41)</b>	<b>(53.37)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Long Term Loans taken	-	16.72
Long Term Loans repaid	(47.63)	(39.00)
Short Term Loans taken	130.00	354.00
Short Term Loans repaid	(149.01)	(139.06)
Interest Paid on loans	(55.09)	(54.35)
<b>NET CASH (USED) IN FINANCING ACTIVITIES : (C)</b>	<b>(121.73)</b>	<b>138.32</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>13.45</b>	<b>94.03</b>
Opening Balance of Cash and Cash equivalents :	205.65	111.62
Closing Balance of Cash and cash equivalents :	219.10	205.65
(Figures in brackets are cash outflows)		

Note : The above Cashflow Statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind As -7) Statement of Cashflow.

As per our Report of even date  
For Ratanghayara & Co.  
Chartered Accountants

For and on behalf of the Board  
Abhay B. Doshi  
(Managing Director)

Rajiv B. Doshi  
(Executive Director)

Paresh Ratanghayara  
Proprietor  
Membership No. 103325

Prema Radhakrishnan  
(CFO)

Indrajeet Panday  
(Company Secretary)

Place : Mumbai  
Date : 30th June, 2020

Place : Mumbai  
Date : 30th June, 2020

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

(Rs. in Lakhs)

<b>A. Equity Share Capital</b>					
	Balance at the beginning of the reporting period ie 1st April 2019	Changes in equity share capital during the year 2019-2020	Balance at the end of reporting period ie. 31st March 2020	Changes in equity share capital during the year 2018-2019	Balance at the end of reporting period ie. 31st March 2019
	Rs	Rs	Rs	Rs	Rs
	482.65	-	482.65	-	482.65

**B. Other Equity**

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Retained Earnings		
	Rs	Rs	Rs	Rs	Rs
<b>As on 31st March 2018</b>					
Balance at the beginning of the reporting period ie 1st April 2019	20.25	58.48	136.14	4.32	219.20
Profit for the Year			16.40		16.40
Total Comprehensive income for the year				7.66	7.66
<b>Balance at the end of reporting period ie. 31st March 2019</b>	<b>20.25</b>	<b>58.48</b>	<b>152.54</b>	<b>11.98</b>	<b>243.25</b>
<b>As on 31st March 2020</b>					
Balance at the beginning of the reporting period i. e. 1st April 2019	20.25	58.48	152.54	11.98	243.25
Profit (Loss) for the Year			(8.70)		
Total Comprehensive income for the year				16.82	16.82
<b>Balance at the end of reporting period ie. 31st March 2020</b>	<b>20.25</b>	<b>58.48</b>	<b>143.84</b>	<b>28.80</b>	<b>251.37</b>

**A. CORPORATE INFORMATION**

Fine Line Circuits Limited (the "Company") is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is situated at 145, SDF – V, SEEPZ, Andheri East, Mumbai 400096, India.

The Company is engaged mainly in manufacturing of Printed Circuit Boards. The Company has manufacturing facility at SEEPZ. The Company is listed on the Bombay Stock Exchange (BSE)

The Financial Statements were approved and authorized for issue in accordance with resolutions of Company's Board of Directors on 30<sup>th</sup> June, 2020.

**B. SIGNIFICANT ACCOUNTING POLICIES****B.1 Basis for preparation of accounts:**

These financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at the fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded off to the nearest Lakhs with two decimals, except when otherwise stated.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months. This is based on the nature of the products and the time between the acquisition of assets or inventories for manufacturing and their realization in cash and cash equivalents.

**B.2 Summary of Significant Accounting Policies****a) Property, Plant and Equipment, depreciation and amortization:**

- Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. All costs, net of recoverable taxes, including cost of financing till commencement of commercial production are capitalized.
- Intangible Assets are stated at cost less accumulated amortization and accumulated impairment losses, if any.
- Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
- Capital work in progress and Capital advances: Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.
- Depreciation on Property, Plant and Equipment is provided using written down value. Depreciation is provided based on the useful life of the Assets as prescribed in Schedule II to the Companies Act 2013.
- Intangible assets are amortised over a period of three years on straight line basis.

**b) Investments**

The Company has elected to recognize its non-current investments at cost.

**c) Inventories:**

Inventories are stated at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventories comprises cost of purchase and all other costs incurred in bringing the Inventories to their present location and are accounted as follows:

**I. Raw Materials Chemicals, Consumables, Spares and Tools:**

Cost includes cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**II. Work in Progress:**

Work in Progress is valued at estimated cost, based on the stages of completion or net realizable value, whichever is lower. Cost includes raw material costs and related production overheads.

**III. Finished Goods:**

Finished goods are valued at cost or estimated net realizable value whichever is lower.

**d) Employee Benefits:****Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**Post Employment Employee Benefits:****(i) Defined Contribution Plans:****(a) Provident fund:**

The Company makes specified monthly contribution to statutory provident fund in accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

**(ii) Defined Benefit Plans:****(a) Gratuity:**

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is made based on actuarial valuation done by an independent agency of notified actuaries calculated using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employee's services. Liability in respect of employees not covered under the group gratuity scheme, provision is made as per the payment of Gratuity Act, 1972.

Re-measurement of defined benefit plans in respect of post-employment and other long-term benefits are charged to the Other Comprehensive Income.

**(b) Leave Encashment:**

Provision for leave encashment, which is a defined benefit, is made based on actuarial valuation done by an independent agency of notified actuaries by using the projected unit credit method. Actuarial Gains/Losses, if any are recognized in the statement of profit and loss.

