

# Jägan

Lighting on the move...

05.09.2020

To

The General Manager  
Corporate Service Department  
BSE Limited, PJ Towers, Dalal Street, Fort  
Mumbai-400001, India

Scrip Code: 530711

SUB: Submission of Annual Report for the Financial Year 2019-20

Dear Sir/ Madam,

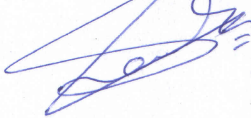
Pursuant to Regulation 34(1)(a) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2019-20, including Notice of the 28<sup>th</sup> Annual General Meeting (AGM) of the Company, Scheduled to be held on Monday, 28<sup>th</sup> September, 2020 at 11.30 A.M. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The Annual Report for the financial year 2019-20 including Notice of AGM is being sent to the shareholders electronically who have registered their e-mails IDs. The same is also available on the Company's websites at [www.jaganlamps.com](http://www.jaganlamps.com).

The above is for your information and record and oblige.

Thanking You.

For JAGAN LAMPS LIMITED



(Sandeep Yadav)  
COMPANY SECRETARY



Encl.: a/a

## JAGAN LAMPS LTD.

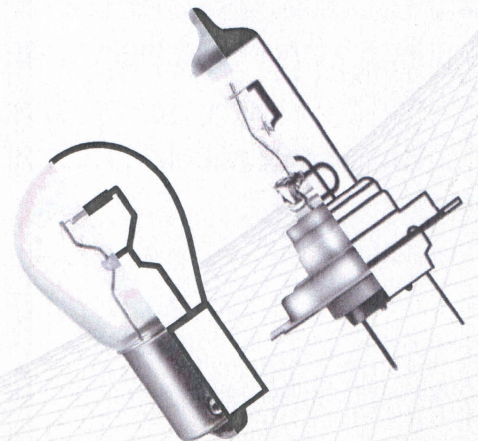
Narela Piao Manihari Road, Kundli, Distt - Sonipat, Haryana-131028 ( INDIA)

Tel : 8814805077

E-mail : [sales@jaganlamps.com](mailto:sales@jaganlamps.com), [jagansalesautobulbs@gmail.com](mailto:jagansalesautobulbs@gmail.com)

Website : [www.jaganlamps.com](http://www.jaganlamps.com)

CIN : L31501HR1993PLCO33993



# More *Smiles* Per Hour







**NEUTRON**  
ebikes



*Sheer Riding  
Pleasure*



**RUNNING COST**  
**10 PAISE / KM**

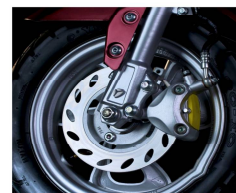


**ANTI THEFT**  
**ALARM**

**80\***  
**Km**



**DIGITAL**  
**SPEEDOMETER**



**HYDRAULIC**  
**SUSPENSION**

## OUR PRESTIGIOUS CUSTOMERS

### • FOUR WHEELER SEGMENT (DOMESTIC CUSTOMERS)



### • TWO WHEELER SEGMENT (DOMESTIC CUSTOMERS)





# LETTER FROM THE *CHAIRMAN*



**DEAR STAKEHOLDERS,**

I am very happy to present the 28<sup>th</sup> Annual Report for the financial year 2019-20 of Jagan Lamps Limited. In this year the Company launched first series of Electric Bike under the brand name "NEUTRON". The aim of company to provide cleaner mobility solution for general public and hence launches one of the cheapest Electric Bikes in India name as "NEUTRON MAGIC".

Let me now move on your company's performance in financial year 2019-20. It has been a spectacular year of all round performances and achievements. We have achieved record sales and profits once again and we have made significant progress on several initiatives and projects that we had set out to accomplish this year. Your company has performed admirably. Allow me to outline the key results:

- Total turnover increased by 19.83% to Rs. 2363.01 Lacs.
- Profit before Tax (PBT) after exceptional items grew by 78.96% to Rs. 224.13 Lacs.
- Profit after Tax (PAT) after grew by 75.25% to Rs. 169.51 Lacs.

Let's move on future outlook of the Company, in the light of COVID 19

pandemic, and the economic repercussions that we face globally, there will be initial disturbances in supply chain management, and aggregate demand reaching normal levels. There is downward sentiment overall, but JAGAN LAMPS is confident of achieving similar growth levels in the coming financial year. Our strong brand value and market presence should help us achieve targets.

Lastly, we are looking to make our organization learner and more effective, and have utilized team building tools to make the organization more effective and result oriented. We encourage decentralization of decision making and democratize information flow.

I would like to thank each and every stakeholder in the organization, most importantly the company's staff, executives and work force for their dedicated services. I would also like to thank all my colleagues on the Board for their valuable advice and constant encouragement.

Thank you and Jai Hind.

**ASHISH AGGARWAL**  
**Chairman & Managing Director**



# NEUTRON

The NEUTRON is carrying the Most Modern Design and can be used by all classes. The Electric Bike features, LED Headlamps with DRLs, LED Taillamp, Hydraulic suspension, Digital Speedometer, USB Charging port, large seats, Front Disc Breaks, and Anti Theft Alarm. This model can go upto 100 Kms on a single charge and Costs just 6 paisa/Km.



## NEUTRON Li

The NEUTRON Li has same features as NEUTRON but with Lithium Ion Battery. This Model is at best price with 3 Years Warranty on batteries.

# NEUTRON PRO

The NEUTRON PRO is designed specially for office going persons and Modern Women. The Electric Bike features, stylish Head & Back light, Hydraulic suspension, Digital Speedometer, USB Charging port, large seat, Front Disc Break, and Anti Theft Alarm. This model can go upto 80 Kms on a single charge and Costs just 10 paisa/Km.



# NEUTRON MAGIC

The NEUTRON MAGIC is Sleek, designed specially for college and school going youngsters. The Electric Bike features, Digital Speedometer, USB Charging port, and Anti Theft Alarm. This model can go upto 60 Kms on a single charge and Costs just 10 paisa/Km.





## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

**Mr. Ashish Aggarwal**

Chairman & Managing Director

**Ms. Rekha Aggarwal**

CFO (w.e.f 14.08.2018) & Director w.e.f.13.08.19

**Ms. Shikha Gupta**

Director

**Mr. Hemant Mangla**

Independent Director

**Ms. Ruchi Aggarwal**

Independent Director

**Mr. Saras Kumar**

Independent Director

### **COMPANY SECRETARY**

**Mr. Sandeep Yadav**

### **STATUTORY AUDITORS**

**MESSRS KASG & CO.**

210, Safeway House, D Block  
Central Market, Opp PVR Cinema  
Prashant Vihar New Delhi-110085  
Email: [vipin@kasgca.com](mailto:vipin@kasgca.com)

### **AUDIT COMMITTEE**

Mr. Saras Kumar  
Ms. Shikha Gupta  
Ms. Ruchi Aggarwal

### **NOMINATION AND REMUNERATION COMMITTEE**

Ms. Ruchi Aggarwal  
Ms. Shikha Gupta  
Mr. Hemant Mangla

### **BANKERS**

HDFC Bank Ltd.  
Punjab National Bank  
Kotak Mahindra Bank

### **REGISTERED OFFICE**

Narela Piao Manihari Road, Kundli  
Distt. Sonipat 131028 (Haryana)  
Phone: +91-88-14805077  
E-mail: [sales@jaganlamps.com](mailto:sales@jaganlamps.com)  
Website : [www.jaganlamps.com](http://www.jaganlamps.com)

### **STOCK EXCHANGES**

BSE LTD (BSE)

### **SECRETARIAL AUDITORS**

**MESSRS JASPREET DHAWAN & ASSOCIATES**

Company Secretary in practice  
SCO 312, 2<sup>nd</sup> Level, Sector 40 D, Chandigarh  
Punjab-160062, Mob: 9888515184  
Email: [jaspreetsdhawan1@gmail.com](mailto:jaspreetsdhawan1@gmail.com)

### **REGISTRAR & SHARE TRANSFER AGENT**

**MAS SERVICES LTD**

T-34, 2<sup>nd</sup> Floor  
Okhla Industrial Area Phase-II, New Delhi-20  
Phone: 011-26387281/82/83  
Phone: 011-26387281/82/83 Tel:011-4250224  
Email: [info@masserv.com](mailto:info@masserv.com)

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Ashish Aggarwal  
Mr. Saras Kumar  
Ms. Ruchi Aggarwal

### CONTENTS OF 28<sup>TH</sup> ANNUAL REPORT 2019-20

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### NOTICE OF THE 28<sup>th</sup> (TWENTY EIGHTH) ANNUAL GENERAL MEETING

Notice is hereby given that the **28<sup>th</sup> Annual General Meeting** of the Members of **JAGAN LAMPS LIMITED** will be held on **Monday the 28<sup>th</sup> day of September, 2020 at 11:30 A.M IST** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business(s):-

#### ORDINARY BUSINESS:

**(1) Adoption of Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company prepared as per Indian Accounting Standard for the year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.

**(2) Appointment of Ms. Rekha Aggarwal (DIN: 07887630) as a Director liable to retire by rotation:**

To appoint a Director in place of Ms. Rekha Aggarwal (DIN: 07887630), who retires by rotation and being eligible, offers herself for re-appointment.

#### SPECIAL BUSINESS:

**(3) To approve the payment of remuneration of Mr. Ashish Aggarwal (DIN:01837337), Managing Director of the Company for remaining period of his tenure:**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Articles of Association of the Company and such other approvals as are necessary, consent of the members of the Company be and is hereby accorded for affirming the existing remuneration of Rs. 32,70,000/- p.a. payable to Sh. Ashish Aggarwal (DIN:01837337), Managing Director of the Company with effect from September 29, 2020, for his remaining tenure as set out in the Explanatory Statement."

"RESOLVED FURTHER that Nomination and Remuneration Committee of the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Sh. Ashish Aggarwal (DIN:01837337), the remuneration payable to him subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) without further approval of the Board and members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration."

"RESOLVED FURTHER that Ms. Rekha Aggarwal (DIN: 07887630), Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the above resolution."

Registered Office  
Narela Piao Manihari Road  
District-Sonipat, Kundli-131028  
Haryana, India

By order of the Board  
For Jagan Lamps Ltd.

Sd/-

Dated: 28.08.2020  
Place: Kundli (Haryana)

Sandeep Yadav  
Company Secretary  
M.No: A50965

### NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 2) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- 3) 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 1](#) to the Notice of AGM.
- 4) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since 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 the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 5) 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 on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [mhkgupta18@gmail.com](mailto:mhkgupta18@gmail.com) with a copy marked to [evoting@cdslindia.com](mailto:evoting@cdslindia.com) & [cs@jaganlamps.com](mailto:cs@jaganlamps.com).
- 6) 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, Mas Services Limited for assistance in this regard.



- 7) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Mas Services Limited (RTA) in case the shares are held by them in physical form.
- 8) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Mas Services Limited (RTA) in case the shares are held by them in physical form.
- 9) 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. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Mas Services Limited (RTA) in case the shares are held in physical form.
- 10) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Mas Services Limited (RTA), the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 11) 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.
- 12) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 21, 2020 through email on [cs@jaganlamps.com](mailto:cs@jaganlamps.com). The same will be replied by the Company suitably.
- 13) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 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.jaganlamps.com](http://www.jaganlamps.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).

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 login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com) or [info@masserv.com](mailto:info@masserv.com). However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

- 14) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 15) At the twenty-seventh AGM held on September 30, 2019 the Members approved appointment of M/s KASG & Co., Chartered Accountants (Firm Registration No. 002228C) 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 32<sup>nd</sup> 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 twenty-eight AGM.

- 16) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 17) The **remote e-voting** period commences on **Friday, September 25, 2020 (9:00 a.m. IST) and ends on Sunday, September 27, 2020 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **Monday, September 21, 2020 i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- 18) Members who would like to express their views or ask questions during the AGM may register themselves as a **SPEAKER SHAREHOLDER** by sending their request from their registered email id mentioning their name, DP ID and Client ID/Folio no., PAN, Mobile Number at [CS@jaganlamps.com](mailto:CS@jaganlamps.com) from **September 21, 2020 to September 23, 2020**. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- 19) The Board of Directors has appointed M/s Mehak Gupta & Associates (Membership No. FCS 10703, CP NO. 15013) Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- 20) 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.
- 21) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- 22) The **Register of Members** and share transfer books will remain closed from **Tuesday, September 22, 2020 to Monday, September 28, 2020 (Both days inclusive)**.
- 23) **VOTING THROUGH ELECTRONIC MEANS:** 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, and 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.

### INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE AGM THROUGH VIDEO CONFERENCING ARE AS FOLLOWS:

- (i) The shareholders need to visit the e-voting website <http://www.evotingindia.com/>.
- (ii) Click on "Shareholders" module.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 which is mentioned in email.</li> </ul>
Dividend Bank Details <b>OR</b> 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 (iii).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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 also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the 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.
- (ix) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN 200902099 for the relevant **JAGAN LAMPS LIMITED** on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiii) After selecting the resolution on which you have decided to vote, 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
- (xvii) 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 WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:**

1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, and copy of PAN card to [info@masserv.com](mailto:info@masserv.com)
2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to [info@masserv.com](mailto:info@masserv.com)

**INSTRUCTIONS FOR JOINING MEETING THROUGH VC:**

- (i) To join the meeting, the shareholders should log on to the e-voting website <http://www.evotingindia.com/> and login as explained above. After logging-in, kindly click on 'live streaming' tab and you will be redirected to 'cisco' website.

In the "Name" field - Put your name.

In the "last name" field - Enter your folio no. as informed in e-mail

In the "Email ID" field - Put your email ID

In the "Event password" field - Put the password as "cdsl@1234"

Click join now button.

Event No. 85455 will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the **WEBEX** meet app from the respective play store.

**PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:**

1. System requirement:
  - ✓ Windows 7, 8 or 10

- ✓ I3
- ✓ Microphone, speaker
- ✓ Internet speed minimum 700 kbps
- ✓ Date and time of computer should be current date and time

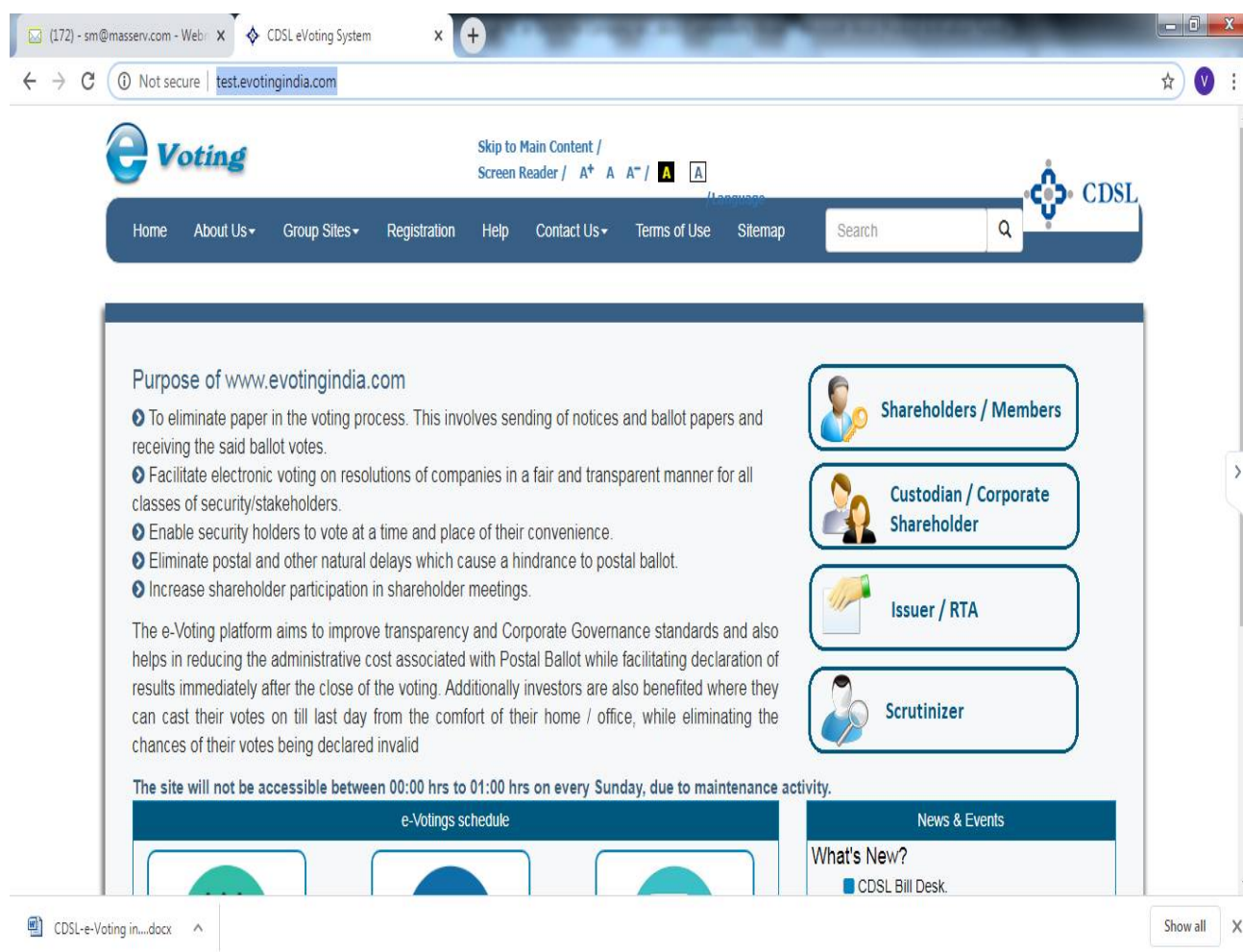
### PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- ✓ Please download **WEBEX** application from play store

**NOTE:** IT IS ADVISABLE TO LOGIN BEFOREHAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE, TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-IN DURING THE AGM.

### PROCEDURE FOR E-VOTING AND JOINING OF MEETING THROUGH VC (EXPLAINED USING SCREENSHOTS):

- i. The shareholders should log on to the e-voting website <http://www.evotingindia.com/>. Below screen will be appear.





(ii) Press Shareholders/Members tab, after which the below screen will be appear.

The screenshot shows a web browser window with the following elements:

- Browser Tabs:** (172) - sm@masserv.com - Web, Welcome to EVSN
- Address Bar:** test.evotingindia.com/login\_BO.jsp?t=i1
- Page Header:**
  - eVoting** logo on the left.
  - CDSL** logo on the right.
- Navigation Bar:** Home, About Us, Group Sites, Registration, Help, Contact Us, Terms of Use. A search bar and a link to "Skip to main content" are also present.
- Main Content Area:**
  - Shareholders / Members** tab is selected.
  - Instructions:** "Please enter the userid as communicated to you and replicate the image text(code) you see below for validation. After entering the login details you would be able to select the Company for which you intend to vote."
  - User ID Field:** Labeled "User ID \*", with a text input box containing "Enter User ID".
  - Captcha Image:** Displays the number "818433".
  - Audio Option:** A "Play Audio" button and a "Refresh" link are provided.
  - Captcha Field:** Labeled "Enter the Characters Displayed \*", with a text input box containing "Enter CAPTCHA".
  - Virtual Keyboard:** A checkbox labeled "Click to use Virtual Keyboard" is present.
  - Login Buttons:** "Login" and "Forgot Password" buttons are at the bottom of the form.
  - Mobile App Promotion:** A yellow box titled "Use Mobile App For e-Voting" contains the "m-Voting" logo and text: "Shareholders may log-in to m-voting using their e-voting credentials to vote for company resolutions. Download the m-Voting app on your version based mobile phones, today!". It includes "Download on Google Play" and "Available on the App Store" badges.
- Footer:** A taskbar at the bottom shows a document icon labeled "CDSL-e-Voting in...docx" and a "Show all" button.

(iii) Enter user id as mentioned in your invite email, or read point number (iii) as given above.

Since you are a registered user, below screen will be appear. Enter your existing CDSL password in password field.

Character Validation was successful. Kindly enter other login details to proceed.


User ID \*

Password \*

\* Field Mandatory.  
# Any one field should be mandatorily entered.



☐ Click to use Virtual Keyboard

**Use Mobile App For e-Voting**



Shareholders may log-in to m-voting using their e-voting credentials to vote for company resolutions.

Download the m-Voting app on your

version based mobile phones, today!

(iv) In case you are 1st time user of CDSL e-voting system, then below screen will be appear.

The screenshot shows a web browser window with the following elements:

- Browser Tabs:** (172) - sm@masserv.com - Webin, Welcome to EVSN, Webex Events.
- Address Bar:** test.evotingindia.com/login\_BO.jsp?t=i1
- Page Header:**
  - eVoting** logo on the left.
  - CDSL** logo on the right.
- Navigation Bar:**
  - Home, About Us, Group Sites, Registration, Help, Contact Us, Terms of Use.
  - A search bar and a "Skip to main content" link.
- Main Content Area:**
  - Header:** Shareholders / Members (with a user icon).
  - Message:** Character Validation was successful. Kindly enter other login details to proceed.
  - Form Fields:**
    - User ID \***: Text box containing "MOCK001".
    - PAN \***: Text box.
    - Bank Account Number#**: Text box.
    - DOB or Date Of Inc.#**: Text box with a date format hint "(dd/mm/yyyy)".
  - Buttons:** "Submit" and "Forgot Password".
  - Footnote:**
    - \* Field Mandatory.
    - # Any one filed should be mandatorily entered.
  - Virtual Keyboard:** A checkbox labeled "Click to use Virtual Keyboard".
- Mobile App Promotion:**
  - Section:** Use Mobile App For e-Voting.
  - Image:** m-Voting app logo.
  - Text:** Shareholders may log-in to m-voting using their e-voting credentials to vote for company resolutions.
  - Text:** Download the m-Voting app on your
  - Buttons:** "Download on Google Play" and "Available on the App Store".
  - Text:** version based mobile phones, today!

At the bottom of the browser window, a taskbar shows a document icon labeled "CDSL-e-Voting in...docx" and a "Show all" button.



- (v) Enter your PAN and bank detail/DOB or follow instruction as given point number (vi) above or mentioned in invite email; then below screen will be appear.

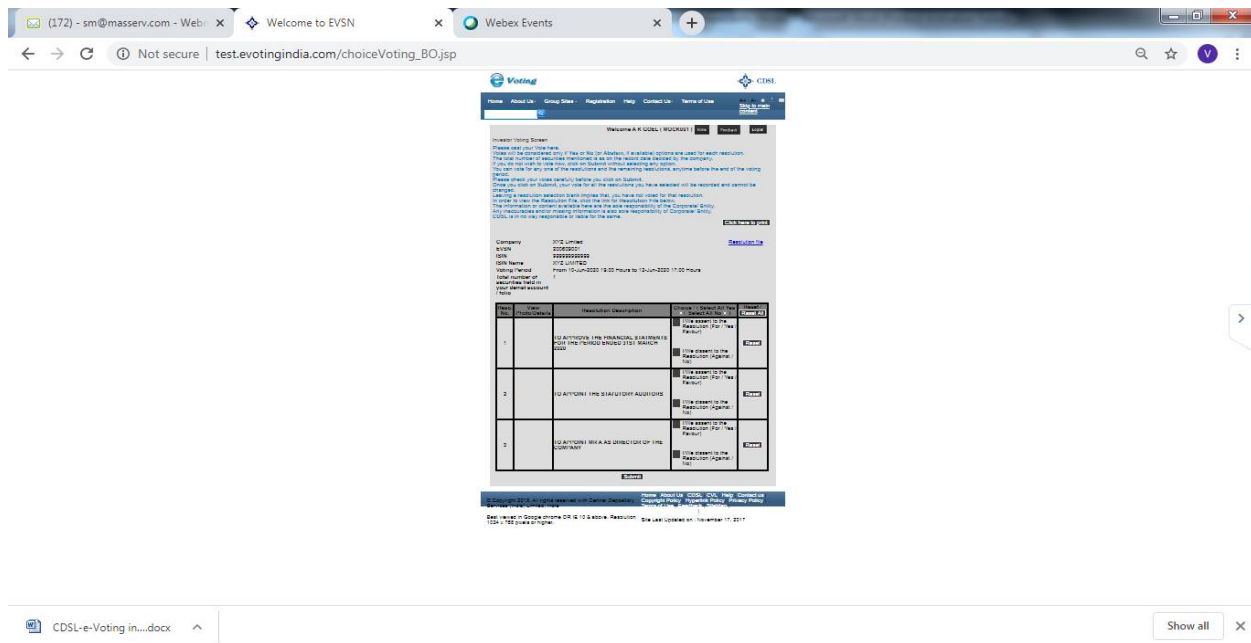
The screenshot displays a web browser window with the following elements:

- Browser Tabs:** (172) - sm@masserv.com - Web, Welcome to EVSN.
- Address Bar:** Not secure | test.evotingindia.com/selectEvsN\_BO.jsp
- Page Header:**
  - eVoting** logo on the left.
  - CDSL** logo on the right.
- Navigation Bar:** Home, About Us, Group Sites, Registration, Help, Contact Us, Terms of Use, a search bar, and a "Skip to main content" link.
- User Welcome Section:** "Welcome JAGRUTI SHANTILAL SHAH (IN30074910242015)" with links for Home, Change Password, Feedback, and Logout.
- Section Header:** "Member Voting Screen"
- Instruction:** "Click an EVSN. A new screen will open, wherein you shall be able to cast your vote(s) into the e-Voting system."
- Voting Table:**

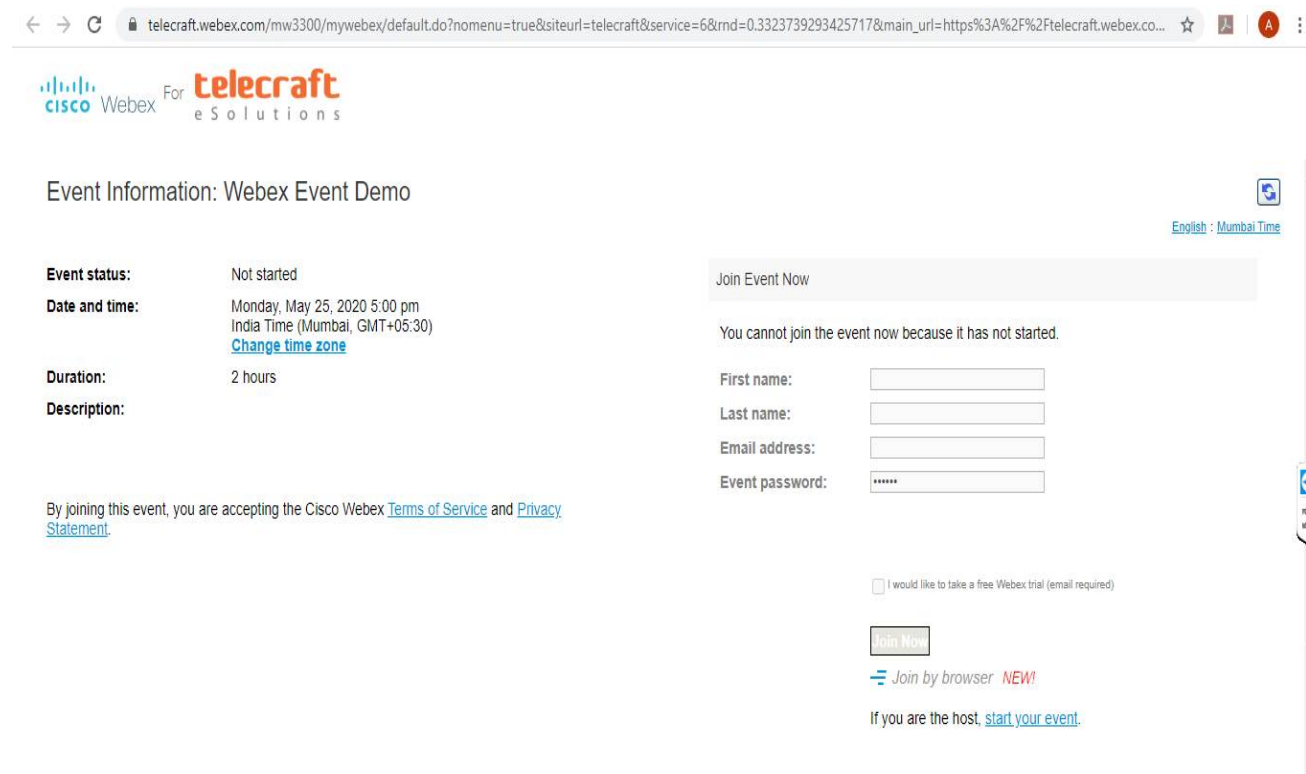
Voting Type	Live Streaming	EVSN	EVSN Type	Company	Start Date End Date
Venue	Click here 10-Jun-2020 10:00	170410003	Postal Ballot	CDSL e-Voting Demo System55	07-Jun-2019 09:00 Hrs 09-Jun-2020 17:00 Hrs
- Footer:**
  - © Copyright 2018. All rights reserved with Central Depository Services (India) Limited, India
  - Best viewed in Google chrome OR IE 10 & above. Resolution 1024 x 768 pixels or higher.
  - Home | About Us | CDSL | CVL | Help | Contact us | Copyright Policy | Hyperlink Policy | Privacy Policy | Terms of Use | Feedback | SiteMap | Helpdesk:1800225533 | Site Last Updated on : November 17, 2017
- Taskbar:** CDSL-e-Voting in...docx
- Bottom Right:** "Show all" button.

- (vi) For e-voting, press EVSN number 200902099 given in EVSN column; and for joining AGM through video conferencing, click on “Click here” tab under the live streaming column.

E-voting screen will be shown as below, where you can cast your vote and press submit button given at the bottom of the screen.



Screen for login into Video Conferencing is shown below:



Fill the details as:

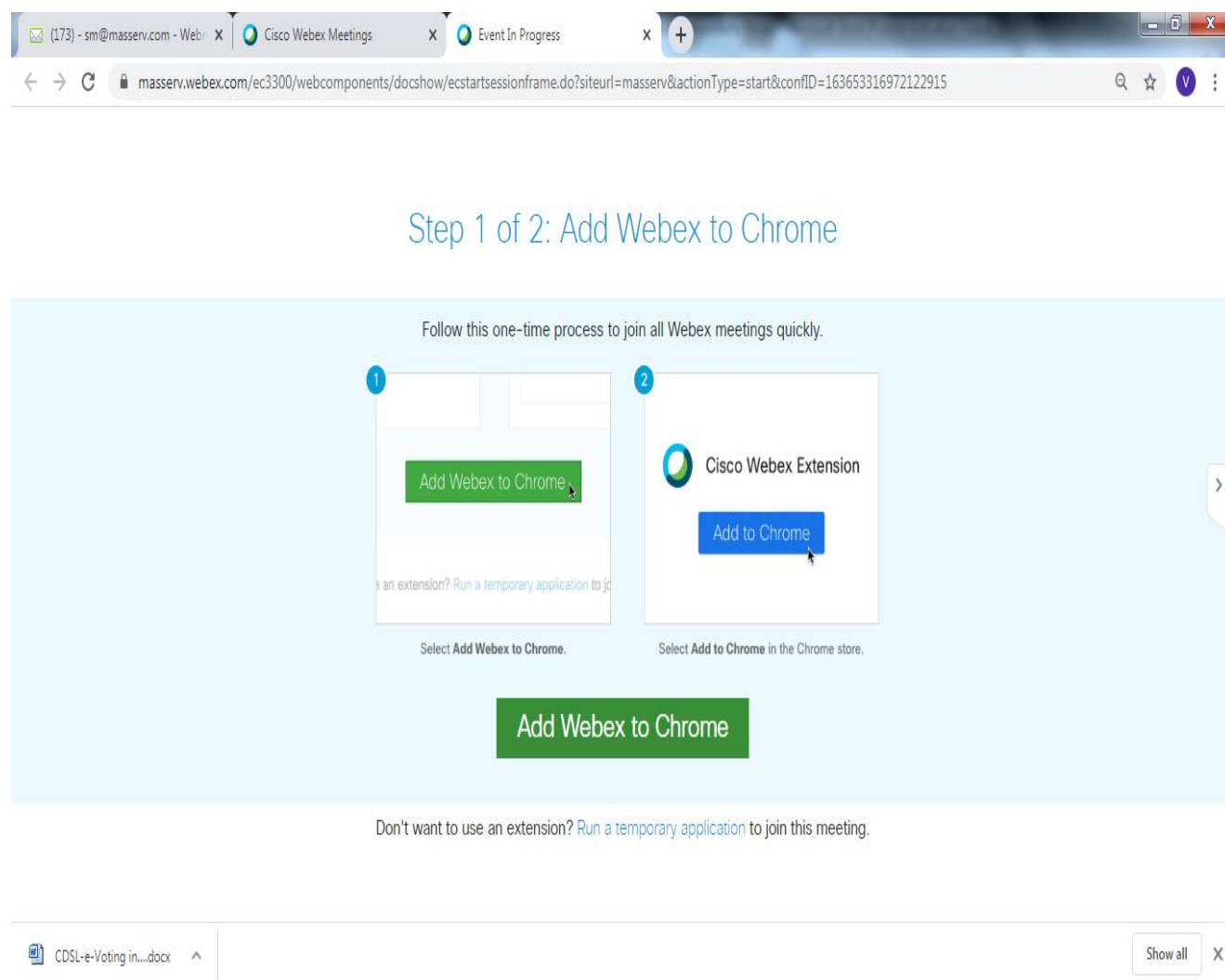
- In the "Name" field - Put your name.
- In the "last name" field - Enter your folio no. as informed in e-mail
- In the "Email ID" field - Put your email ID
- In the "Event password" field - Put the password as "cdsl@1234"

Click **JOIN** now button.