**e) Tax Expense:**

The tax expense for the period comprises current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in equity. In this case, the tax is also recognized in Other Comprehensive Income and Equity.

- **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax Authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

- **Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**f) Revenue Recognition:**

- Revenue from sale of goods is recognized when the goods are dispatched to the customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable expected. The sales are stated net of returns and related taxes.
- Income from Export Incentives is recognized on submission of claims to respective agencies and there is a reasonable certainty.
- Interest Income is recognized on time proportion basis taking into account the amount outstanding and the interest rate applicable.

- Dividend Income is recognized when the Company's right to receive the amount has been established.

**g) Provisions, Contingent liabilities and Contingent assets:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the discounted using a current pre-tax rate that reflects, when appropriate, 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.

Contingent liabilities are not recognized, but are disclosed in the Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**h) Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets:**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of their value of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**i) Finance costs:**

Borrowing costs consists of interest cost and other borrowing costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition and construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets up to the date when such assets are ready for their intended use. The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**j) Foreign currency transactions and Translation:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing 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 except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the 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 also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

In respect of Foreign Branch, all the transactions are translated at the rates prevailing at the time of transactions or that approximates the actual rate as at the date of transaction. Branch monetary assets and liabilities are restated at the year-end rates.

**k) Research and Development Expenditure:**

Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the period in which it is incurred. Development costs of products are charged to the Profit and Loss Statement unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

**l) Cash flow statement:**

Cash flows are reported using Indirect method as set out in IND AS -7 "Statement of Cash Flows". The Cash flows from operating, Investing and financing activities of the Company are segregated based on the available information.

**m) Earning per Share:**

The Company presents basic and diluted earning per share ("EPS") data for its Equity Shares. Basic EPS is calculated by dividing the profit or loss attributable to the equity Shareholder of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted number of equity shares outstanding for the effect of all dilutive potential equity shares. The Company has chosen to make additional disclosure of EPS calculated considering Other Comprehensive Income.

**n) Financial Instruments:****I) Financial Assets****1. Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit or Loss, are added to the fair value on initial recognition.

**2. Subsequent Measurement****i. Financial Assets Measured at Amortised Cost (AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset 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.

**ii. Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)**

A Financial Asset is measured at FVTOCI if it 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.

**iii. Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)**

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

**3. Impairment of Financial Assets**

The Company recognizes loss allowance for expected credit losses on:

- Financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost has impaired and provisions are made for impairment accordingly. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12 months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

**II) Financial Liabilities****1. Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case borrowings, net of directly attributable cost. Cost of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**2. Subsequent Measurement**

Financial Liabilities are carried at amortized cost using the effective interest method.

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.

### III) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired.

### IV) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future event and must be enforceable in the normal course of business.

#### o) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted prices for identical instruments in an active market.

Level 2 –Directly or Indirectly observable market inputs other than level 1 inputs.

Level 3 – inputs which are not based on observable market data.

For asset and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### C) KEY ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial year.

#### 1. Depreciation/Amortisation And Useful Life of Property Plant and Equipment/ Intangible Assets

Property, Plant and Equipment / Intangible assets are depreciated/ amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortization technological changes. The depreciation/ amortization for future periods is revised if there are significant changes from previous estimates.

#### 2. Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include assessing the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### 3. Provisions

Provisions and Liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

#### 4. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount is the higher asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### 5. Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### NOTE : 1

##### Property, Plant & Equipment / Intangible Assets (At cost)

(Rs. in Lakhs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1.04.2019	ADDITI- ONS	DEDUCTI- ONS	AS AT 31.03.2020	AS AT 1.04.2019	For the Year	DEDUCTI- ONS	AS AT 31.03.2020	AS AT 31.03.2020	AS AT 31.03.2019
<b>1) PROPERTY, PLANT AND EQUIPMENTS</b>										
<b>OWNED ASSETS</b>										
PLANT AND MACHINERY	1,619.68	31.08	20.65	1,630.11	1,360.86	45.29	20.48	1,385.66	244.45	258.82
VEHICLES	41.44	-	7.65	33.78	12.93	8.68	6.76	14.85	18.94	28.51
FURNITURE AND FITTINGS	26.54	0.09	-	26.64	24.02	0.60	-	24.62	2.01	2.52
COMPUTERS	18.44	2.36	-	20.80	17.23	0.83	-	18.06	2.74	1.21
OFFICE EQUIPMENTS	47.00	2.86	-	49.86	41.92	2.01	-	43.93	5.93	5.08
CIVIL WORKS FACTORY BUILDING	7.32	-	-	7.32	3.23	0.39	-	3.62	3.70	4.09
<b>2) INTANGIBLE ASSETS</b>										
SOFTWARE	22.62	0.40	-	23.02	22.30	0.08	-	22.38	0.63	0.32
OTHER INTANGIBLE ASSETS	65.54	-	-	65.54	37.77	22.21	-	59.98	5.56	27.77
<b>TOTAL</b>	<b>1,848.58</b>	<b>36.79</b>	<b>28.30</b>	<b>1,857.06</b>	<b>1,520.26</b>	<b>80.09</b>	<b>27.25</b>	<b>1,573.11</b>	<b>283.96</b>	<b>328.32</b>
<b>PREVIOUS YEAR</b>	<b>1,807.97</b>	<b>52.72</b>	<b>12.11</b>	<b>1,848.58</b>	<b>1,451.39</b>	<b>80.38</b>	<b>11.51</b>	<b>1,520.26</b>	<b>328.32</b>	<b>356.58</b>
Capital Work in Progress									<b>6.00</b>	<b>6.00</b>