Event will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the **WEBEX** meet app from the respective play store .

(vii) Once you click on 'Join now' tab, the following screen will be appear :





- (viii) Now, Kindly click on 'Run a temporary application', after which a Webex driver will get downloaded. After downloading webex driver, run the application and you will be directed to the AGM.
- (ix) Members who need assistance before or during the AGM with use of technology etc. may contact to Mr, Rakesh Dalvi, Manager, CDSL, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel, East Mumbai 400013. Email: [evoting@cdslindia.com](mailto:evoting@cdslindia.com), Tel : 1800-225-533. Further, Members may also contact with Mr. Deepanshu Rastogi, General Manager, MAS Services Limited, RTA at [info@masserv.com](mailto:info@masserv.com) or on Telephone No.: 011-26387281/82/83.
- (x) Facility for joining the AGM through VC /OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for members on first come first served basis.
- (xi) As the AGM will be held through VC /OAVM the venue of AGM shall be deemed to be the Registered Office of the Company.

### Other Instruction

1. All the documents referred to in the accompanying Notice & Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on [cs@jaganlamps.com](mailto:cs@jaganlamps.com)
2. The register of Directors & Key Managerial Personnel & their shareholding maintained u/s 170 of the Act, the register of Contract or arrangement in which directors are interested u/s 189 of the Act will be available for inspection during the Annual General Meeting.
3. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
4. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.jaganlamps.com](http://www.jaganlamps.com) and on the website of CDSL <https://www.evotingindia.com>. The Company shall simultaneously forward the results to BSE Limited.

Registered Office  
Narela Piao Manihari Road  
District-Sonipat, Kundli-131028  
Haryana, India

Dated: 28.08.2020  
Place: Kundli (Haryana)

By order of the Board  
For Jagan Lamps Ltd.

Sd/-

Sandeep Yadav  
Company Secretary  
M.No: A50965

### Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

#### Item No. 3

Sh. Ashish Aggarwal, B.Tech Chemical Engineering is well versed with technical and commercial operations and practices. He is one of the core promoters of the Company. He has been looking after the corporate administration, corporate image and relationships, events and management.

Sh. Ashish Aggarwal, was appointed as Managing Director of the Company for a period of five years w.e.f. 29.09.2017. In terms of the provisions of Section II of Part II of the Schedule V of the Companies Act, 2013, in the event of any loss, absence or inadequacy of profits of the Company, the Company can pay remuneration to their managerial personnel as per the limits mentioned in Section II of Part II of the Schedule V of the Companies Act, 2013 if the conditions mentioned therein are fulfilled. One of the conditions being that "a special resolution is required to be passed at the general meeting of the Company for payment of remuneration for a period not exceeding three years.

Looking to the above requirement of payment of remuneration for a period not exceeding three years, the Board of Directors has considered it appropriate and advisable to affirm his existing remuneration of Rs.32,70,000/- p.a. with effect from September 29, 2020 for his remaining tenure. The remuneration has been affirmed on the basis of recommendation of the Nomination and Remuneration Committee.

As per the provisions of Sections 196, 197, Schedule V and all other applicable provisions of Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the payment of remuneration to Managing Director requires the approval of the Shareholders in general meeting by way of resolution and hence necessary resolution has been proposed for your approval. Your Directors recommended to pass the said resolution as [Special Resolution](#).

Except Sh. Ashish Aggarwal being an appointee, Ms. Rekha Aggarwal & Ms. Shikha Gupta, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise in the said resolution.

#### **The Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V of the Companies Act, 2013:**

I.	General information:	
1	Nature of industry:	Jagan Lamps Limited is engaged in the business of manufacturing of Halozen Bulbs and Autobulbs since 1994.
2	Date or expected date of commencement of commercial production	Not Applicable as the commercial operations have already begun.
3	In case of new companies, expected date of commencement of activities as per project approved by financial	Not Applicable as the Company is not a new company.

	institutions appearing in theprospectus		
4	Financial performance based on given indicator	Particulars	For the year ended 31.03.2020 Amount (Rs. In Lac)
		Revenue from operations	2314.04
		Profit/Loss before Tax	224.13
		Tax Expenses	54.63
		Profit/Loss after Tax	169.51
5	Foreign Investments or collaborations, if any,	Not Applicable	
II.	<b>Information about Mr. Ashish Aggarwal</b>		
1	Background details	Mr. Ashish Aggarwal, B.Tech Chemical Engineering is well versed with technical and commercial operations and practices. He is one of the core promoters of the Company. He has been looking after the corporate administration, corporate image and relationships, events and management. He has an expensive background and experience in legal & finance, international business relations and production. He has experience in the aforesaid fields for more than 24 years.	
2	Past Remuneration	Rs. 32,70,000/- p.a. for the financial year 2019-20	
3	Recognition or awards	Nil	
4	Job Profile and his suitability	Mr. Ashish Aggarwal is Managing Director of the Company and plays major roles in day to day affairs of the Company.	
5	Remuneration proposed	Rs. 32,70,000/- p.a. for remaining tenure w.e.f September 29, 2020.	
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin)	Considering the responsibility shouldered by him of the enhanced business activities of the Company. Proposed remuneration is commensurate with industry standards and board level positions held in similar sized and similarly positioned business.	
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Ashish Aggarwal has no pecuniary relationship directly or indirectly with the Company except: 1. Remuneration 2. Shareholding 3. Rent paid to him by Jagan Lamps Limited under related party transaction duly approved by the Board of Directors of the Company.	
III.	<b>Other Information</b>		
1	Reasons of loss or inadequate profits	The Company has continuously shown growth over the years. The change in technology has also adversely impacted the turnover and profitability of the Company.	
2	Steps taken or proposed to be taken for improvement	The Company has taken necessary steps to improve the profitability by reducing the cost and improving performance and margins. The Company has also embarked on a series of strategic and operational measures that is expected to result in the improvement in the present	



		position.
3	Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
IV	Disclosure related to corporate Governance	NA

Registered Office  
Narela Piao Manihari Road  
District-Sonipat, Kundli-131028  
Haryana  
India

By order of the Board  
For Jagan Lamps Ltd.

Sd/-

Dated: 28.08.2020  
Place: Kundli (Haryana)

Sandeep Yadav  
Company Secretary  
M.No: A50965

### Annexure-1 to the Notice of 28<sup>th</sup> AGM

Information required to be furnished as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards on the General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting of the Company are given below:

S.No	Details of Director	Name of Director
1	Name of the Director	Mrs. Rekha Aggarwal
a	Qualification, Experience & Age	Ms. Rekha Aggarwal is commerce graduate and overall experience of more than 10 years in areas of Financial Planning & Management, Accounts, Taxation and internal audit etc. Ms. Rekha Aggarwal is 44 year old.
b	Terms & Conditions of appointment and re-appointment	Appointment as a Non-Executive Director w.e.f.13.08.2019.
c	Last Drawn remuneration detail along with remuneration sought to be paid	As a Non-Executive Director, She is entitled to sitting fees for attending meetings of the Board/Committee and Commission on Profits as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013.

<b>d</b>	List of outside directorship held excluding alternate directorship	1 Jagan Automotives Pvt. Ltd. 2. Anvi Buildmart Pvt. Ltd.
<b>e</b>	Date of First appointment on the Board	29.09.2017
<b>f</b>	Shareholding in the Company as on 31.03.2020	4,82,766.00
<b>g</b>	Relationship with other Directors/KMP of the Company	Mrs. Rekha Aggarwal is wife of Mr. Ashish Aggarwal, Managing Director of the Company.
<b>h</b>	Membership / Chairmanship of committees of <b>other Board</b> as on March, 2020	NA
<b>i</b>	No. of Meetings of the Board attended during the year (2019-20)	5/5
<b>2</b>	<b>Name of the Director</b>	<b>Mr. Ashish Aggarwal</b>
<b>a</b>	Qualification, Experience & Age	Mr. Ashish Aggarwal, B.Tech Chemical Engineering is well versed with technical and commercial operations and practices. He is one of the core promoters of the Company. He has been looking after the corporate administration, corporate image and relationships, events and management. He has an expensive background and experience in legal & finance, international business relations and production. He has experience in the aforesaid fields for more than 24 years. Mr. Ashish Aggarwal is 48 year old.
<b>b</b>	Terms & Conditions of appointment and re-appointment	Appointment as a Managing Director w.e.f. 29.09.2017.
<b>c</b>	Last Drawn remuneration detail along with remuneration sought to be paid	Rs. 32,70,000/- p.a. for the financial year 2019-20.
<b>d</b>	List of outside directorship held excluding alternate directorship	1 Jagan Automotives Pvt. Ltd. 2. Anvi Buildmart Pvt. Ltd.
<b>e</b>	Date of First appointment on the Board	01.04.1994
<b>f</b>	Shareholding in the Company as on 31.03.2020	32,08,245
<b>g</b>	Relationship with other Directors/KMP of the Company	Mrs. Rekha Aggarwal is wife and Ms. Shikha Gupta is Sister of Mr. Ashish Aggarwal.
<b>h</b>	Membership / Chairmanship of committees of <b>other Board</b> as on March, 2020	NA
<b>i</b>	No. of Meetings of the Board attended during the year (2019-20)	10/10

Registered Office  
Narela Piao Manihari Road  
District-Sonipat, Kundli-131028  
Haryana  
India

By order of the Board  
For Jagan Lamps Ltd.

Sd/-

Dated: 28.08.2020  
Place: Kundli (Haryana)

Sandeep Yadav  
Company Secretary  
M.No: A50965

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**DETAILS OF SHAREHOLDING OF NON EXECUTIVE DIRECTORS OF THE COMPANY  
(PURSUANT TO SEBI LISTING OBLIGATION DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

Sl. No.	Name of Director	No. of Equity Shares
01.	Mr. Hemant Mangla	NIL
02.	Mr. Saras Kumar	NIL
03.	Ms. Ruchi Aggarwal	NIL
04.	Ms. Shikha Gupta	28700
05.	Ms. Rekha Aggarwal	482766

**DETAILED GENERAL INFORMATION AS PER SCHEDULE XIII OF THE COMPANIES ACT, 2013**

**NATURE OF INDUSTRY:** MANUFACTURING AUTO HALOGEN LAMPS, AUTO BULBS & LAMPS

**FOREIGN EXCHANGE EARNINGS:** THE FOREIGN EXCHANGE EARNINGS FROM EXPORTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 IS RS 884.78 LAKHS AS AGAINST RS 684.87 LAKHS IN THE YEAR ENDED 31 MARCH 2019.



## BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **28<sup>th</sup> (Twenty Eighth) Annual Report** on the business and operations of the Company for the year ended March 31, 2020 and the Audited Financial Statement of the Company along with Auditors Report thereon.

### 1. FINANCIAL HIGHLIGHTS FOR 31.03.2020

(Rs. In Lacs)

	Year ended on	
	31.03.2020	31.03.2019
<i>Revenue from Operations</i>	2314.04	1852.20
<i>Other Income</i>	48.97	119.67
<i>Total Income</i>	2363.01	1971.87
<i>Total Expenses</i>	2138.88	1846.63
<i>Profit/Loss before Tax</i>	224.13	125.24
<i>Tax Expenses</i>	54.63	28.52
<i>Profit/Loss after Tax</i>	169.51	96.72
<i>EPS</i>	2.46	1.40

### 2. COVID -19

The WHO declared COVID-19 outbreak as a pandemic which continues to spread across the country. On March 23, 2020, the Government of India also declared this pandemic a health emergency and ordered temporary closure of all non-essential business, imposed restrictions on movement of goods/ materials travel etc. Accordingly, production was suspended at its all Plants. While the lockdowns and restrictions imposed on various activities were necessary to contain the spread, it has significantly impacted the business operations. Consequently, revenues and profitability have been adversely affected. In order to mitigate some of the impact, Company has taken various initiatives to manage its costs across the organization and also took actions to conserve cash which is critical in times of crisis. This will ensure that company is able to appropriately address any challenge thrown up by the continuously evolving situation.

### 3. COMPANY'S PERFORMANCE AND MATERIAL CHANGES AND COMMITMENTS

The Revenue from operations grew by 24.93% during the year to ₹2314.04 Lacs from ₹1852.20 Lacs in previous year. The Profit after tax was ₹ 169.51 Lacs as against ₹96.72 Lacs in the previous year.

Except for impact of Lockdown due to Covid-19, there were no material changes and commitments occurred between the end of financial year ended as on 31 March, 2020 and the date of this report which affects financial position of the Company.

#### **4. TRANSFER TO RESERVE**

An amount of Rs. 169.51 Lacs has been transferred to General Reserve for financial year ended on 31<sup>st</sup> March 2020.

#### **5. DIVIDEND**

The Board of Directors does not recommend any dividend for the year.

#### **6. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year under review, there was no change in nature of business of the company. Although In addition, the Company has entered in the Electric Vehicles segment by launching its first series of Electric Bike under the brand name "NEUTRON".

#### **7. DETAIL OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any subsidiary, Joint Ventures and Associate Company.

#### **8. SHARE CAPITAL**

The Paid up equity share capital as on 31<sup>st</sup> March, 2020 was 688.95 Lacs. There was no public issue, right issue, bonus issue or preferential issue etc. during the period under report. The Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity during the period under report.

#### **9. FIXED DEPOSIT / PUBLIC DEPOSITS**

During the year under review, the company has neither accepted nor renewed any deposits in Terms of Chapter V of the Companies Act, 2013 and Rules framed there under.

The Company has repaid Rs. 65.77 Lacs unsecured Loan to Directors during the year under review. The total outstanding balance of unsecured loan as on 31.03.2020 is Rs 41.63 Lacs.

#### **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **RE-APPOINTMENT OF DIRECTOR**

In accordance with the provisions of the Companies Act, 2013, Ms. Rekha Aggarwal (DIN: 07887630) retires by rotation at the ensuing Annual General Meeting ('AGM') and is eligible for re-appointment. The Board of Directors has recommended her reappointment for consideration of the Members in the Annual General Meeting.

##### **APPOINTMENT OF DIRECTORS**

During the year under review, Ms. Rekha Aggarwal (DIN: 07887630) was appointed as an Additional Director on the Board w.e.f 13.08.2019 and her appointment was approved by the shareholders in last Annual general Meeting.

##### **KEY MANAGERIAL PERSONNEL**

There was no change in the Key Managerial Personnel of the Company during the year under review.

#### **11. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company had already constituted Nomination and Remuneration Committee as required under Sub-Section (1) of Section 178 of the Companies Act, 2013 comprising of Ms. Ruchi Aggarwal (Independent

Director) Chairman of the Committee, Mrs. Shikha Gupta (Non Executive Director), Mr. Hemant Mangla (Independent Director), Members of the Committee.

The Company has also formulated a Policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178 (3) of the Companies Act, 2013 and the same is annexed as **Annexure-I** with this report.

### 12. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

### 13. DECLARATION FROM THE INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

### 14. RELATION BETWEEN DIRECTORS INTER –SE AS PER SECTION 2(77) OF THE COMPANIES ACT 2013

Director	Inter-se Relationship Between Directors	
	Directors	Relationship
Ashish Aggarwal	Rekha Aggarwal	Wife
	Shikha Gupta	Sister

There is no other inter se relation between directors as per the provisions of Companies Act, 2013.

## **15. DIRECTOR RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls established and maintained by the company, work performed by the Internal, Statutory, Secretarial Auditors and external agencies, the review performed by the management and the relevant Board Committees, the Board with the concurrence of the Audit Committee is of the opinion that the company Internal financial controls were adequate and effective as on 31<sup>st</sup> March 2020.

Accordingly, pursuant to section 134(5) of the Companies Act 2013 the Board of Directors to the best of their Knowledge and ability confirm:-

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That we 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 financial year and of the profit and loss of the company for that period;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis;
- e) That proper system to ensure compliance with the provisions of all applicable laws were in place and that such system were adequate and operating effectively; and
- f) That proper internal financial control were laid down and that such internal financial controls are adequate and were operating effectively.

## **16. STATUTORY AUDITORS AND AUDITOR'S REPORT**

At the twenty-seventh AGM held on September 30, 2019 the Members approved appointment of M/s KASG & Co., Chartered Accountants (Firm Registration No. 002228C) 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 32<sup>nd</sup> 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.

The Auditor's in their report does not contain any qualification, reservation or adverse remark or disclaimer.

The Auditors have not reported any fraud committed against the Company by its officers or employees during the financial year 2019-20.

## **17. SECRETARIAL AUDITORS**

The Board has appointed M/s Mehak Gupta & Associates, Practicing Company Secretaries, New Delhi, to conduct secretarial audit for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended 31 March 2020 is enclosed as [Annexure-II](#). The Secretarial Auditor in his report for the financial year 2019-20 to the members has given one observation and the response of your Directors with respect to it is as follows:-

The observation is mentioned in the Para No.2 of VI (a) of the said report. Your directors would like to reply the said observation that according to the notification dated 18.03.2015 of Ministry of Corporate Affairs



(MCA). The MCA has omitted the point no. 9 of Rule 8 of Companies (Meetings of Board & its Powers) Amendment Rule, 2015 of Section 179(3) of Companies Act, 2013 i.e. "To approve quarterly, half yearly and annual financial statements or financial results as the case may be." By virtue of this amendment the Company has not filed Form MGT-14 for approval of financial statement for the financial year 2018-19 to the Registrar of Companies. However, the Company has filed form MGT-14 u/s 179(3) of Companies Act, 2013 for approval of the Board of Directors Report for the financial year 2018-19 to the Registrar of Companies and complied the provisions of Section 179(3) of Companies Act, 2013.

#### 18. COST AUDITORS

There is no statutory requirement to appoint the Cost Auditor as per Section 148 of the Companies Act 2013 read with Companies (Cost Records and Audit) Rules 2014.

#### 19. CORPORATE GOVERNANCE

As per Regulation 15(2) of the listing Regulations, the compliance with corporate governance provision as specified in Regulation 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C,D,E of Schedule V is not applicable to the Company during the year under review.

#### 20. EXTRACTS OF ANNUAL RETURN

The details forming Part of the Extracts of Annual Return in Form MGT-9 as per section 92(3) of the Companies Act, 2013 are given as **Annexure III**, which form part of this report.

The Annual Return will be hosted on website of the Company at [www.jaganlamps.com](http://www.jaganlamps.com) after necessary certification and filling the same with the authority.

#### 21. BOARD MEETINGS

During the financial year 2019-20, 10 (Ten) Board Meetings (03.04.2019, 22.04.2019, 30.05.2019, 02.08.2019, 13.08.2019, 27.08.2019, 14.11.2019, 15.01.2020, 04.02.2020 & 05.03.2020) were convened and held. The detail of the attendance of Board meeting mentioned below:

Name of Director	Designation	Category	Attendance Particulars	
			Board Meetings	Last AGM
<b>Mr. Ashish Aggarwal</b>	Managing Director	Promoter/Executive Director	10/10	Yes
<b>Mrs. Rekha Aggarwal</b>	Director	Promoter/Non Executive Director	5/5	Yes
<b>Mrs. Shikha Gupta</b>	Director	Promoter/ Non Executive Director	10/10	Yes
<b>Ms. Ruchi Aggarwal</b>	Director	Independent Non Executive Director	10/10	Yes
<b>Mr. Hemant Mangla</b>	Director	Independent Non Executive Director	10/10	Yes
<b>Mr. Saras Kumar</b>	Director	Independent Non Executive Director	10/10	Yes

Mrs. Rekha Aggarwal (DIN: 07887630) has appointed in the Board as Director w.e.f. 13.08.2019.

None of the directors of the Board serve as Member of more than 10 committees nor do they chair more than 5 Committees as per the requirements of the Listing Agreement.

## **22. COMPOSITION OF AUDIT COMMITTEE**

The Board has constituted an Audit Committee as required under companies act 2013, which comprises of Mr. Saras Kumar, as the Chairman, Mrs. Shikha Gupta and Ms. Ruchi Aggarwal as Members of the Committee. All the recommendations made by the Audit committee were accepted by the Board.

During the financial year 2019-20 Five Audit Committee Meetings (30.05.2019, 02.08.2019 13.08.2019, 14.11.2019 & 04.02.2020) were convened and held.

## **23. COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE**

The Board has constituted an Nomination & Remuneration Committee as required under companies act 2013, which comprises of Ms. Ruchi Aggarwal, as the Chairman, Mrs. Shikha Gupta and Mr. Hemant Mangla as the Members. All the recommendations made by the committee were accepted by the Board.

During the financial year 2019-20 two Nomination & Remuneration Committee Meetings (03.04.2019 & 13.08.2019) were convened and held.

## **24. COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholder relationship Committee has formed pursuant to the listing regulations for specifically looks in to redressal of shareholders and investors' complaints such as transfer of shares, non receipt of share certificates, non-receipt of Balance sheet, non receipt of declared dividends if any and to ensure expeditious transfer process etc. The committee comprises of Ms. Ruchi Aggarwal, as the Chairman, Mr. Saras Kumar and Mr. Ashish Aggarwal, as Members of the committee.

During the Financial Year 2019-20, 3 (Three) Stakeholders Relationship Committee meetings (01.04.2019, 15.04.2019 & 15.07.2019) were convened and held.

## **25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2019-20 in the prescribed format, AOC-2 is annexed as [Annexure-IV](#) to the Board Report. The policy on Related Party Transactions has been uploaded on the website i.e. [www.jaganlamps.com](http://www.jaganlamps.com).

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

During the year under review, Company neither gave any Loans, Guarantees nor made Investments which are covered under the Provisions of Section 186 of the Companies Act, 2013.

## **27. DISCLOSURE ON THE COMPLIANCE OF SECRETARIAL STANDARDS**

The Directors of the Company confirm to the best of their knowledge and belief that the company has complied with provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**28. FINANCIAL YEAR**

The Company follows the Financial Year commence from 1 April and ends 31 March of subsequent year.

**29. INSURANCE OF PROPERTIES AND ASSETS OF THE COMPANY**

The properties and assets of the company are adequately insured during the period under review.

**30. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**31. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT**

There were no material changes and commitments affecting Financial Position between the end of the financial year and the date of report.

**32. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Internal controls are reviewed periodically by the internal auditor and report significant audit observations, if any, and follow up actions, if any, to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of inter control systems commensurate with the nature of the business.

**33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**
**(A) CONSERVATION OF ENERGY**

The Company has continued its efforts to organize incremental improvements in energy conservation across plant locations, plant equipment and technologies.

- (i) Regular review of energy conservation, consumption and effective control and utilization of energy.
- (ii) The Company is under discussion to Install Solar power Plant.
- (iii) The capital investment on energy conservation equipments:- Under Negotiations

**(B) TECHNOLOGY ABSORPTION**

- (i) The efforts made towards technology absorption:-  
The Company has installed latest Technology Equipment using PLC Controls.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:- The Company is now using 58.39% of Imported raw Material during the financial year 2019-20 as against 62.61% until last financial Year 2018-19.
- (iii) in case of imported technology- Not Applicable
  - (a) The details of technology imported;
  - (b) The year of import;
  - (c) Whether the technology been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;  
and

(iv) the expenditure incurred on Research and Development: NIL

Your company is manufacturing Halogen Lamps with well established technologies and hence does not require any Research and Development efforts.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO**

**(Rs. in Lakhs)**

Earnings from Exports	884.78
Outgo Import of Raw Material & Capital Goods	931.09
Foreign Travel / Mkt. Expenses	0.00
Exhibition	3.98
Commission	12.29
NET EARNING	(62.58)

**34. RISK MANAGEMENT**

Your Company has taken necessary steps for risk management including identifying risk which may threaten the existence/operations of the Company.

**35. VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

As per Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Required Disclosures) Regulation, 2015, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables employees and directors to report instances of the unethical act or suspected incident of fraud or violation of Company's code of conduct or ethics policy.

**36. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT 2013**

A committee has been setup to redress the complaints received regarding sexual harassment. There were no complaints received from any employee during the financial year 2019-20.

**37. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The table containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is annexed as [Annexure –V](#).

**38. DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014**

**(I) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20:**

Except the remuneration paid to Mr. Ashish Aggarwal, Managing Director of the Company, none of other directors drawing remuneration from the Company.



The ratio of the remuneration of Mr. Ashish Aggarwal, Managing Director to the median remuneration of the employees is 14.27%.

- (i) **The percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the Financial Year 2019-20 are as under:**

S.No	Name of Director/KMP and Designation	% Increase in remuneration in FY 2019-20
1	Mr. Ashish Aggarwal- (Managing Director)	172.09%
2.	Ms. Rekha Aggarwal (CFO)	0.00
3.	Mr. Sandeep Yadav (Company Secretary )	0.00

- (ii) **The percentage increase in the mediation remuneration of employees of the Company for the financial year 2019-20:**

There is no increase in the mediation remuneration of employees of the company for the financial year 2019-20.

- (iii) **The number of permanent employees on the rolls of the Company as on 31.03.2020:**

There were 34 permanent employees on the rolls of the company as on 31.03.2020.

- (iv) **The average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year i.e. 2019-20 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:**

There is no change in average percentile increase in the salaries of employees excluding the managerial personnel for financial year 2019-20.

Average percentile increase in the remuneration of managerial personnel in the last financial year 2019-20 was 172.09%.

- (v) **Particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than 60 lakh rupees per financial year or five lakh rupees per month:**

None of the employees posted and working outside India, not being directors or their relatives, drawing more than 60 lakh rupees per financial year or five lakh rupees per month.

### 39. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015("Listing Regulations") The Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual report attached as [Annexure- VI](#).

### 40. CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within preview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

### 41. ACKNOWLEDGEMENT

The Directors thank the Company's employees, customers, vendors and investors for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the JAGAN family. Their dedicated efforts and enthusiasm has been integral to your Company's growth.

**For and on Behalf of the Board**  
**For Jagan Lamps Ltd.**

Sd/-

Sd/-

Dated: 28.08.2020  
Place : Kundli (Haryana)

**Ashish Aggarwal**  
Managing Director  
DIN- 01837337

**Rekha Aggarwal**  
Director  
DIN- 07887630

## Nomination and Remuneration Policy

### 1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Requirements of SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

### 2. DEFINITIONS

- 2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
  - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
  - 2.4.2. Whole-time director;
  - 2.4.3. Chief Financial Officer;
  - 2.4.4. Company Secretary; and
  - 2.4.5. such other officer as may be prescribed.
- 2.5. **Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors.

### 3. Policy for appointment and removal of Director, KMP and Senior Management

#### 3.1. Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### 3.2. Term / Tenure

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

*However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he / she shall be eligible for appointment for one more term of 5 years only.*

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**3.3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**3.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**3.5. Retirement**

The KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**4. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

**4.1. General:**

**a)** The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee or as per policies framed by the committee. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

**b)** Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

**c)** Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.



#### **4.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board or the Committee.

#### **4.3. Remuneration to Non- Executive / Independent Director:**

##### **a) Sitting Fees:**

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

##### **b) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

### **5. MEMBERSHIP**

**5.1** The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

**5.2** Minimum two (2) members shall constitute a quorum for the Committee meeting.

**5.3** Membership of the Committee shall be disclosed in the Annual Report.

**5.4** Term of the Committee shall be continued unless terminated by the Board of Directors.

### **6. CHAIRPERSON**

**6.1** Chairperson of the Committee shall be an Independent Director.

**6.2** Chairperson of the Board may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

**6.3** In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

**6.4** Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **7. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

### **8. COMMITTEE MEMBERS' INTERESTS**

**8.1** A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

**8.2** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **9. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

### **10. VOTING**

**10.1** Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

**10.2** In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**SECRETARIAL AUDIT REPORT**

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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]

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To,  
The Members,  
**JAGAN LAMPS LIMITED**  
**CIN: L31501HR1993PLC033993**  
**NARELA PIAO-MINHARI ROAD, KUNDLI DISTT.**  
**HARYANA**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanation and clarification given to us and the representations made by the management, We, hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on March 31, 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 and minute books, forms and returns filed and other records made available to us and maintained by the company for the financial year ended on March 31, 2020 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under.
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (issue and listing of Debt Securities) Regulations, 2008 ;
  - 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;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
  - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- VI. Further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company
- i. The Environment (Protection) Act, 1986
  - ii. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
  - iii. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards
  - iv. Factories Act, 1948.

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

- i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015(with effect from 1<sup>st</sup> December, 2015);

During the year under review, the Company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above. However, we reserve our right to report following observations during the audit period:-

- a. The Company has not complied with Section 179(3)(g) of Companies Act, 2013 in relation to filing of E- Form MGT-14 for approval of financial statements.

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 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 is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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, the Company has not incurred any specific event/ action listed below that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**Date: 22.06.2020**

**Place: Mohali, Punjab**

**For Jaspreet Dhawan & Associates**

**Company Secretaries**

Sd/-

**Jaspreet Singh Dhawan**

**M. No. 9372**

**CP.NO:8545**

**UDIN: F009372B000364430**



### ANNEXURE III

#### Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i.	CIN	L31501HR1993PLC033993
ii.	Registration Date	08.01.1993
iii.	Name of the Company	JAGAN LAMPS LIMITED
iv.	Category / Sub-Category of the Company	Company limited by share Indian Non Government Company
v.	Address of the Registered office and contact details	Narela Piao Manihari Road, Kundli, Distt. Sonapat, Haryana-131028 Phone: 9810530830
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAS SERVICES LTD. T-34, IInd Floor, Block-T, Okhla Phase-II, New Delhi-110020, <a href="tel:011-26383145">Tel:- 011-26383145</a>

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

All the business activities	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing Autobulb & Halogen Lamps	2740	100

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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
1.	Not Applicable				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

1. **Category-wise Share Holding**

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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter &amp; Promoter Group</b>									
<b>1) Indian</b>									
a) Individual / HUF	3786231	10	3786241	54.912	3796731	10	3796741	55.064	0.152
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):-</b>	3786231	10	3786241	54.912	3796731	10	3796741	55.064	0.152
<b>2) Foreign</b>	-	-	-	-	-	-	-	-	-
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	-	-	-	-	-	-	-	-	-

Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	3786231	10	3786241	54.912	3796731	10	3796741	55.064	0.152
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>									
a) Bodies Corp. (i) Indian	75434	178500	253934	3.68	67558	178500	246058	3.57	-0.11%

(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1277259	847753	2125012	30.82	1313262	798053	2111315	30.62	-0.20%
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	534773	100700	635473	9.22	529669	100700	630369	9.14	-0.08%
c) Others (Specify) NRI & Clearing Member	94410	0	94410	1.37	110587	0	110587	1.6	0.23%
Sub-total (B)(2)	1981876	1126953	3108829	45.087	2021076	1077253	3098329	44.935	0.152
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1981876	1126953	3108829	45.087	2021076	1077253	3098329	44.935	0.152

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>5768107</b>	<b>1126963</b>	<b>6895070</b>	<b>100</b>	<b>5817807</b>	<b>1077263</b>	<b>6895070</b>	<b>100</b>	<b>NIL</b>

### 2. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2019			Shareholding at the end of the year as on 31.03.2020			% change in share holding 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	
1.	Mr. Ashish Aggarwal	3199745	46.406	-	3208245	46.529	-	0.123
2.	Mrs. Geeta Singla	77,020	1.11703	-	77,020	1.11703	-	-
3.	Mr. Chandra Shekhar	10	0.000145	-	10	0.000145	-	-
4.	Mrs. Shikha Gupta	28,700	0.416239	-	28,700	0.416239	-	-
5.	Mrs. Rekha Aggarwal	480766	6.972605	-	482766	7	-	0.029
	<b>Total</b>	<b>3786241</b>	<b>54.91229</b>	<b>-</b>	<b>3796741</b>	<b>55.064</b>	<b>-</b>	<b>0.152</b>

### 3. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no	Particulars	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.	Mr. Ashish Aggarwal				
	At the beginning of the year (01.04.2019)	3199745	46.406	3199745	46.406



	A) Buy on 05.04.2019	6500	0.09427	3206245	46.500
	B) Buy on 27.12.2019	2000	0.02900	3208245	46.529
	At the End of the year (31.03.2020)	-	-	3208245	46.529
<b>2.</b>	<b>Mrs. Geeta Singla</b>				
	At the beginning of the year (01.04.2019)	77,020	1.11703	77,020	1.11703
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	77,020	1.11703
<b>3.</b>	<b>Mr. Chandra Shekhar (Deceased)</b>				
	At the beginning of the year (01.04.2019)	10	0.000145	10	0.000145
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	10	0.000145
<b>4.</b>	<b>Mrs. Shikha Gupta</b>				
	At the beginning of the year (01.04.2019)	28,700	0.416239	28,700	0.416239
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	28,700	0.416239
<b>5.</b>	<b>Mrs. Rekha Aggarwal</b>				
	At the beginning of the year (01.04.2019)	480766	6.9726.05	480766	6.9726.05
	A) Buy on 02.03.2020	2000	0.029	482766	7