Notes on Financial Statements for the Year ended 31st March, 2020			
		(Rs. In Lakhs)	
NOTE	Paticulars	As at 31st March, 2020	As at 31st March, 2019
	<b>NON CURRENT ASSETS</b>	<b>Rs.</b>	<b>Rs.</b>
2	<b>Financial Assets</b>		
	<b>Investments - Non Current</b>		
	Unquoted, fully paid up		
	20,000 Equity Shares of Apna Sahakri Bank Limited of Rs 25/- Each (Previous Year 17,000 Equity Shares)	5.00	4.25
	<b>TOTAL</b>	<b>5.00</b>	<b>4.25</b>
	<b>Notes :</b>		
	Aggregate amount of unquoted investments (at cost)	<b>5.00</b>	<b>4.25</b>
3	<b>Deferred Tax Assets (Net)</b>		
	At the start of the year	15.86	15.06
	Less : Charge / (Credit) to the Statement of Profit & Loss	(0.50)	(0.80)
	<b>TOTAL</b>	<b>16.35</b>	<b>15.86</b>
	<b>Component of Deferred tax liabilities / (asset)</b>	<b>As at</b>	<b>As at</b>
		<b>31-03-2020</b>	<b>31-03-2019</b>
	<b>Deferred tax liabilities / (asset) in relation to:</b>		
	<b>Property, plant and equipment</b>		
	At the beginning of the Year	15.86	15.06
	Charge / (Credit ) to the statement of Profit and Loss	(0.50)	(0.80)
	<b>At the end of the Year</b>	<b>16.35</b>	<b>15.86</b>
4	<b>Other Non-Current Assets</b>		
	(Unsecured, considered good)		
	Advance payment of taxes (Net of Provisions)	3.85	1.70
	Deposits	36.58	33.19
	Other advances and recoverables	17.25	-
	<b>TOTAL</b>	<b>57.68</b>	<b>34.89</b>
	<b>A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :</b>		
	Enacted Income Tax Rate	26.00%	25.75%
	Profit (Loss) before tax	(8.63)	16.14
	Current Tax on Profit before Tax at enacted rates	(2.24)	4.16
	<b>Tax effect of amounts not deductible/(taxable) in calculating taxable income</b>		
	Loss to be carry forward (Set off of brought forward losses)	2.58	(4.11)
	Exempted Income	(0.08)	(0.01)
	Profit on sale of Assets	(0.25)	(0.04)
	Tax arising out of foreign branch	0.57	0.54
	<b>Current Tax Provisions</b>	<b>0.57</b>	<b>0.54</b>
	Decremental / (Incremental) Defferred Tax Asset on account of Tangible and Intangible	(0.50)	(0.80)
	Others	-	-
	<b>Total Income Tax Expense</b>	<b>0.07</b>	<b>(0.26)</b>
	Effective Tax Rate	-0.84%	-1.58%

(Rs. In Lakhs)

NOTE	Paticulars	As at 31st March, 2020	As at 31st March, 2019
<b>5</b>	<b>CURRENT ASSETS</b>		
	<b>INVENTORIES</b>		
	<b>(As valued, verified and certified by the management)</b>		
	Raw Materials	214.95	185.04
	Raw Materials in Transit	23.13	63.97
	Work in Progress	83.46	92.29
	Finished Goods	34.59	67.59
	Chemicals, Consumables, Stores & Tools	179.47	228.49
	Chemicals, Consumables, Stores & Tools in Transit	6.81	24.09
	<b>TOTAL</b>	<b>542.41</b>	<b>661.47</b>
<b>6</b>	<b>CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES:</b>		
	(Unsecured and Considered Good)		
	Over six months from the date they are due for payment	4.93	4.59
	Other debts #	443.20	484.68
	<b>TOTAL</b>	<b>448.14</b>	<b>489.28</b>
<b>7</b>	<b>CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS :</b>		
	<b>(i) Cash on hand</b>	5.10	4.45
	<b>(ii) Balances with banks</b>		
	(a) Current Accounts	108.46	138.74
	(b) Deposit with Original maturity less than 12 months #	105.54	62.45
	# Includes Fixed Deposits pledged with Bank Rs 101.69 Lakhs (P. Y Rs 61.69 Lakhs)	214.00	201.19
	<b>TOTAL</b>	<b>219.10</b>	<b>205.65</b>
<b>8</b>	<b>OTHER CURRENT ASSETS</b>		
	Prepaid Expenses	4.08	12.89
	Advance to Suppliers	3.10	14.11
	Leave Encashment Fund (Refer Note No 20.2 )	5.30	5.19
	Gratuity Fund (Refer Note No. 20.1 )	26.92	6.17
	Others #	27.53	42.14
	# Includes mainly VAT / GST Refund Receivable		
	<b>TOTAL</b>	<b>66.94</b>	<b>80.50</b>
<b>9</b>	<b>EQUITY SHARE CAPITAL</b>		
<b>9.1</b>	<b>Authorised Share Capital</b>		
	7,500,000 Equity Shares of Rs. 10/- each	<b>750.00</b>	<b>750.00</b>
		<b>750.00</b>	<b>750.00</b>
<b>9.2</b>	<b>Issued, Subscribed and Paid up</b>		
	4,807,786 (4,807,786) equity shares of Rs. 10/- each fully called up	480.78	480.78
	Add : Forfeited shares (Amount originally paid up on 37,400 (37,400) Equity Shares)	1.87	1.87
	<b>TOTAL</b>	<b>482.65</b>	<b>482.65</b>