	At the End of the year (31.03.2020)	-	-	482766	7
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**4. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)**

S.No	For each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Mr. Deepinder Singh Poonian						
	At the beginning of the year	01.04.2019		130000	1.89%	130000	1.89%
	Changes during the year	-		-	-	-	-
	At the end of year	31.03.2020		-	-	130000	1.89%
2	Mr. Deepak Kanayalal Shah						
	At the beginning of the year	01.04.2019		83000	1.20%	83000	1.20%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	83000	1.20%
3	Mr. Nirvi Ketan Vakharia						
	At the beginning of the year	01.04.2019		51479	0.7466%	51479	0.7466%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	51479	0.7466%
4	Morepen Finance Limited						
	At the beginning of the year	01.04.2019		51200	0.74%	51200	0.74%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	51200	0.74%
5	Mustafa Abdulredha Sultan						
	At the beginning of the year	01.04.2019		50000	0.72%	50000	0.72%
	Changes during	-	-	-	-	-	-

	the year						
	At the end of year	31.03.2020		-	-	<b>50000</b>	<b>0.72%</b>
<b>6</b>	<b>ETA Mauritius Limited</b>						
	At the beginning of the year	01.04.2019		50000	0.72%	50000	0.72%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	<b>50000</b>	<b>0.72%</b>
<b>7</b>	<b>Mr. Balvinder Singh Sahni</b>						
	At the beginning of the year	01.04.2019		50000	0.72%	50000	0.72%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	<b>50000</b>	<b>0.72%</b>
<b>8</b>	<b>Mr. Rajiv Mehta</b>						
	At the beginning of the year	01.04.2019		48660	0.70%	48660	0.70%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	<b>48660</b>	<b>0.70%</b>
<b>9</b>	<b>Mr. Dheeraj Kumar Lohia</b>						
	At the beginning of the year	01.04.2019		117084	1.69%	117084	1.69%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	<b>48294</b>	<b>0.71%</b>
<b>10</b>	<b>M/s Raghupati Leasing &amp; Finance Ltd.</b>						
	At the beginning of the year	01.04.2019		45000	0.645%	45000	0.645%
	Changes during the year	-	-	-	-	-	-
	At the end of year	31.03.2020		-	-	<b>45000</b>	<b>0.645%</b>

### 5. Shareholding of Directors and Key managerial person

Sr. no	For each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Ashish Aggarwal (Managing Director)</b>				
	At the beginning of the year (01.04.2019)	3199745	46.406	3199745	46.406
	A) Buy on 05.04.2019	6500	0.09427	3206245	46.500
	B) Buy on 27.12.2019	2000	0.02900	3208245	46.529
	At the End of the year (31.03.2020)	-	-	3208245	46.529
2.	<b>Mrs. Shikha Gupta (Director)</b>				
	At the beginning of the year (01.04.2019)	28,700	0.416239	28,700	0.416239
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	28,700	0.416239
3.	<b>Mrs. Rekha Aggarwal (appointed as CFO w.e.f 14.08.2018 &amp; as Director w.e.f. 13.08.2019)</b>				
	At the beginning of the year (01.04.2019)	480766	6.9726.05	480766	6.9726.05
	A) Buy on 02.03.2020	2000	0.029	482766	7

	At the End of the year (31.03.2020)	-	-	482766	7
<b>4.</b>	<b>Ms. Ruchi Aggarwal(Independent Director)(w.e.f. 25.07.2018)</b>				
	At the beginning of the year (01.04.2019)	-	-	-	-
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	-	-
<b>5.</b>	<b>Mr. Hemant Mangla(Independent Director)(w.e.f. 25.07.2018)</b>				
	At the beginning of the year (01.04.2019)	-	-	-	-
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	-	-
<b>6.</b>	<b>Mr. Saras Kumar(Independent Director)(w.e.f. 14.08.2018)</b>				
	At the beginning of the year (01.04.2019)	-	-	-	-
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	-	-
<b>7.</b>	<b>Mr. Sandeep Yadav(Company Secretary appointed as a Company Secretary w.e.f. 15.11.2017)</b>				
	At the beginning of the year (01.04.2019)	-	-	-	-
	Change during the year	-	-	-	-
	At the End of the year (31.03.2020)	-	-	-	-



### V. INDEBTEDNESS

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

(Amount in RS.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year as on 01.04.2019</b>				
i) Principal Amount	84,24,626	32,20,000	-	116,44,626
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	84,24,626	32,20,000	-	116,44,626
<b>Change in Indebtedness during the financial year</b>				
- Addition	-	7520238	-	7520238
- Reduction	412136	6577258	-	6989394
Net Change	412136	942980	-	1355116
<b>Indebtedness at the end of the financial year as on 31.03.2020</b>				
j) Principal Amount	8012490	4162980	-	12175470
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8012490	4162980	-	12175470

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/MANAGER		Total Amount
		Mr. Ashish Aggarwal (Managing Director)	-	
1.	Gross salary	32,70,000	-	32,70,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-

2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total (A)	32,70,000	-	32,70,000
	Overall Ceiling as per the Act and Sch V	84,00,000	-	84,00,000

### **B. Remuneration to other directors:**

(In Rs.)

Sl. No.	Particulars of Remuneration	Name of other Directors				Total Amount
	<b><u>Independent Directors</u></b>	<b>Mr. Saras Kumar</b>	<b>Mr. Heman Mangla</b>	<b>Ms. Ruchi Aggarwal</b>	-	
	Fees for attending Board Meeting or Committee meeting (Sitting Fees)	20,000	20,000	20,000	-	60,000
	Commission	-	-	-	-	
	Other, Please specify	-	-	-	-	
	<b>TOTAL (1)</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>60,000</b>
	<b><u>Other Non-Executive Directors</u></b>	<b>Ms. Shikha Gupta</b>	-	-	-	-
	Fees for attending Board Meeting or Committee meeting (Sitting Fees)	20,000	-	-	-	20,000
	Commission	-	-	-	-	-

Other, Please specify	-	-	-	-	-
<b>Total (2)</b>	20,000	-	-	-	<b>20,000</b>
<b>Total (B)=(1+2)</b>	<b>40,000</b>	20,000	<b>20,000</b>	-	<b>80,000</b>
Total Managerial Remuneration	-				<b>80,000</b>
Overall Ceiling as per the Act	Sitting fees paid is within the limit.				

### C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD (In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Ms. Rekha Aggarwal (CFO) appointed w.e.f. 14.08.2018	Mr. Sandeep Yadav(Company Secretary) appointed w.e.f. 15.11.2017	Total
<b>1.</b>	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s  17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section  17(3) Income-tax Act, 1961	<b>2,40,000</b>	<b>4,62,100</b>	<b>7,02,100</b>
		-	-	-
		-	-	-
<b>2.</b>	Stock Option	-	-	-
<b>3.</b>	Sweat Equity	-	-	-
<b>4.</b>	Commission - as % of profit - others, specify...	-	-	-
<b>5.</b>	Others, please specify	-	-	-
<b>6.</b>	Total	<b>2,40,000</b>	<b>4,62,100</b>	<b>7,02,100</b>

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	-	-	-	NA	NA
Punishment	-	-	-	NA	NA
Compounding	-	-	-	NA	NA
<b>B. Directors</b>					
Penalty	-	-	-	NA	NA
Punishment	-	-	-	NA	NA
Compounding	-	-	-	NA	NA
<b>C. Other Officers In Default</b>					
Penalty	-	-	-	NA	NA
Punishment	-	-	-	NA	NA
Compounding	-	-	-	NA	NA

For and on Behalf of the Board  
For Jagan Lamps Ltd.

Sd/-

Sd/-

Dated: 28.08.2020  
Place : Kundli (Haryana)

Ashish Aggarwal  
Managing Director  
DIN- 01837337

Rekha Aggarwal  
Director  
DIN- 07887630

## Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis**

The Company has not entered into any contract, arrangement or transaction with its related parties which is not at arm's length during financial year 2019-20.

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

1a.	Name(s) of the related party and nature of relationship	Jagan Automotives Pvt. Ltd. [Related Party under section 2(76)(iv) of Companies Act, 2013]
b.	Nature of contracts/arrangements/transactions	Sale & Purchase Agreement
c.	Duration of the contracts / arrangements/transactions	From 01.04.2017 onwards
d.	Value (Amount in Rs.)	No Transaction during the year under review.
e.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale & Purchase of goods & Raw Materials.
f.	Date of approval by the Board, if any:	06.03.2017
g.	Amount paid as advances, if any:	Nil
2a.	Name(s) of the related party and nature of relationship	Anvi Buildmart Pvt. Ltd. [Related Party under section 2(76)(iv) of Companies Act, 2013]
b.	Nature of	Rent Agreement



	contracts/arrangements/transactions	
c.	Duration of the contracts / arrangements/transactions	01.12.2018 to 01.11.2019 02.11.2019 to 02.10.2020
d.	Value (Amount in Rs.)	Rs. 1,80,000/- p.m
e.	Salient terms of the contracts or arrangements or transactions including the value, if any:	The Company shall pay monthly rent of Rs. 1,80,000/- to Anvi Buildmart Pvt. Ltd. This agreement has terminated mutually w.e.f 31.12.2019.
f.	Date of approval by the Board, if any:	26.11.2018
g.	Amount paid as advances, if any:	Nil
3a.	Name(s) of the related party and nature of relationship	<b>Ms. Ashish Aggarwal</b> [Related Party under section 2(76)(i) of Companies Act, 2013]
b.	Nature of contracts/arrangements/transactions	Rent Agreement
c.	Duration of the contracts / arrangements/transactions	01.06.2019 to 01.05.2020
d.	Value (Amount in Rs.)	Rs. 5 per Sq. Ft.
e.	Salient terms of the contracts or arrangements or transactions including the value, if any:	The Company Shall pay monthly rent of Rs. 5 per Sq. Ft. on land measuring 66591.10 Sq.ft. of Mr. Ashish Aggarwal.
f.	Date of approval by the Board, if any:	30.05.2019
g.	Amount paid as advances, if any:	Nil
4a.	Name(s) of the related party and nature of relationship	<b>Ms. Ashish Aggarwal</b> [Related Party under section 2(76)(i) of Companies Act, 2013]
b.	Nature of contracts/arrangements/transactions	Sale of Goods

c.	Duration of the contracts / arrangements/transactions	One Time
d.	Value (Amount in Rs.)	Rs.35,175.00
e.	Salient terms of the contracts or arrangements or transactions including the value, if any:	To promote the Electric Vehicles of the Company. Mr. Ashish Aggarwal , Managing Director of the Company purchased it for self use and give confidence to the Customers.
f.	Date of approval by the Board, if any:	04.02.2020
g.	Amount paid as advances, if any:	Nil

**For and on Behalf of the Board**  
**For Jagan Lamps Ltd.**

Sd/-

Sd/-

Dated: 28.08.2020  
Place : Kundli (Haryana)

Ashish Aggarwal  
Managing Director  
DIN- 01837337

Rekha Aggarwal  
Director  
DIN- 07887630

### ANNEXURE-V TO THE DIRECTORS' REPORT

LIST OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION										
S N O	Name	Designation	Remuneration received (In Lakhs.)	Nature of Employ ment	Qualificatio n or Experience	Date of commenceme nt of Employment	Age of Emp loye e	The Last employm ent held by such employee before joining the Company	The Percentage of equity shares held by the employee in the Company	Whether relative of any Director or manager of the Company and if so, Name of such Director or Manager
1	Mr. Govind Singh Negi	Production Manager	8.91	NON CONTRA CTUAL	B.E	20.09.2017	48	N. A.	NIL	N. A.
2	Mr. Bhupinder Singh	Marketing manager	8.74	NON CONTRA CTUAL	M.B.A.	15.05.2015	40	N. A.	NIL	N. A.
3	Mr. Yashpal Singh	Electrical Eng.	7.57	NON CONTRA CTUAL	GRADUATE	11.01.2001	51	N. A.	NIL	N. A.
4	Mr. Ishwar Chand	Deputy Manager (Technical)	7.69	NON CONTRA CTUAL	GRADUATE	13.03.2014	52	N. A.	NIL	N. A.
5	Mr. Ashok Kumar Sharma	Maintenance	7.42	NON CONTRA CTUAL	GRADUATE	10.03.2001	54	N. A.	NIL	N. A.
6	Mr. Surendra Prashad	Account Manager	6.24	NON CONTRA CTUAL	M.B.A.	22.04.2015	34	N. A.	NIL	N. A.
7	Mr. Akhileshwar i Singh	International Marketing Manager	7.49	NON CONTRA CTUAL	M.B.A.	01.03.2013	34	N. A.	NIL	N. A.
8	Mr. Balmiki Prasad	Export Manager	4.91	NON CONTRA CTUAL	GRADUATE	08.01.1994	67	N. A.	NIL	N. A.
9	Mr. Sandeep Yadav	CS	4.62	NON CONTRA CTUAL	Company Secretary	15.11.2017	31	N. A.	NIL	N. A.
10	Mr. Ajay Kumar Tiwari	HR Manager	3.99	NON CONTRA CTUAL	GRADUATE	01.03.2013	35	N. A.	NIL	N. A.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Structure & Developments**

The Indian automobile industry became the fourth largest industry in the world with the two-wheeler segment. Globally, India's automotive industry is at the forefront of many segments. To list a few: by volume it ranks first in two wheelers, segment A cars and tractors. India is renowned as a global hub for frugal and scalable engineering. Due to the a growing middle class and a demography dominated by a young population, the two-wheeler segment dominates the market in terms of volume, catalysed by the penetration of the automobile companies in the rural sectors. The Indian economy appears to be headed for sustained sluggishness in 2019-20. The position will be clearer, when the new government elected. The long-term outlook of the country appears to be positive on account of the various economic reforms, increasing aspirations, sustained consumption momentum and a national under-consumption of a range of products which is appearing to correct itself.

**Outlook, opportunities and threats**

The Indian auto-components industry is projected to become the third largest in the world by 2025 and is expected to account for as much as 5% to 7% of India's GDP by 2026. Globalization coupled with favorable government initiatives and significant FDI inflow from major global players will facilitate the growth of the Indian auto-components sector. However, all these perceptions are subject to new things happening in the industry that may change the landscape of the industry in the medium to long term.

**Segment wise Performance**

As per the relative segment reporting requirements, the company operates in single segment of Automotives Bulbs & lights.

**Discussion on Financial Performance**

The Revenue from operations grew by 24.93% during the year to ₹2314.04 Lacs from ₹1852.20 Lacs in previous year. The Profit after tax was ₹ 169.51 Lacs as against ₹96.72 Lacs in the previous year.

There were no material changes affecting the financial position of the Company since the end of financial year under review.

**Risk and Concerns**

Due to technological advancements and consequent disruptions, it would be difficult to predict the industry's performance in very precise terms. These trends could change the industry matrix at every level, whether OEMs or Components manufacturer, trigger new competitions and generate a totally different market order.

**Internal Control Systems & Their adequacy**

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Internal controls are reviewed periodically by the internal auditor and

report significant audit observations, if any, and follow up actions, if any, to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of inter control systems commensurate with the nature of the business.

**KEY FINANCIAL RATIOS**

SNO	PARTICULARS	FY 2019-20	FY 2018-19	% CHANGE	REASON FOR CHANGE IN RATIO
1	Debtors Turnover (Days)	58.34	60.59	-3.70	Due to change in customer mix
2	Inventory Turnover (Days)	55.57	44.51	24.85	Impact of COVID-19
3	Interest Coverage Ratio (Times)	98.44	17.24	470.89	Re-payment & optimum utilization of funds.
4	Current Ratio (Times)	1.21	0.79	52.06	Optimisation of Working Capital
5	Debt Equity Ratio (Times)	0.06	0.06	-	-
6	Operating Profit Margin (%)	12.88	7.29	76.57	Better Management of operation
7	Net Profit Margin (%)	7.33	5.22	40.28	Higher Turnover & profit
8	Return on networth (%)	8.70	5.44	60.01	Better Return

**For and on Behalf of the Board**  
**For Jagan Lamps Ltd.**

Sd/-

Sd/-

Dated: 28.08.2020  
Place : Kundli (Haryana)

**Ashish Aggarwal**  
Managing Director  
DIN- 01837337

**Rekha Aggarwal**  
Director  
DIN- 07887630



### CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCE OFFICER

(Compliance Certificate under Regulation 17 (8) of Listing Regulations, 2015)

To

The Board of Directors

We, Ashish Aggarwal, Managing Director and Rekha Aggarwal, Chief Financial Officer of Jagan Lamps Limited to the best of our knowledge and belief certify that:

A. We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2020 and to best of our knowledge and belief:

- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We also certify that to the best of our knowledge and belief, there are no transactions entered into by JAGAN LAMPS LIMITED during the year, which are fraudulent, illegal or violate of the Company's Code of Conduct.

C. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

- 1) Significant changes, if any, in internal control over financial reporting during the year.
- 2) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

E. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

**For and on Behalf of the Board**  
**For Jagan Lamps Ltd.**

Sd/-

Sd/-

Dated: 28.08.2020  
Place : Kundli (Haryana)

Ashish Aggarwal  
Managing Director  
DIN- 01837337

Rekha Aggarwal  
Director & CFO  
DIN- 07887630

### Declaration of Compliance with Code of Conduct of Board of Directors and Senior Management

To  
The Members  
Jagan Lamps Limited

This is to certify that as per the provisions of Regulation 26 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2020.

Date: 28.08.2020  
Place: Kundli (Haryana)

For Jagan Lamps Limited

Sd/-  
Ashish Aggarwal  
Managing Director  
DIN:01837337

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### DECLARATION ON NON APPLICABILITY OF CERTAIN PROVISIONS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To  
The Members  
Jagan Lamps Limited

This is to certify that Jagan Lamps Limited having its Registered Office at Narela Piao Manihari Road, Kundli-131028, District- Sonapat, Haryana has paid up Equity Share Capital of Rs. 688.94 Lacs and net worth of Rs.1948.67 Lacs as per the Balance Sheet as on 31st March 2020. Therefore, compliance with the provisions of Corporate Governance is not applicable.

Date: 28.08.2020  
Place: Kundli (Haryana)

For Jagan Lamps Limited

Sd/-  
Sandeep Yadav  
Company Secretary  
Membership no. 50965

**Independent Auditor's Report**

To The Members of

**M/s Jagan Lamps Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the standalone financial statements of Jagan Lamps Limited, which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 Ind AS financial statements.

**Key Audit Matters**

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

**Information other than the Ind AS Financial Statements and Auditor's Report Thereon**

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

- (i) Identify and assess the risks of material misstatement of the Ind AS 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.
- (ii) 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 Companies Act, 2013, 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 Ind AS 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.
- (v) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS 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 (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss (including other Comprehensive income), Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e. On the basis of 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial Position.



- ii) The Company does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

Place: Delhi  
Date: June 30, 2020

**For KASG & CO.**  
Chartered Accountants  
Firm Registration No.002228C

**Sd/-**

**C.A. Vipin Goel**  
Proprietor  
Membership No. 512694  
UDIN: 20512694AAAAEL6331

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### **Annexure 'A' to the Auditors' Report**

Annexure 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.
  - (b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company except land at Kundli valued at Rs.26.05 Lacs is registered in the name of one of the Director of the Company.
- (ii) According to the information and explanations given to us & as represented, the management has conducted Physical verification of inventory at reasonable intervals during the year & no material discrepancies have been stated to be noticed on such physical verification. The Inventory has been taken as quantified, valued and certified by the management.

- (iii) The company has not granted any loan secured or unsecured to companies, firms, Limited liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act and hence provisions of para (iii) are not applicable to the company.
- (iv) The company has not given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.
- (v) The company has not accepted any deposits and hence paragraph (v) of the order is not applicable to the company.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii)
  - (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31<sup>st</sup> March'2020 for a period of more than six months from the date they become payable.
  - (b) According to the information and explanation given to us, there are no dues of service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. In the absence of any debentures, the reporting on the debenture dues is not applicable on the company.
- (ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). The term loans were applied for the purpose for which they were obtained.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

- (xi) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that 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 & hence paragraph (xii) of the order is not applicable to the company.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause (xiv) are not applicable to the company.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Delhi

Date: June 30, 2020

**For KASG & CO.**

Chartered Accountants

Firm Registration No.002228C

**Sd/-**

**C.A.Vipin Goel**

Proprietor

Membership No. 512694

UDIN: 20512694AAAAEL6331

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s Jagan Lamps Limited ("the Company") as of 31<sup>st</sup> March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Delhi

Date: June 30, 2020

**For KASG & CO.**

Chartered Accountants  
Firm Registration No.002228C

**Sd/-**

**C.A.Vipin Goel**

Proprietor  
Membership No. 512694  
UDIN: 20512694AAAAEL6331

### BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2020

(Rs. In Lacs)

	Note	March 31, 2020	March 31, 2019
<b>Assets</b>			
<b>Non current Assets</b>			
Property, plant & equipment	3	1,935.05	2,049.11
<b>Financial Assets</b>			
Loans	4	12.07	11.53
		<b>1,947.12</b>	<b>2,060.63</b>
<b>Current Assets</b>			
Inventories	5	310.82	160.05
Financial Assets			
(i) Trade Receivables	6	386.28	353.51
(ii) Cash & Cash Equivalents	7	90.52	32.97
(iii) Bank balances other than (ii) above	8	0.40	-
(v) Other Financial Assets	9	2.73	0.07
Other Current Assets	10	40.44	64.24
		<b>831.18</b>	<b>610.85</b>
<b>Total</b>		<b>2,778.30</b>	<b>2,671.48</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	11	688.95	688.95
Other Equity	12	1,259.72	1,090.21
		<b>1,948.67</b>	<b>1,779.16</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	13	-	12.59
Provisions	14	14.35	-
Deferred Tax Liabilities (net)	15	125.79	109.20
		<b>140.14</b>	<b>121.80</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	16	109.16	92.28
(ii) Trade Payables	17		
total outstanding dues of micro enterprises and small enterprises		60.17	-
total outstanding dues of creditors other than micro enterprises and small enterprises		357.52	536.01
(iii) Other Financial Liabilities	18	107.41	108.77
Other Current Liabilities	19	53.53	32.68
Provisions	20	1.03	-
Current Tax Liabilities (Net)	21	0.68	0.79
		<b>689.50</b>	<b>770.52</b>
<b>Total</b>		<b>2,778.30</b>	<b>2,671.48</b>

Significant Accounting Policies

2

The accompanying notes are an integral part of these standalone financial statements (As per our report of even date attached)

For KASG & Co.

Chartered Accountants

FRN: 002228C

Sd/-

Vipin Goel (Partner)

M.N.512694

Place: New Delhi

Date: 30.06.2020

For and behalf of the Board

Sd/-

Rekha Aggarwal

(CFO & Director)

(DIN: 07887630)

Sd/-

Sandeep Yadav

(Company Secretary)

(M.No: ACS 50965)

Sd/-

Shikha Gupta

(Director)

(DIN: 01837341)

Sd/-

Ashish Aggarwal

(Managing Director)

(DIN: 01837337)



### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. In Lacs)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue</b>			
Revenue from Operations	22	2,314.04	1,852.20
Other Income	23	48.97	119.67
<b>Total Income</b>		<b>2,363.01</b>	<b>1,971.87</b>
<b>Expenses</b>			
Cost of Material Consumed	24	1,540.64	1,196.19
Changes in inventories of finished goods and work-in-progress	25	(66.83)	3.55
Employee benefits expense	26	292.97	235.20
Finance Costs	27	2.30	7.71
Depreciation and amortization expense	3	120.59	121.84
Other expenses	28	249.20	282.14
<b>Total Expenses</b>		<b>2,138.88</b>	<b>1,846.63</b>
<b>Profit Before Tax</b>		<b>224.13</b>	<b>125.24</b>
<b>Tax expense</b>			
Current Tax		37.42	25.79
Earlier year taxes		0.63	(3.20)
Deferred Tax		16.58	5.94
		<b>54.63</b>	<b>28.52</b>
<b>Profit / (loss) for the year</b>		<b>169.51</b>	<b>96.72</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		-	-
Income tax relating to re-measurement loss on defined benefit plans		-	-
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year (comprising Profit and Other Comprehensive Income for the year)</b>		<b>169.51</b>	<b>96.72</b>

#### Earnings per equity share

Basic	2.46	1.40
Diluted	2.46	1.40

Significant Accounting Policies 2

The accompanying notes are an integral part of these standalone financial statements (As per our report of even date attached)

For KASG & Co.

Chartered Accountants

FRN: 002228C

Sd/-

Vipin Goel (Partner)

M.N.512694

Place: New Delhi

Date: 30.06.2020

#### For and behalf of the Board

Sd/-

Rekha Aggarwal

(CFO & Director)

(DIN: 07887630)

Sd/-

Sandeep Yadav

(Company Secretary)

(M.No: ACS 50965)

Sd/-

Shikha Gupta

(Director)

(DIN: 01837341)

Sd/-

Ashish Aggarwal

(Managing Director)

(DIN: 01837337)

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. In Lacs)

	For the year ended March 31, 2020 (Rs. In Lakhs)	For the year ended March 31, 2019 (Rs. In Lakhs)
<b>Cash flow from Operating Activities</b>		
Profit for the Year	224.13	125.24
Add:-		
<b>Non Cash Items debited / (Credited) to Profit and Loss</b>		
Depreciation	120.59	121.84
<b>Non Operating Items (Debited) / Credited to Profit and Loss</b>		
Interest Paid	2.30	7.16
Interest Income	(0.47)	(0.02)
<b>Non Cash / Non Operating items</b>	<b>122.42</b>	<b>128.98</b>
<b>Adjustment for</b>		
Decrease / (Increase) in Inventories	(150.76)	22.20
Decrease / (Increase) in Trade Receivable	(32.77)	(92.13)
Decrease / (Increase) in Loans	(0.55)	(0.05)
Decrease / (Increase) in Other financial assets	(2.66)	0.22
Decrease / (Increase) in other current assets	23.81	(1.06)
Increase / (Decrease) in Trade payables	(118.32)	130.60
Increase / (Decrease) in other financial liabilities	(2.38)	21.83
Increase / (Decrease) in Provisions	15.38	-
Increase / (Decrease) in Other Current Liabilities	20.86	(75.44)
<b>Net Change in current assets and current liabilities</b>	<b>(247.39)</b>	<b>6.16</b>
Less:- Direct Taxes Paid	38.15	39.75
<b>Net Cash Flow from Operating Activity (A+B-C-D)</b>	<b>61.01</b>	<b>220.64</b>
<b>Cash flow from Investing Activities</b>		
Purchase of Property, Plant & Equipment and Intangible Asset	(6.54)	(12.44)
Interest Received on FDR	0.47	0.02
Issue of Bank deposits (having original maturity of more than 3 months)	(0.40)	-
<b>Net Cash Flow from Investing activities</b>	<b>(6.47)</b>	<b>(12.43)</b>
<b>Cash flow from Financing Activities</b>		
Repayment of long-term borrowings	(11.57)	(9.74)
(Repayment)/ proceeds from short-term borrowings (net)	16.88	(165.22)
Interest Paid	(2.30)	(7.16)
<b>Net Cash Flow from Financing activities</b>	<b>3.01</b>	<b>(182.12)</b>
<b>Net Cash Flow (I+II+III)</b>	<b>57.55</b>	<b>26.09</b>
Add:- Opening Cash and Cash Equivalent	32.97	6.88
<b>Closing Cash and Cash Equivalent</b>	<b>90.52</b>	<b>32.97</b>
Cash on hand	0.18	6.00
<b>Balance with Banks</b>		
- in Current Account	42.78	3.22
- in EEFC Account	32.57	23.61
- in deposit accounts	15.00	0.14
	<b>90.52</b>	<b>32.97</b>

For KASG & Co.

Chartered Accountants

FRN: 002228C

Sd/-

Vipin Goel (Partner)

M.N.512694

Place: New Delhi

Date: 30.06.2020

For and behalf of the Board

Sd/-

Sandeep Yadav

(Company Secretary)

(M.No: ACS 50965)

Sd/-

Shikha Gupta

(Director)

(DIN: 01837341)

Sd/-

Ashish Aggarwal

(Managing Director)

(DIN: 01837337)

**Notes to the Standalone Financial Statements for the year ended 31 March 2020**  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

**1. Corporate Information**

Jagan Lamps Limited (or 'the Company') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 8<sup>th</sup> January 1993. The Company is primarily engaged in the manufacturing of Auto Bulb & Halogen Lamps and Electric Bikes.

**2. Significant accounting policies**
**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on accrual basis and going concern basis and historical cost convention, except for certain financial assets and financial liabilities and certain items which have been measured at fair values as required under the relevant Ind AS.

All financial information presented in Indian rupees and all values are rounded to the nearest lakh rupees with two decimal points except where otherwise stated.

**2.2 Summary of significant accounting policies**
**a. Property, plant and equipment**
***Recognition and Measurement***

Company has elected recognize all its property, plant and equipment in the financial statements at cost.

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes its purchase price, non-refundable taxes, duties or levies, any other directly attributable cost of bringing the asset to its working condition for its intended use, the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

That being the first year of operation, the initial expenses particularly pertaining to the plant set up period have been capitalized to the cost of the plant and machinery.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The Company does not adjust exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset but charges the same to the statement of profit & loss in the year in which such gain/loss arises.

Gains or losses arising from de-recognition of fixed assets 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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### ***Depreciation***

Depreciation on Property, Plant & Equipment is calculated on a straight-line basis to allocate their cost, net of their residual values, over the estimated useful lives. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset.

Leasehold land is amortized on a straight line basis over the period of the lease which ranges between 89-99 years.

The Company has used the following rates to provide depreciation which coincides with the rates indicated in Schedule II of the Companies Act, 2013 on its fixed assets./

<b>Asset category</b>	<b>Useful lives estimated by the management (years)</b>
Factory Buildings	30 years
Plant and Machinery	25 years
Office Equipment	15 years
Computers (Servers and networks)	3 years
Furniture & Fixtures	10 years
Vehicles	8 years

The management has estimated, supported by independent assessment by technical experts, professionals, the useful lives of the following classes of assets:

- Computers (Servers and networks) are depreciated over the estimated useful lives of 3 years, which is lower than those indicated in schedule II.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate

## b. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospective basis.

### - Technical knowhow

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortised over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

### - Software

Software purchased by the Company are amortised on a straight line basis in five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognized.

## c. Leases

### As a Lessee

The Company has lease contracts for offices.

The Company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset, (2) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases.

For short-term leases and low value leases, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease. The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

#### **d. Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.



Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

**e. 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When 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 a 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 transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised

impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### **f. Inventories**

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material, components, stores and spares is determined on first in, first out basis.
- Finished goods and work in progress: At Cost

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **g. Foreign currencies**

##### **Functional and presentational currency**

Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

##### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. 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 determined. The gain or loss arising on translation of non-monetary items

measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the statement of profit and loss are also recognized in OCI or the statement of profit and loss, respectively).

#### **h. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

#### **Sale of goods**

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for

Use of significant judgments in revenue recognition:

- a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- b) Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- c) The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.
- d) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

### **Rendering of services**

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

### **Interest income**

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

### **i. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

- Significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

### **j. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle (the company considers 12 month period as normal operating cycle).
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



A liability is current when:

- It is expected to be settled in normal operating cycle (the company considers 12 month period as normal operating cycle).
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### k. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. That the company is still in initial stage of commencement and is making all efforts to procure orders and is working out possible business opportunities in the local market. Following the prudence

norms, the management has not recognized any deferred tax on the unused tax losses during the financial year under consideration.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## I. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## m. Provisions

## General provisions

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 amount of the obligation. When the Company expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are 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 Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

## n. Retirement and other employee benefits

### Short term employee benefits:

All employee benefits due wholly within twelve months of rendering of services are classified as short term employee benefits. Benefits like salaries, wages, leave salary, contribution to Provident Fund/ Employee State Insurance contributions etc. paid or payable during the reporting period and the expected bonus expense are recognized as an expense on an undiscounted basis in the period in which the employee renders the related service.

### Long term employee benefits:

The company has a policy of not providing & paid long term compensated absences.

### Post -employment benefits:

#### i) Defined Contribution Plan

The State governed Provident Fund Scheme, Employees' State Insurance Scheme and Employees Pension Scheme are defined contribution plans. The Company has no obligation, other than the contribution payable to the Provident Fund Scheme, Employees' State Insurance Scheme and Employees Pension Scheme. The contribution paid /payable under the schemes is recognized as an expense during the period in which employee renders the related service.

### ii) **Defined Benefit Plan**

The Company's Gratuity is Defined Benefit Retirement Plan. The Company's liability towards Gratuity is determined using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement.