9.3	<b>Reconciliation of number and value of Shares outstanding at the beginning and end of the year :</b>	(Rs. In Lakhs)	
	<b>Particulars</b>	<b>Number of Shares</b>	<b>Amount</b>
	Outstanding as at 31st March, 2019	48.08	482.65
	Shares issued during the Year	-	-
	Outstanding as at 31st March 2020	48.08	482.65
	Outstanding as at 31st March, 2018	48.08	482.65
	Shares issued during the Year	-	-
	Outstanding as at 31st March 2019	48.08	482.65
9.4	<b>The details of Shareholders holding more than 5% shares:</b>		
	<b>1 Name of the Shareholder : Bhagwandas T. Doshi</b>		
		<b>No. of Shares</b>	<b>% of holding</b>
	1 Equity Holding as at 1st April, 2019	4.65	9.68%
	2 Equity Holding as at 31st March, 2020	4.65	9.68%
	<b>2 Name of the Shareholder : Usharani Nimmagada</b>		
		<b>No. of Shares</b>	<b>% of holding</b>
	1 Equity Holding as at 1st April, 2019	4.70	9.78%
	2 Equity Holding as at 31st March, 2020	4.70	9.78%
	<b>3 Name of the Shareholder : Kapurwala Properties P Ltd</b>		
		<b>No. of Shares</b>	<b>% of holding</b>
	1 Equity Holding as at 1st April, 2019	3.02	6.28%
	2 Equity Holding as at 31st March, 2020	3.02	6.28%
9.5	There were no shares issued pursuant to contracts without payment being received in cash, by way of bonus issue and no shares were bought back in the period of five years immediately preceding the date at which the Balance Sheet is prepared.		
9.6	The Company has only one class of Shares referred to as Equity Shares having a par value of Rs 10/-. Each holder of Equity Shares is entitled to one vote per Share.		
NOTE	<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
10	<b>Other Equity</b>		
	<b>Capital Reserve</b>		
	As per last Balance sheet	20.25	20.25
	<b>Capital Redemption Reserve</b>		
	As per last Balance sheet	58.48	58.48
	<b>Retained Earnings</b>		
	As per last Balance sheet	152.54	136.14
	Add : Profit (Loss) for the year	(8.70)	16.40
		143.84	152.54
	<b>Less: Appropriations</b>	-	-
	<b>Balance at the end of the Year</b>	<b>143.84</b>	<b>152.54</b>
	<b>Other Comprehensive Income (OCI)</b>		
	As per Last Balnce sheet	11.98	4.32
	Add Movement in OCI (Net) during the year	16.82	7.66
	<b>Balance at the end of the Year</b>	<b>28.80</b>	<b>11.98</b>
	<b>TOTAL</b>	<b>251.37</b>	<b>243.25</b>
	<b>Nature and purpose of Each Reserve :</b>		
	1. Capital Reserve is on account of Surplus on buyback of Equity shares.		
	2. Capital Redemption reserve is on account of Equity shares bought back in Past.		

(Rs. In Lakhs)

NOTE	Paticulars	As at 31st March, 2020	As at 31st March, 2019
<b>11</b>	<b>NON CURRENT LIABILITIES - BORROWINGS</b>		
	<b>Secured - At amortised Cost</b>		
	Term Loans from bank - Rupee Loan	98.95	141.47
	Less : Short Term Maturities of Term Loans (Refer Note No 14)	(46.64)	(41.57)
		<b>52.31</b>	<b>99.90</b>
	Vehicle Loans	11.17	16.28
	Less : Short Term Maturities of Vehicle Loans (Refer Note No 14)	(5.61)	(5.11)
		<b>5.56</b>	<b>11.17</b>
	<b>TOTAL</b>	<b>57.87</b>	<b>111.07</b>
<b>11.1</b>	<b>Term loan from Apna Sahakari Bank Ltd. Aggregating to Rs. 98.95 Lakhs is secured by</b>		
	(a) Primary Security : First Charge on Plant & Machinery of the Company.		
	(b) Collateral Security : Hypothecation of new Machine procured in future.		
	(c) Shares of Rs. 5.00 Lakhs of Apna Sahakari Bank Ltd.		
	(d) Pledge of Rs. 5.00 Lakhs of Fixed deposit of Third Party with Bank.		
	(e) Pledge of Rs. 66.69 Lakhs of Fixed deposit of the Company with Bank.		
	(f) Personal guarantee of the two Directors of the Company.		
	(g) Vehicle Loans are secured against Specific Vehicles.		
<b>11.2</b>	<b>Repayment Schedule and Rate of Interest of Term Loans from Bank as set out below:</b>		
<b>1</b>	<b>Term Loans from Apna Sahakari Bank, Rate of Interest 10.50 %</b>		
	<b>Repayable in the Year</b>	<b>Amount - Rs</b>	
	2020-21	46.64	
	2021-22	23.39	
	2022-23	11.69	
	2023-24	8.97	
	2024-25	8.26	
<b>2</b>	<b>Vehicle Loan from Banks - Rate of Interest 9.25 %</b>	<b>Amount - Rs</b>	
	<b>Repayable in the Year</b>		
	2020-21	5.61	
	2021-22	5.56	
NOTE	Paticulars	As at 31st March, 2020	As at 31st March, 2019
<b>12</b>	<b>CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
	<b>Secured, at Amortised cost</b>		
	Working Capital Loans from Bank	279.77	322.74
	<b>Unsecured - Rupee Loan</b>		
	Loan From Directors (Refer note no. 30)	191.50	167.53
	<b>TOTAL</b>	<b>471.27</b>	<b>490.28</b>
<b>12.1</b>	<b>Working Capital Loan from Bank, aggregating to Rs. 279.77 Lakhs @ 10.50% , is secured by:</b>		
	(a) Primary Security : First Charge on Plant & Machinery of the Company.		
	(b) Collateral Security : Hypothecation of all Stocks of the Company.		
	(c) Pledge of Rs.35.00 Lakhs of Fixed deposit of the Company with Bank.		
	(d) Personal guarantee of the two Directors of the Company.		