The liability is provided based on actuarial valuation certified by consulting actuary. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Re measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) relating to retirement benefit plans are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

### o. **Financial instruments**

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

#### **Financial asset**

##### ***Initial recognition and measurement***

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### ***Debt instruments at amortized cost***

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

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

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

#### *Debt instrument at FVTOCI*

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

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

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

However there are no instruments which have been classified under this category.

#### *Debt instrument at FVTPL*

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### *Equity investments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

For equity instruments which are included within FVTPL category are measured at fair value and company has to recognize all changes in the P&L.

#### *Derecognition*

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### *Impairment of financial assets*

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

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits,



advances and bank balance

- b. Trade receivables that result from transactions that are within the scope of Ind AS 115
- c. Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### **Financial liabilities**

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

#### *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

#### ***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The company does not have any financial liabilities designated at Fair Value through Profit or Loss.

#### ***Derecognition***

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

### Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and cheques on hand, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash on hand and cheques on hand as they are considered an integral part of the Company's cash management.

#### q. Cash dividend and non-cash distribution to equity holders of the parent

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

#### r. New Standards issued but not yet effective and have not been early adopted:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**PROPERTY, PLANT AND EQUIPMENT SCHEDULE FOR THE PERIOD ENDED MARCH 31, 2020**
**Note-3**
**(Rs. In Lacs)**

Particulars	Land	Building	Plant & Equipment s	Vehicles	Furniture and fixtures	Computers	Total	Software	Intangible Assets	Total Intangible Assets	Total Assets
<b>Gross Block</b>											
<b>As on March 31, 2018</b>	146.88	949.49	2,064.87	55.43	15.37	11.78	<b>3,243.81</b>	1.57	-	<b>1.57</b>	<b>3,245.37</b>
Additions	-	-	5.66	5.40	1.29	-	<b>12.35</b>	-	0.09	<b>0.09</b>	<b>12.44</b>
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>As on March 31, 2019</b>	<b>146.88</b>	<b>949.49</b>	<b>2,070.53</b>	<b>60.83</b>	<b>16.66</b>	<b>11.78</b>	<b>3,256.16</b>	<b>1.57</b>	<b>0.09</b>	<b>1.66</b>	<b>3,257.82</b>
Additions	-	-	5.58	-	-	-	<b>5.58</b>	1.00	-	<b>1.00</b>	<b>6.58</b>
Disposals	-	-	-	-	-	-	-	-	0.05	<b>0.05</b>	<b>0.05</b>
<b>As on March 31, 2020</b>	<b>146.88</b>	<b>949.49</b>	<b>2,076.11</b>	<b>60.83</b>	<b>16.66</b>	<b>11.78</b>	<b>3,261.74</b>	<b>2.57</b>	<b>0.05</b>	<b>2.61</b>	<b>3,264.35</b>
<b>Accumulated Depreciation</b>											
<b>As on March 31, 2018</b>	-	136.95	920.87	1.32	14.73	11.56	<b>1,085.43</b>	1.45	-	<b>1.45</b>	<b>1,086.88</b>
Depreciation expense Eliminated on disposal of assets	-	31.53	82.14	7.19	0.75	0.22	<b>121.84</b>	-	-	-	<b>121.84</b>
	-	-	-	-	-	-	-	-	-	-	-
<b>As on March 31, 2019</b>	<b>-</b>	<b>168.48</b>	<b>1,003.01</b>	<b>8.51</b>	<b>15.48</b>	<b>11.78</b>	<b>1,207.26</b>	<b>1.45</b>	<b>-</b>	<b>1.45</b>	<b>1,208.71</b>
Depreciation expense Eliminated on disposal of assets	-	31.53	81.55	7.22	0.12	-	<b>120.42</b>	0.13	0.05	<b>0.17</b>	<b>120.59</b>
	-	-	-	-	-	-	-	-	-	-	-
<b>As on March 31, 2020</b>	<b>-</b>	<b>200.01</b>	<b>1,084.56</b>	<b>15.74</b>	<b>15.60</b>	<b>11.78</b>	<b>1,327.68</b>	<b>1.58</b>	<b>0.05</b>	<b>1.62</b>	<b>1,329.31</b>
<b>Net Block</b>											
<b>As on March 31, 2020</b>	<b>146.88</b>	<b>749.48</b>	<b>991.55</b>	<b>45.09</b>	<b>1.06</b>	<b>0.00</b>	<b>1,934.06</b>	<b>0.99</b>	<b>-</b>	<b>0.99</b>	<b>1,935.05</b>
<b>As on March 31, 2019</b>	<b>146.88</b>	<b>781.01</b>	<b>1,067.52</b>	<b>52.32</b>	<b>1.18</b>	<b>0.00</b>	<b>2,048.90</b>	<b>0.12</b>	<b>0.09</b>	<b>0.21</b>	<b>2,049.11</b>

Jagan Lamps Limited

Notes forming part of the financial statements for the year ended March 31, 2020

(Rs. In Lacs)

Financial Assets			
4	<b>Loans</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Security Deposits	12.07	11.53
		<b>12.07</b>	<b>11.53</b>
5	<b>Inventories</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	<b>(valued at lower of cost and net realisable value)</b>		
	Raw Material, Stores Spares Gases and Packing material	238.58	154.65
	Finished Goods	69.09	5.41
	Work in Progress	3.14	
		<b>310.82</b>	<b>160.05</b>
Note: Inventories are taken as quantified, valued and certified by the management.			
6	<b>Trade Receivables</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Considered good, Secured	-	-
	Considered good, Unsecured	386.28	353.51
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables – credit impaired	-	-
		<b>386.28</b>	<b>353.51</b>
Balance of Trade Receivables are subject to Confirmation from the Respective Parties			
7	<b>Cash and Cash Equivalents</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Cash on hand	0.18	6.00
	<b>Balance with Banks</b>		
	- in Current Account	42.78	3.22
	- in EEFC Account	32.57	23.61
	- in deposit accounts	15.00	0.14
		<b>90.35</b>	<b>26.97</b>
		<b>90.52</b>	<b>32.97</b>
8	<b>Other Bank Balances</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Deposits with original maturity for more than 3 months but less than 12 months	0.40	-
		<b>0.40</b>	-
9	<b>Other Financial Assets</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Interest accrued but not due on deposits	0.15	0.01
	Advance to Employees	2.57	0.06
		<b>2.73</b>	<b>0.07</b>
10	<b>Other Current Assets</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	Advance to suppliers /contractors	12.55	5.68
	Goods in Transit	-	21.68
	Prepaid Expenses	8.19	3.30
	<b>Balance with Government Authorities</b>		
	Drawback receivable	2.47	2.78
	TDS Recoverable	0.13	0.28
	GST Recoverable	17.10	30.52
		<b>40.44</b>	<b>64.24</b>

### Jagan Lamps Limited

#### Notes forming part of the financial statements for the year ended March 31, 2020

(Rs. In Lacs)

11	Share Capital	March 31, 2020	March 31, 2019
	<b>Equity Share Capital</b>		
	<b>Authorised</b>		
	-	-	-
	90,00,000 (PY 90,00,000) Equity Share of Rs.10/- each	900.00	900.00
		900.00	900.00
	<b>Issued, Subscribed and Paid up</b>		
	68,95,070 (68,95,070) Equity Shares of Rs.10/- each	689.51	689.51
	fully paid up.		
	Less: Calls in Arrears ( Others)	0.56	0.56
		<b>688.95</b>	<b>688.95</b>

#### Reconciliation of the equity shares at the beginning and at the end of the year

Particulars	As on March 31, 2020		As on March 31, 2019	
	No. of Shares	Rs. Lakhs	No. of Shares	Rs. Lakhs
Shares outstanding at the beginning of the year	68,95,070	688.95	68,95,070	688.95
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>68,95,070</b>	<b>688.95</b>	<b>68,95,070</b>	<b>688.95</b>

#### Details of shareholders holding more than 5% share in the Company

Equity Shares of Rs. 10/- each fully paid up	31 st March 2020		31 st March 2019	
	No of Shares	% of Holding	No of Shares	% of Holding
Mr. Ashish Aggarwal	32,08,245	46.53%	31,99,745	46.41%
Ms Rekha Aggarwal	4,82,766	7.00%	4,80,766	6.97%

12	Other Equity	March 31, 2020	March 31, 2019
	<b>Surplus</b>		
	Opening Balance	1,090.21	993.50
	Add : Net Profit after tax transferred from		
	Statement of Profit & Loss	169.51	96.72
	<b>Closing Balance Surplus</b>	<b>1,259.72</b>	<b>1,090.21</b>

### Jagan Lamps Limited

#### Notes forming part of the financial statements for the year ended March 31, 2020

(Rs. In Lacs)

13	<b>Borrowings</b>	<b>March 31, 2020</b>		<b>March 31, 2019</b>	
		<b>Non current</b>	<b>Current</b>	<b>Non current</b>	<b>Current</b>
	Indian Rupee Loans from others (secured)	-	12.59	12.59	11.57
		<b>-</b>	<b>12.59</b>	<b>12.59</b>	<b>11.57</b>

Note: Vehicle loan of Rs.35 lakhs sanctioned from Kotak Mahindra Prime Ltd are secured against hypothecation of vehicle repayable in 36 months. As at 31st March 2020, 12 installments are due to be paid.

#### Non Financial Liabilities (Non-Current)

14	<b>Provisions</b>	<b>March 31, 2020</b>		<b>March 31, 2019</b>	
		<b>Provision for employee benefits</b>			
	Provision for gratuity		14.35		-
			14.35		-
15	<b>Deferred Tax Liabilities (net)</b>	<b>March 31, 2020</b>		<b>March 31, 2019</b>	
		<b>Deferred tax liabilities</b>			
	- Depreciation & amortisation		175.20		172.15
	- Others		-		0.61
			<b>175.20</b>		<b>172.76</b>
	<b>Deferred tax assets</b>				
	- Employee Benefits		5.46		-
	- Others		3.83		-
			<b>9.28</b>		<b>-</b>
	Minimum alternative tax credit		40.13		63.56
			<b>40.13</b>		<b>63.56</b>
	<b>Deferred tax liabilities/(assets) at the end of the year</b>		<b>125.79</b>		<b>109.20</b>
	Less: opening		109.20		103.26
	<b>DTL charged to statement of profit and loss</b>		<b>16.58</b>		<b>5.94</b>



### Jagan Lamps Limited

#### Notes forming part of the financial statements for the year ended March 31, 2020

(Rs. In Lacs)

16	Current Borrowings	March 31, 2020	March 31, 2019
	<b>Unsecured considered good, Repayable on demand *</b>		
	- from directors	41.63	32.20
	Cash credit from banks (secured)**	67.53	60.08
		<b>109.16</b>	<b>92.28</b>

\* The said loan and the terms & conditions are subject to confirmation from the related parties

#### \*\*Terms & conditions:

Total Funded facility of Rs.290 lakhs has been sanctioned which includes Cash credit limit of Rs.100 Lakhs with ROI EBLR plus 5% p.a. alongwith sublimit of COD of Rs.80 lakhs. In addition to this EPC/PCFC upto Rs.190 lakhs with ROI to be decided at the time of withdrawal.

Total Non-Funded facility of Rs.160 lakhs has been sanctioned which includes Bank guarantee of Rs.10 lakhs @ 1.5% and Buyers credit of Rs.150 lakhs with ROI applicable at the time of draw down.

Above said limits are secured against primary security of all existing and future receivables, current assets of the borrower. Collateral security given as Industrial building situated at Reveue Estate Kundli, Khewat No. - 454, Khata No. 522, Kila No. 69/9(8-0), 12/1(1-11), Khewat No. 260, Kila No. - 69/2/2 (7-11), 3/2 (7-11), Narela Payao Maniyari Road, Tehsil - Ral, Distt Sonapat (Haryana) owned by director Mr. Ashish Aggarwal.

Secured against personal Guarantee of Mr. Ashish Aggarwal, Mrs. Rekha Aggarwal and Mrs. Kamlesh Aggarwal.

17	Trade Payables*	March 31, 2020	March 31, 2019
	total outstanding dues of micro enterprises and small enterprises	60.17	-
	total outstanding dues of creditors other than micro enterprises and small enterprises	357.52	536.01
		<b>417.69</b>	<b>536.01</b>

\*Balance of Trade Payables are subject to confirmation from the respective parties

\* The list of parties covered under Micro, small & Medium enterprises has been taken as certified by the management and as represented.

18	Other financial Liabilities	March 31, 2020	March 31, 2019
	Expenses payable	66.78	67.10
	Security Deposits	7.48	0.78
	Payable for capital goods	20.56	20.56
	Cheque issued but not presented for payment	-	8.76
	Current maturities on long term borrowings	12.59	11.57
		<b>107.41</b>	<b>108.77</b>

19	Other current liabilities	March 31, 2020	March 31, 2019
	Statutory Dues Payable	3.05	2.06
	Advance Received From Customers*	50.48	30.61
		<b>53.53</b>	<b>32.68</b>

\*Balance of advances outstanding are subject to confirmation from the respective parties

20	Provisions	March 31, 2020	March 31, 2019
	<b>Provision for employee benefits</b>		
	Provision for gratuity	1.03	-
		<b>1.03</b>	<b>-</b>
21	Current Tax Liabilities (Net)	March 31, 2020	March 31, 2019
	Provision for Income Tax (net of advance tax)	0.68	0.79
		<b>0.68</b>	<b>0.79</b>

### Jagan Lamps Limited

Notes forming part of the financial statements for the year ended March 31, 2020

(Rs. In Lacs)

<b>22 Revenue from Operations</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Sale of Products	2,314.04	1,852.20
	<b>2,314.04</b>	<b>1,852.20</b>
<b>23 Other Income</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest Income	0.47	0.02
Export incentive	11.70	10.11
Other non operating income	0.10	0.37
Unclaimed balances written back	-	100.71
Exchange rate Fluctuation	36.70	8.46
	<b>48.97</b>	<b>119.67</b>
Balances written back includes a sum of Rs.1,00,41,134/- which has been unilaterally written back during the previous year.		
<b>24 Cost Of Material Consumed</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Raw Materials Consumed</b>		
Opening Stock	154.65	173.29
Add : Purchases	1,624.58	1,177.54
	1,779.22	1,350.83
Less: Closing Stock	238.58	154.65
	<b>1,540.64</b>	<b>1,196.19</b>
<b>Grand Total</b>	<b>1,540.64</b>	<b>1,196.19</b>
<b>25 Changes in Inventories of Stock in trade</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Opening Stock</b>		
Finished Goods	5.41	-
work in progress	-	0.55
<b>Less : Closing Stock</b>		
Finished Goods	69.09	-
work in progress	3.14	-
	<b>(66.83)</b>	<b>3.55</b>
<b>26 Employee benefit expenses</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Salaries, wages, bonus and other benefits	253.44	217.18
Contribution to Provident and Other funds	3.98	3.92
Director's Remuneration & Sitting Fees	33.50	12.42
Staff Welfare	2.05	1.68
	<b>292.97</b>	<b>235.20</b>

<b>27 Finance Cost</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest paid to bank	0.09	4.82
Interest paid on car loan	1.61	2.34
Interest paid to others	0.60	-
Processing Fees	-	0.55
	<b>2.30</b>	<b>7.71</b>
<b>28 Other Expenses</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Factory Electricity and Generator running	45.44	42.65
Gas storage - rent	3.99	4.32
Freight & Cartage Inward	22.95	15.96
<b>Repair &amp; Maintenance</b>		-
Machinery	6.55	6.22
Office	1.22	2.97
Factory maintenance	0.33	0.32
Insurance	2.96	1.13
Auditors' Remuneration	2.15	2.15
Bank charges	1.47	1.73
Bad Debts	-	3.25
Commission Paid	12.38	32.52
Computer Expenses	0.23	0.21
Fees and Subscription	3.64	3.57
Legal and professional fee	7.65	7.45
Miscellaneous Expenses	13.44	38.09
Office Maintenance	1.52	2.50
Business promotion	3.21	31.48
Printing and Stationery	1.61	2.14
Rent	49.50	7.20
Stock Exchange Listing Fee	3.00	2.50
Traveling and Conveyance	6.97	8.99
Vehicle Running and Maintenance	1.57	1.34
Freight & Cartage Outward	28.95	34.81
Fair and Exhibition	16.92	16.20
Marketing Expenses	11.54	12.43
<b>Total</b>	<b>249.20</b>	<b>282.14</b>

### 29 Employee Benefit Liability

#### A. Defined Contribution Plans

Contributions are made to the Company's employees provident fund trust/regional provident fund, Employee State Insurance, Labour Welfare Fund and Employee Deposit Linked Insurance in accordance with the respective fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

The amount of contribution made by the Company to employees provident fund trust/regional provident fund is **Rs. 3.17 Lakhs** (Rs. 2.75 Lakhs) and other funds is **Rs. 0.82 Lakhs** (Rs. 1.17 Lakhs).