(Rs. In Lakhs)

NOTE	Paticulars	As at 31st March, 2020	As at 31st March, 2019
13	<b>CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES:</b>		
	Due to Micro, Small and Medium Enterprises *	0.67	1.29
	Due to Others	219.39	347.09
	<b>TOTAL</b>	<b>220.06</b>	<b>348.38</b>
	<p><b>* Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 : ('MSMED ACT')</b></p> <p>To comply with the requirement of the Micro, Small and Medium Enterprises Development Act, 2006, the Company requested its Suppliers to confirm whether they are covered as Micro, Small or Medium Enterprises under the Said Act. Based on the communication received from such Suppliers, confirming their coverage as such enterprises, the Company has recognised them for necessary treatment as provided under the Act, from the date of receipt of such confirmations, and are disclosed in the note below;</p>		
	<b>Paticulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
	The Principal amount and Interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	- Principal amount outstanding (whether due or not to Micro and Small Enterprises	0.67	1.29
	- Interest due there on	-	-
	The amount of Interest paid by the Company in terms of Section 16 of the MSMED Act	-	-
	The amount of payment made to the Supplier beyond the appointed day during the year	-	-
	Amount of Interest due and payable on delayed payments	-	-
	Amount of Interest accrued and remaining unpaid as at the year end	-	-
	The amount of further interest due and payable even in the succeeding year.	-	-
	The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of the information available with the company.		
14	<b>CURRENT FINANCIAL LIABILITIES - OTHERS</b>		
	Current Maturities of Long Term Loans (Secured) (Refer Note No. 11)	52.25	46.68
	<b>TOTAL</b>	<b>52.25</b>	<b>46.68</b>
15	<b>OTHER CURRENT LIABILITIES</b>		
	Advance From Customers	0.10	1.12
	Creditors for Capital Goods	10.29	12.65
	Creditors for Expenses	54.36	57.81
	Statutory Liabilities	2.48	2.55
	Provisions	34.47	19.91
	Other Payables #	8.42	9.86
	# Includes mainly Creditors for Misc.Expenses and Services.		
<b>TOTAL</b>	<b>110.12</b>	<b>103.90</b>	

Notes on Financial Statements for the year ended 31st March, 2020			
		(Rs. In Lakhs)	
NOTE NO	PARTICULARS	2019-20	2018-19
<b>16</b>	<b>Revenue from Operations</b>		
	<b>(a) Sale of Products</b>		
	Sale of Printed Circuit Boards	2,605.72	3,084.42
	<b>(b) Other Operating Income</b>		
	Export Incentives	64.12	69.25
	<b>TOTAL</b>	<b>2,669.83</b>	<b>3,153.67</b>
<b>17</b>	<b>OTHER INCOME:</b>		
	Interest Income	8.16	4.28
	Profit on sale of Fixed Assets (Net)	0.97	0.15
	Dividend Income	0.30	0.03
	<b>TOTAL</b>	<b>9.44</b>	<b>4.46</b>
<b>18</b>	<b>COST OF MATERIAL CONSUMED</b>	902.43	1,345.42
	<b>TOTAL</b>	<b>902.43</b>	<b>1,345.42</b>
	<b>Details of Materials consumed :</b>		
	<b>Laminates</b>	777.73	1,173.19
	<b>Others</b>	124.71	172.23
	<b>TOTAL</b>	<b>902.43</b>	<b>1,345.42</b>
<b>19</b>	<b>CHANGES IN INVESTORIES OF FINISHED GOODS:</b>		
	<b>Inventories - at Close</b>		
	Finished Goods	34.59	67.59
	Work-in-progress	83.46	92.29
	<b>Total</b>	<b>118.05</b>	<b>159.88</b>
	<b>Inventories - at Commencement</b>		
	Finished Goods	67.59	77.62
	Work-in-progress	92.29	98.78
	<b>Total</b>	<b>159.88</b>	<b>176.40</b>
	<b>TOTAL</b>	<b>41.83</b>	<b>16.52</b>
<b>20</b>	<b>EMPLOYEE BENEFITS EXPENSE:</b>		
	(a) Salaries and Wages	473.69	461.50
	(b) Contribution to Provident Fund and other Funds	16.30	14.25
	(c) Staff Welfare Expenses	28.12	26.16
	<b>TOTAL</b>	<b>518.11</b>	<b>501.91</b>