#### B. Defined Benefit Plans

##### Post employment benefit plans

##### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company as per the Payment of Gratuity Act, 1972. In the current year, the company first time opt for actuarial valuation of gratuity & the estimated liability consist of current service cost and past service cost has been estimated at Rs. 15.38 lakhs. The breakup of the same has been given as per the table below:

The following table summaries the components of net benefit expense recognized in the profit and loss account and balance sheet.

#### Changes in the present value of defined benefit obligation

Rs. Lakhs

Particulars	As on March 31, 2020
Present value of obligation as at the beginning of the year	-
Past Service cost	14.33
Current service cost	1.05
Interest cost	-
Actuarial (gain) / loss	-
Actuarial (gain) / loss	-
Benefits paid	-
<b>Present value of obligation as at the end of the year</b>	<b>15.38</b>

#### Changes in the fair value of plan assets

Rs. Lakhs

Particulars	As on March 31, 2020
Fair value of plan assets as at the beginning of the year	-
Expected return on plan assets	-
Employer contribution / Cost pertain for service cost	-
Employer contribution / Cost pertain for actuarial (gain) / loss	-

	-
Benefits paid	-
<b>Fair value of plan assets as at the end of the year</b>	<b>-</b>

**Net asset / (liability) recognised in the balance sheet**

<b>Rs. Lakhs</b>	
<b>Particulars</b>	<b>As on March 31, 2020</b>
Fair value of plan assets as at the end of the year (a)	-
Present value of obligation as at the end of the year (b)	15.38
<b>Net asset / (liability) recognized in the balance sheet (a - b)</b>	<b>-</b>
	<b>15.38</b>

**Net expense recognised in the statement of profit and loss**

<b>Rs. Lakhs</b>	
<b>Particulars</b>	<b>Year ended March 31, 2018</b>
Past Service cost	14.33
Current service cost	1.05
Interest cost (net)	-
<b>Net Expense recognised in the statement of profit and loss</b>	<b>15.38</b>

**Other comprehensive income**

<b>Rs. Lakhs</b>	
<b>Particulars</b>	<b>Year ended March 31, 2018</b>
Actuarial (gain) / loss recognised in other comprehensive income	-

**Principal Assumptions**

<b>Particulars</b>	<b>As on March 31, 2018</b>
Discounting rate	6.90
Future salary increase *	4.00
Retirement age (years)	60
Mortality table	IALM (2012-14)

\* The estimates of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

### 30 Income Taxes

#### i) Reconciliation between average effective tax rate and applicable tax rate

Particulars	2019-20		2018-19	
	Rs. Lakhs	Rate (%)	Rs. Lakhs	Rate (%)
<b>Profit before tax</b>	<b>224.13</b>		<b>125.24</b>	
Income tax using the Company's domestic tax rate	62.35	27.82%	32.56	26.00%
<b>Tax effect of</b>				
Change in enacted tax rate	(6.94)	-3.10%	-	0.00%
Non deductible expenses	0.22	0.10%	0.19	0.15%
Earlier year taxes	0.63	0.28%	(3.20)	-2.56%
Exempt income - Dividend	-	0.00%	-	0.00%
Unabsorbed Capital Loss as per Income Tax Act, 1961	-	0.00%	-	0.00%
Others	(1.62)	-0.72%	(1.02)	-0.81%
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>54.63</b>	<b>24.38%</b>	<b>28.52</b>	<b>22.78%</b>

#### ii) Components of Deferred Tax Liabilities (Net)

Year Ended March 31, 2020

Particulars	Opening Balance	Recognised in Statement of Profit and Loss	Recognized in/reclassified from OCI	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant and Equipment	172.15	3.05	-	175.20
Others	0.61	(0.61)	-	-
Fair value of Equity instruments	-	-	-	-
<b>Gross Deferred Tax Liability (a)</b>	<b>172.76</b>	<b>2.44</b>	<b>-</b>	<b>175.20</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefits	-	5.46	-	5.46
Others	-	3.83	-	3.83
<b>Gross Deferred Tax Assets (b)</b>	<b>-</b>	<b>9.28</b>	<b>-</b>	<b>9.28</b>
Minimum Alternate Tax Credit	63.56	(23.43)		<b>40.13</b>
<b>Net Deferred Tax Liability (a-b)</b>	<b>109.20</b>	<b>16.58</b>	<b>-</b>	<b>125.79</b>

**Year Ended March 31, 2019**

Particulars	Opening Balance	Recognised in Statement of Profit and Loss	Recognized in/reclassified from OCI	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant and Equipment	141.04	31.11	-	172.15
Others	-	0.61	-	0.61
Fair value of Equity instruments	-	-	-	-
<b>Gross Deferred Tax Liability (a)</b>	<b>141.04</b>	<b>31.72</b>	<b>-</b>	<b>172.76</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefits	-	-	-	-
<b>Gross Deferred Tax Assets (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Minimum Alternate Tax Credit	37.78	25.78	-	63.56
<b>Net Deferred Tax Liability (a-b)</b>	<b>103.26</b>	<b>5.94</b>	<b>-</b>	<b>109.20</b>

**31 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings.

Capital of the Company (total equity) as on March 31, 2020 is **Rs. 1948.67 Lakhs** (March 31, 2019 Rs. 1779.16 Lakhs).

**32 Disclosures on financial instruments**

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

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



a) **Financial assets and liabilities**

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2020 and March 31, 2019:

**Financial Assets and Financial Liabilities carried at amortized cost:**

Particulars	As on March 31, 2020		As on March 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Trade Receivables	386.28	386.28	353.51	353.51
Cash and cash equivalents	90.52	90.52	32.97	32.97
Other bank balance	0.40	0.40	0.00	0.00
Other Financial Assets	2.73	2.73	0.07	0.07
Loans - Non-Current	12.07	12.07	11.53	11.53
	<b>492.00</b>	<b>492.00</b>	<b>398.08</b>	<b>398.08</b>
<b>Financial Liabilities</b>				
Trade payables	417.69	417.69	536.01	536.01
Other financial liabilities - Current	94.82	94.82	97.20	97.20
Borrowings	121.75	121.75	116.45	116.45
	<b>634.26</b>	<b>634.26</b>	<b>749.66</b>	<b>749.66</b>

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e; as prices) or indirectly (i.e; derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There has been no transfers between level 1, level 2 and level 3 for the years ended March 31, 2020 and March 31, 2019.

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

**Fair Value Measurement as at March 31, 2020 for financial assets / liabilities not measured at fair value:**
**Rs. Lakhs**

Particulars	Fair Value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Loans (Long term financial asset)	12.07	-	-	12.07
Borrowings (Long term financial liabilities)	12.59	-	-	12.59

**Fair Value Measurement as at March 31, 2019 for financial assets / liabilities not measured at fair value:**
**Rs. Lakhs**

Particulars	Fair Value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Loans (Long Term financial asset)	11.53	-	-	11.53
Borrowings (Long Term financial liabilities)	24.16	-	-	24.16

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

**b) Financial risk management**

In the course of its business, the Company is exposed primarily to liquidity and credit risk, which may impact the fair value of its financial instruments.

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of directors.

**i) Foreign Currency Risk**

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Company. The functional currency is INR. The Currencies in which these transactions are primarily denominated are US Dollar (USD) and EURO. In respect of monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level. The Company do not hedge its exposure through any instrument.

### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) as reported to the management is as follows:

#### Foreign currency exposure as at 31 March 2020

Against exposure in (Rs. In Lakhs)

Particulars			USD	EURO	Total
Trade Receivables			122.95	-	122.95
Bank balances			31.64	0.92	32.57
Trade payables			99.15	-	99.15
<b>Gross Exposure to foreign currency risk</b>			<b>253.75</b>	<b>0.92</b>	<b>254.67</b>

#### Foreign currency exposure as at 31 March 2019

Against exposure in (Rs. In Lakhs)

Particulars			USD	EURO	Total
Trade Receivables			111.53	-	111.53
Bank balances			23.61	-	23.61
Trade payables			123.06	-	123.06
<b>Gross Exposure to foreign currency risk</b>			<b>258.21</b>	<b>-</b>	<b>258.21</b>

### Foreign currency sensitivity analysis

A reasonable possible strengthening (weakening) of the US Dollar, Sterling against INR at 31st March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

	As at March 31, 2020		As at March 31, 2019	
	1% increase	1% decrease	1% increase	1% decrease
USD	2.54	(2.54)	2.58	(2.58)
EURO	0.01	(0.01)	-	-

### ii) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments classified as fair value through profit or loss, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of exposure to credit risks.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2020 was **Rs. 492.00 Lakhs** ( Rs. 398.08 Lakhs as at March 31, 2019) being the total of the carrying amount of balances with banks, short term deposits with banks and other financial assets excluding equity investments.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2019, that defaults in payment obligations will occur.

### iii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2020:

Rs. Lakhs					
Particulars	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
Trade Payables	417.69	-	-	-	<b>417.69</b>
Other financial liabilities	94.82	-	-	-	<b>94.82</b>
Borrowings	121.75	-	-	-	<b>121.75</b>
<b>Total</b>	<b>634.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>634.26</b>

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2019:

Rs. Lakhs					
Particulars	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total contractual cash flows
Trade Payables	536.01	-	-	-	<b>536.01</b>
Other financial liabilities	97.20	-	-	-	<b>97.20</b>
Borrowings	103.86	12.59	-	-	<b>116.45</b>
<b>Total</b>	<b>737.07</b>	<b>12.59</b>	<b>-</b>	<b>-</b>	<b>749.66</b>

### 33. Contingent Liabilities & Commitments

(i) Bond executed in favour of Dy. Commissioner Central Excise, for clearance of imported goods for Rs.300 lakhs (previous year Rs.300 lakhs).

### 34. Transactions with related parties

List of related parties to whom transactions takes place during the year

Sr. No.	Name of the related party	Relation
1	Ashish Aggarwal	Key Managerial Personnel
2	Shikha Gupta	Director
3	Ruchi Aggarwal	Director
4	Hemant Mangla	Director
5	Saras Kumar	Director
6	Geeta Singla	Director
7	Rekha Aggarwal	Key Managerial Personnel
8	Sandeep Yadav	Key Managerial Personnel
9	Raghav Aggarwal	Relative of KMP
10	Jagan Automotives Pvt Ltd	Enterprises under Common Control
11	Anvi Buildmart Pvt Ltd	Enterprises under Common Control

Sr. No.	Name of the relative	Relation	Nature of transactions	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)
1	Ashish Aggarwal	Key Managerial Personnel	Director Remuneration	32.70	12.02
			Sale of Goods	0.35	-
			Rent	33.30	-
2	Shikha Gupta	Director	Sitting Fees	0.20	0.18
3	Saras Kumar	Director	Sitting Fees	0.20	0.16
4	Rekha Aggarwal	Key Managerial Personnel	Salary	2.40	2.40
5	Raghav Aggarwal	Relative of KMP	Salary	-	2.40
6	Anvi Buildmart Pvt Ltd	Enterprises under Common Control	Rent	16.20	7.20
7	Geeta Singla	Director	Sitting Fees	-	0.06
			Commission	-	2.00
8	Sandeep Yadav	Key Managerial Personnel	Salary (including bonus)	4.62	3.95

9	Jagan Automotives Pvt Ltd	Enterprises under Common Control	Purchases	-	21.15
			Purchase of capital goods	-	1.15
			Sales	-	0.27
10	Ruchi Aggarwal	Director	Sitting Fees	0.20	-
11	Hemant Mangla	Director	Sitting Fees	0.20	-

### Details of Loan taken during the year

Sr. No.	Name of the relative	Opening balance	Taken during the year	Repaid during the year	Closing balance
1	Rekha Aggarwal	-	-	-	-
		(23.70)	-	(23.70)	-
2	Kamlesh Aggarwal	32.20	-	32.20	-
		(46.00)	-	(13.80)	(32.20)
3	Ashish Aggarwal	-	75.20	33.57	41.63
		-	(85.05)	(85.05)	-

(Figures in bracket denotes previous year figures)

### Details of Balances outstanding

Sr. No.	Name of the relative	Relation	Cr/Dr	2019-20 (Rs.)	2018-19 (Rs.)
1	Ashish Aggarwal	Key Managerial Personnel	Cr	25.42	0.13
2	Shikha Gupta	Director	Cr	0.34	0.14
3	Saras Kumar	Director	Cr	0.34	0.14
4	Rekha Aggarwal	Key Managerial Personnel	Cr	0.25	0.20
5	Raghav Aggarwal	Relative of KMP	Cr		

				0.20	0.20
6	Anvi Buildmart Pvt Ltd	Enterprises under Common Control	Dr	-	1.62
7	Geeta Singla	Director	Cr	0.04	0.04
8	Sandeep Yadav	Key Managerial Personnel	Cr	0.36	0.37
9	Jagan Automotives Pvt Ltd	Enterprises under Common Control	Cr	161.75	329.63
10	Ruchi Aggarwal	Director	Cr	0.20	-
11	Hemant Mangla	Director	Cr	0.20	-

### 35. Auditor Remuneration

	2019-20	2018-19
	(Rs. In Lakhs)	(Rs. In Lakhs)
As Audit Fee	1.50	1.50
As Tax Audit Fee	0.65	0.65
As certification fee	-	-

### 36. Consumption of major raw material and gases consumed

	2019-20	2018-19
	Value (Rs. In Lakhs)	Value (Rs. In Lakhs)
Industrial Gases	65.40	57.69
Glass Tubings and Rods	347.25	262.43
Molybdenum Wire, Pins, Shields & Moly Sleeve	220.44	168.21
Metal Parts (Pcs) (includes Caps & Collars)	375.80	281.59
Tungsten Filaments (Pcs)	216.93	168.04
Lamp Capsules (Pcs)	283.69	178.06

### 37. Consumption of major imported and Indigenous Raw Materials

	2019-20		2018-19	
	%	Value (in Lacs)	%	Value (in Lacs)
Imported	58.39	899.54	62.61	698.70
Indigenous	41.61	641.10	37.39	417.32



### Jagan Lamps Limited

Notes forming part of the financial statements for the year ended March 31, 202

(Rs. In Lacs)

38. The company has entered into a lease deed for short term lease period for factory premises against which rent of Rs.33.29 lakhs has been provided for during the current year.

39. The balances of receivable and payable as well as unilateral written off/back of the amounts due/payable are subject to third party confirmations, including payments adjusted through group companies.

40. The admissibility of Input Credits and Concessional/rebate against forms is subject to assessment by the sales tax department and goods and services tax department. GST Liabilities & GST input tax credits availment & admissibility are subject to audit/assessment under Goods & Services Tax Act.

41. Previous year figures have been re grouped / recasted/ re arranged wherever necessary to make them comparable.

### Statement of changes in equity for the year ended March 31, 2020

#### I) Equity Share Capital

Particulars	Rs. In Lakhs
<b>Balance as on March 31, 2018</b>	<b>688.95</b>
Changes in equity share capital during the year	-
<b>Balance as on March 31, 2019</b>	<b>688.95</b>
Changes in equity share capital during the year	-
<b>Balance as on March 31, 2020</b>	<b>688.95</b>

#### II) Other Equity

Particulars	Rs. In Lakhs			
	Reserves and surplus			Total
	Capital reserve	General reserve	Retained earnings	
<b>Balance as on March 31, 2018</b>	-	-	<b>993.50</b>	<b>993.50</b>
Profit for the year			96.72	<b>96.72</b>
Transfer / adjustment			-	-
<b>Balance as on March 31, 2019</b>	-	-	<b>1,090.21</b>	<b>1,090.21</b>
Profit for the year			169.51	<b>169.51</b>
Transfer / adjustment			-	-
<b>Balance as on March 31, 2020</b>	-	-	<b>1,259.72</b>	<b>1,259.72</b>

For KASG & Co.

Chartered Accountants  
FRN: 002228C

For and behalf of the Board

Sd/-  
Vipin Goel (Partner)  
M.N.512694  
Place: New Delhi  
Date: 30.06.2020

Sd/-  
Rekha Aggarwal  
(CFO & Director)  
(DIN: 07887630)

Sd/-  
Sandeep Yadav  
(Company Secretary)  
(M.No: ACS 50965)

Sd/-  
Shikha Gupta  
(Director)  
(DIN: 01837341)

Sd/-  
Ashish Aggarwal  
(Managing Director)  
(DIN: 01837337)