20.1.	<b>As per Indian Accounting Standards Ind AS 19 "Employee benefits", the disclosures are as under :</b>		
	<b>Defined Contribution Plan :</b>		
	Contribution to defined contribution plan recognised as expenses for the year is as under:		
	Employers contribution to Provident Fund Rs 14.31 Lakhs (Previous Year Rs. 12.08 Lakhs)		
	<b>Defined Benefit Plan :</b>		
	The employees Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation. The obligation for Leave encashment is recognised in the same manner as Gratuity.		
	<b>Gratuity Liability (Funded)</b>		(Rs. In Lakhs)
	<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>Assumptions</b>		
	Discount Rate	6.32%	7.50%
	Salary Escalation	4.00%	4.00%
1.	<b>Present value of Defined Benefit Obligation</b>	<b>Rs.</b>	<b>Rs.</b>
	<b>Defined Benefit obligation at the beginning of the year</b>	<b>65.58</b>	<b>61.70</b>
	Interest Cost	4.07	4.50
	Current Service cost	4.10	3.91
	Past Service Cost (vested benefits)	-	-
	Benefits Paid	(0.46)	(2.01)
	Actuarial (gain) / Loss on obligations	(11.89)	(2.53)
	<b>Defined Benefit of obligation as at end of the year</b>	<b>61.41</b>	<b>65.58</b>
2.	<b>Reconciliation of opening and closing balances of fair value of plan assets</b>		
	<b>Fair value of plan assets at beginning of the year</b>	<b>71.75</b>	<b>61.08</b>
	Return on plan assets other than Interest	1.07	0.14
	Interest Income	4.66	4.75
	Contributions by Employer	11.31	7.79
	Benefits paid	(0.46)	(2.01)
	<b>Fair value of plan assets at End of the year</b>	<b>88.33</b>	<b>71.75</b>
3.	<b>Amounts recognised in the Balance Sheet</b>		
	Present value of obligations as at the end of the year	61.41	65.58
	Fair value of plan assets as at the end of the year	88.33	71.75
	Funded status	26.92	6.17
	<b>Net Assets recognised in balance sheet</b>	<b>26.92</b>	<b>6.17</b>
4.	<b>Expenses Recognised in statement of Profit and Loss Accounts</b>		
	Current Service cost	4.10	3.91
	Net Interest cost	(0.59)	(0.24)
	<b>Expenses recognised in statement of Profit &amp; Loss</b>	<b>3.52</b>	<b>3.67</b>
	Actuarial (Gain) / Losses on obligation for the period	(11.89)	(2.53)
	Return on Plan Assets Excluding Interest Income	(1.07)	(0.14)
	<b>Net (Income) / Expense for the period recognised in OCI</b>	<b>(12.96)</b>	<b>(2.67)</b>

**20.2 LEAVE ENCASHMENT (FUNDED)**

Particulars	2019-20	2018-19
<b>Assumptions :</b>	<b>(4.99.15JET/GS1 gs0.110 0 1 7-Tw[(cn7calation)T62Cost</b>	
Discount rate	6.32%	8.00%
Salary Escalation	4.00%	4.00%
<b>1. Present value of Defined Benefit Obligation</b>	<b>Rs.</b>	<b>Rs.</b>
Defined Benefit obligation at the beginning of the year	14.47	14.21
Interest Cost	0.94	1.05
Current Service cost	4.37	4.20
Benefits Paid	-	-
Acturial (gain) / Loss on obligations	(4.01)	(4.99)
<b>Defined Benefit of obligation as at end of the year</b>	<b>15.77</b>	<b>14.47</b>



(Rs. In Lakhs)

23	<b>OTHER EXPENSES:</b>	<b>2019-20</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2018-19</b>
	<b>(a) Manufacturing Expenses</b>				
	Chemicals, Consumables and Stores consumed	529.43		549.73	
	Power, Fuel and Water	250.32		250.81	
	Repairs & Maintenance	45.62		36.36	
	Job work charges	3.23		6.25	
			<b>828.60</b>		<b>843.15</b>
	<b>(b) Administrative Expenses</b>				
	Rent Expenses	65.56		59.64	
	Rates and Taxes	2.77		1.45	
	Insurance Charges	2.75		2.43	
	<b>Auditors' Remuneration :</b>				
	Audit Fees	1.60		1.60	
	Tax Audit	0.50		0.50	
	Vehicle Expenses	5.50		6.63	
	Travelling & Conveyance	34.77		39.53	
	Legal and Professional Charges	19.63		17.76	
	Postage and Telegram	18.05		22.51	
	Printing and Stationery	8.06		9.90	
	Directors Sitting Fees	1.13		1.06	
	Security and Other Services	11.08		10.45	
	Sundry Expenses	21.59		28.86	
	NSDL Exp. Seepz	2.70		2.70	
	Charity and Donations	-		0.05	
	Bank Charges	13.85		15.62	
			<b>209.55</b>		<b>220.69</b>
	Exchange Difference (Net)		<b>(42.66)</b>		<b>(40.37)</b>
	<b>(c) Selling and Distribution Expenses</b>				
	Freight Outward	85.08		109.91	
	Clearing Charges	5.86		4.74	
	Commission on Sale	3.90		4.53	
	Compensation to Customers	0.02		0.77	
			<b>94.86</b>		<b>119.95</b>
	<b>TOTAL</b>		<b>1,090.35</b>		<b>1,143.42</b>
<b>23.1</b>	<b>VALUE OF CHEMICALS, CONSUMABLES AND STORES CONSUMED</b>		<b>2019-20</b>		<b>2018-19</b>
			<b>Rs.</b>		<b>Rs.</b>
			<b>%</b>		<b>%</b>
	Imported	175.35	33.12%	145.85	26.53%
	Indigenous	354.08	66.88%	403.88	73.47%
	<b>TOTAL</b>	<b>529.43</b>	<b>100%</b>	<b>549.73</b>	<b>100%</b>
<b>23.2</b>	<b>Value of Imports on CIF Basis :</b>				
	Raw Materials	985.32		1,372.61	
	Consumables and Stores and Spares	139.45		172.76	
	Capital Goods	22.10		8.30	

(Rs. In Lakhs)

<b>23.3</b>	<b>Expenditure in Foreign Currencies :</b>			
	Foreign Travelling	1.62		0.82
	Exhibition Expenses	2.65		-
	Foreign Branch Expenses	35.67		38.08
<b>24</b>	<b>Earning in Foreign Exchange</b>			
	F.O.B. Value of Exports	1,533.54		1,909.55
<b>25</b>	<b>EARNING PER SHARE:</b>		<b>2019-20</b>	<b>2018-19</b>
			<b>Rs</b>	<b>Rs</b>
	a. Net Profit after tax			
	Profit (Loss) attributable to Equity Shareholders		(8.70)	16.40
	b. Weighted average number of Equity Shares		48.08	48.08
	c. Nominal value of Equity Shares		10	10
	d. Earning per Share (Basic and diluted)		(0.18)	0.34
<b>25.1</b>	<b>EARNING PER SHARE:</b>			
	(Including Other Comprehensive Income)			
	a. Net profit after tax Including Other Comprehensive Income		8.11	24.05
	b. Weighted average number of Equity Shares		48.08	48.08
	c. Nominal value of Equity Shares		10.00	10.00
	d. Earning per Share (Basic and diluted)		0.17	0.50
<b>26</b>	Foreign Currency exposure that are not hedged by Derivative instruments or forward contracts as at March, 31, 2020 amount to Rs. 351.78 Lakhs (Previous Year Rs. 683.12 Lakhs)			
<b>27</b>	<b>Segment Information</b>			
	The Company has only one primary segment viz: "Printed Circuit Board". The Company has only one major secondary segment viz : Exports out of India. Hence no additional disclosure is required under IND AS 108.			
<b>28</b>	The net amount of foreign exchange difference Credited to Profit & Loss Accounts is Rs. 42.66 Lakhs (Previous Year Rs. 40.37 Lakhs)			
<b>29</b>	<b>Contingent Liabilities :</b>		<b>2019-20</b>	<b>2018-19</b>
			<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
	<b>In respect of :</b>			
	(i) Bonds executed in favour of President of India in respect of Custom Duty on Import of Machinery and Raw Materials		1,272.36	1,011.86
	(ii) Bank Guarantees furnished.		39.29	7.58

**30 Related Party Disclosures: (As certified by the management)****Name of the Related Party****A - Key Management Personnel**

	<b>Designation</b>
1. Bhagwandas T. Doshi	Chairman
2. Abhay B. Doshi	Managing Director
3. Rajiv B. Doshi	Executive Director
4. Prema Radhakrishnan	Chief Financial Officer
5. Ravindra Joshi (till 15.01.2020)	Company Secretary
6. Indrajeet Panday (w. e. f. 14.02.2020)	Company Secretary

**B - Relatives of Key Management Personnel**

1. Gautam B. Doshi	Director
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(Rs. In Lakhs)

Name of Related Party	Nature of Transaction	For the Year 2019-20 Rs.	For the Year 2018-19 Rs.
<b>A - Key Management Personnel:</b>			
1. Bhagwandas T. Doshi	Remuneration	19.97	20.82
	Loan taken	39.00	145.00
	Loan Repaid	47.00	95.50
	Loan Outstanding	41.50	49.50
	Interest on Loan	5.16	7.61
2. Abhay B. Doshi	Remuneration	24.17	22.87
	Loan taken	10.00	25.00
	Loan repaid	47.00	13.00
	Loan Outstanding	NIL	37.00
	Interest on Loan	0.24	1.93
3. Rajiv. B. Doshi	Remuneration	24.01	21.98
	Loan taken	21.00	20.00
	Loan repaid	11.00	5.00
	Loan Outstanding	50.00	40.00
	Interest on Loan	3.42	3.14
4. Prema Radhakrishnan	Salaries	8.05	8.10
5. Ravindra Joshi	Salaries	0.92	1.22
6. Indrajeet Panday	Salaries	0.19	-
<b>B. Relatives of Key Management Personnel :</b>			
1. Gautam B. Doshi	Loan taken	60.00	65.00
	Loan repaid	-	25.00
	Loan Outstanding	100.00	40.00
	Interest on Loan	7.97	1.51

<b>31</b>	In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. In view of the evolving COVID-19 (Corona virus Disease 2019) situation and to comply with the directions of Government of India, the Company had temporarily shut down its Factory located in the state of Maharashtra. The Company switched to work from home policy for employees to work remotely and securely. This response has reinforced customer confidence in the Company and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.
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**Notes to Financial Statements for the year ended 31st March 2020**

(All amounts are in INR lakhs unless otherwise stated)

**32 Financial Risk Management**

The Company's principal financial liabilities comprise of borrowings, trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has loan and other receivables, trade and other receivable and cash and short term deposits that arise directly from its operations. The Company's activities exposes it to variety of financial risk as follows:

- i Market Risk
- ii Credit Risk
- iii Liquidity Risk

**i Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risks: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as at March 31, 2020 and March 31, 2019.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including interest rates.

**Foreign Currency Risk**

The Following table shows foreign currency exposures (unhedged) in USD, EURO, GBP and CHF on financial instruments at the end of the reporting period.

Receivables	FC in Lakhs		Rs. in Lakhs	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
US\$	1.60	3.04	120.45	208.34
Euro	0.37	1.41	30.88	107.80
GBP	0.04	0.26	3.87	22.84
CHF	0.10	0.16	7.60	10.92

Payables	FC in Lakhs		Rs. in Lakhs	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
US\$	2.51	4.69	188.82	328.11
Euro	0.00	0.06	0.17	4.84
GBP	-	0.00	-	0.28

**Sensitivity analysis of 1% change in exchange rate at the of reporting period net of hedges**

The Company is mainly exposed to change in exchange rate for US\$ and Euro. The below table demonstrates the sensitivity to a 1 % increase or decrease in US\$ / Euro against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure as at the reporting date.

Foreign currency	Change in Rate	Effect on profit after tax		Effect on total equity	
		As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
US\$	1%	(0.68)	(1.20)	(0.68)	(1.20)
US\$	-1%	0.68	1.20	0.68	1.20
Euro	1%	0.31	1.03	0.31	1.03
Euro	-1%	(0.31)	(1.03)	(0.31)	(1.03)

**a Interest rate risk and sensitivity**

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The risk is planned to be managed by having a portfolio mix of floating and fixed rate debt. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings and loans on which interest rate swaps are taken.

**Interest rate exposure table** (Rs. In Lakhs)

Particulars	As At 31st March 2020	As At 31st March 2019
<b>Loans</b>		
Short Term Loans	471.27	490.28
Long Term Fixed Loans	57.87	111.07

**Interest Rate Sensitivity** (Rs. In Lakhs)

Interest Rate Sensitivity	Increase / decrease in Basis Points	Effect on profit before tax	Effect on total equity
<b>For the year ended 31st March 2020</b>	+50	-2.36	-2.36
INR Borrowing	-50	2.36	2.36
<b>For the year ended 31st March 2019</b>	+50	-2.45	-2.45
INR Borrowing	-50	2.45	2.45

**b Commodity price risk and sensitivity**

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enter into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

**c Financial instruments and cash deposits**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

**d Competition and price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**ii Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. 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 establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2020 and 1st April, 2019 is the carrying value of each class of financial assets.

**a Trade and Other Receivables**

Customer credit risk for printed circuits board sales is managed by entering into sale agreements in the case of sale of finished units, sale agreements are executed only upon/against full payment thereby substantially eliminating the Company's credit risk in this respect.

**Impairment**

**Expected credit loss assessment for customers as at 31st March 2020 and 31st March 19:**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company

have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. In view of the above, the Company believes that no provision is required as per expected credit loss method.

### iii Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders.

The Company's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board lays down principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk and investment of excess liquidity.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

#### As at 31st March 2020

(Rs. in Lakhs)

Particulars	< 1 year	1 to 5 years	> 5 years	Total	Carrying Amount*
Borrowings **	471.27	57.87	0.00	529.14	529.14
Trade payable	220.06	0.00	0.00	220.06	220.06

#### As at 31st March 2019

(Rs. in Lakhs)

Particulars	< 1 year	1 to 5 years	> 5 years	Total	Carrying Amount*
Borrowings **	490.28	102.28	8.78	601.34	601.34
Trade payable	348.39	0.00	0.00	348.39	348.39

\* Difference in total outstanding liability and carrying amount is on account reduction of un-amortized borrowing costs from loan balance in view of recognition of Interest Cost on "Effective Interest Rate Method" basis as provided in Ind AS.

\*\* Cash outflow within 1 year and thereafter up to 5 years denotes only interest and principal payments.

**33 Financial Instruments****Fair Values and Risk Management****Fair value measurement Hierarchy:**

(Rs. In Lakhs)

Particulars	As at 31st March, 2020				As at 31st March, 2019			
	Carrying Amount	Level 1	Level 2	Level 3	Carrying Amount	Level 1	Level 2	Level 3
Valuation								
<b>Financial Assets</b>								
<b>At amortised cost</b>								
Investment *	-	-	-	-	-	-	-	-
Trade Receivables	448.14	-	-	-	489.28	-	-	-
Cash and Bank Balances	219.10	-	-	-	205.65	-	-	-
<b>Total :</b>	<b>667.24</b>	-	-	-	<b>694.92</b>	-	-	-
<b>Financials Liabilities</b>								
<b>At amortised cost</b>								
Borrowings	529.14	-	-	-	601.34	-	-	-
Trade payables	220.06	-	-	-	348.39	-	-	-
Other financial liabilities	52.25	-	-	-	46.68	-	-	-
<b>Total :</b>	<b>801.44</b>	-	-	-	<b>996.41</b>	-	-	-

\* Excludes Financial Assets measured at Cost.

**Fair value hierarchy**

The fair value of financial instruments as disclosed above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as under:

Level 1 : Quoted prices for identical instruments in an active market;

Level 2 : Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : Inputs which are not based on observable market data.

**34** Previous year's figures have been regrouped / re-arranged / recast wherever necessary.

**As per our Report of even date**  
**For Ratanghayara & Co.**  
 Chartered Accountants

**For and on behalf of the Board**  
**Abhay B. Doshi**  
 (Managing Director)

**Rajiv B. Doshi**  
 (Executive Director)

**Paresh Ratanghayara**  
 Proprietor  
 Membership No. 103325

**Prema Radhakrishnan**  
 (CFO)

**Indrajeet Panday**  
 (Company Secretary)

Place : Mumbai  
 Date : 30th June, 2020

Place : Mumbai  
 Date : 30th June, 2020