

HIGHNESS MICROELECTRONICS PVT LTD

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the members of HIGHNESS MICROELECTRONICS PRIVATE LIMITED will be held on 30.12.2020 at 04:00 PM at the registered office of the Company to transact the following business:-

ORDINARY BUSINESS:

1. To receive, adopt and consider the Audited Accounts for the year ended 31st March, 2020, together with the report of Directors and Auditors Thereon.

BY ORDER OF THE BOARD

FOR HIGHNESS MICROELECTRONICS PVT LTD

Gaurav Kejriwal

Director

DIN: 01506981

Date: 06.10.2020

Registered Office : 102/103, 1st Floor, Elecon Chamber,
Near Skn Tele Exch, Off Andheri Kurla Rd, Sakinaka, Mumbai, Maharashtra- 400072

CIN : U72900MH2007PTC173854



HIGHNESS MICROELECTRONICS PVT. LTD.

DIRECTORS' REPORT

To

The Members,

HIGHNESS MICROELECTRONICS PRIVATE LIMITED

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2020.

1. FINANCIAL STATEMENTS & RESULTS:

a. Financial Results

The Company's performance during the year ended 31st March, 2020 as compared to the previous financial year, is summarized below:

(Amt in Rs.)

Particular	For the financial year ended 31 st March, 2020	For the financial year ended 31 st March, 2019
Income	5,93,42,237	5,36,33,566
Less: Expenses	5,59,28,881	5,00,96,088
Profit/ (Loss) before tax	34,13,356	35,37,478
Less: Provision for tax	10,76,958	11,54,226
Income Tax of earlier years w/off	-	-
Exception Income	-	-
Exception expenditure	-	-
Profit after Tax	23,36,398	24,24,394

APPROPRIATION

Interim Dividend	-	-
Final Dividend	-	-
Tax on distribution of dividend	-	-
Transfer of General Reserve	-	-

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manoj Kumar Kejriwal

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Maya Devi Kejriwal

MDA

Director

101-103 Elecon Chambers, Sakinaka MTNL Road, Andheri-E, (Off-Kurla-Andheri Road),
Mumbai- 400 072, Ph: 91 22 2850 7123 ; Fax: 91 22 4026 4263
URL: www.highnessmicro.com ; Email: info@highnessmicro.com



HIGHNESS MICROELECTRONICS PVT. LTD.

b. **OPERATIONAL REVIEW:**

There is no change in the nature of the business of the Company. The Company has reported total income of Rs 5,93,42,237/- for the Current year as compared to Rs. 5,36,33,566/- in the previous year.

c. **TRANSFER TO RESERVES:**

The Board of Directors has not recommended transfer of funds to reserves during the year under review

d. **DIVIDEND:**

Your Directors have thought it prudent not to recommend any dividend for the financial year under review.

e. **DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014

f. **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

The company has not given any loans or guarantees in contravention of the provisions of section 186 of the Companies Act, 2013. The detail of the investments made by company is given in the notes to the financial statements.

2. **BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

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

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Kumar Kejriwal

Director

MM

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal

Director

MM



HIGHNESS MICROELECTRONICS PVT. LTD.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met 4 times during the financial year ended 31st March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made there under. The intervening gap between the meetings was within the period as prescribed under the Companies Act, 2013.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(C) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2020, the Board of Directors hereby confirms that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a going concern basis.
- v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
MM

For HIGHNESS MICROELECTRONICS PVT. LTD.

Maya Devi Kejriwal
MA



HIGHNESS MICROELECTRONICS PVT. LTD.

d. RISK MANAGEMENT POLICIES

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

At present the company has not identified any element of risk which may threaten the existence of the Company.

e. INTERNAL CONTROL SYSTEMS:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily.

4. PARTICULARS OF EMPLOYEES

The Company does not have any employee whose particulars are required to be given pursuant to Rule, 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company

5. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. APPOINTMENT OF AUDITORS:

M/s. Satya Gandhi & Co., Chartered Accountants is appointed as Statutory Auditors at the Annual General Meeting till the conclusion of Annual General Meeting will be held for the financial year 2019-2020. They are eligible to continue as Statutory Auditors for the financial year 2020-2021. Your Board recommends ratification of their appointment as the Statutory Auditors at the ensuing Annual General Meeting.

101-103 Elecon Chambers, Sakinaka MTNL Road, Andheri-E, (Off-Kurla-Andheri Road),
Mumbai- 400 072, Ph: 91 22 2850 7123 ; Fax: 91 22 4026 4263
URL: www.highnessmicro.com ; Email: info@highnessmicro.com

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manoj Kumar Kejriwal
MD

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjvi Devi Kejriwal
MD

Director



HIGHNESS MICROELECTRONICS PVT. LTD.

6. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2020 made under the provisions of Section 92(3) of the Act is attached herewith.

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

Conservation of Energy

No specific investment has been made in reduction in energy consumption.

Technology Absorption

As the Company has not acquired any technology, the question of absorption of technology does not apply to the Company.

Foreign Exchange Earnings and Outgo:

During the period under review there was no foreign exchange earnings or out flow

c. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company

d. FORMAL EVALUATION

In compliance with the Companies Act, 2013 the performance evaluation of the Board and individual directors was carried out during the year under review. The Directors express their satisfaction with the evaluation process

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Kumar Kejriwal
MDK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal
MDK

Director



HIGHNESS MICROELECTRONICS PVT. LTD.

e. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND
END OF FINANCIAL YEAR

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

7. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, employees, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors of

HIGHNESS MICROELECTRONICS PRIVATE LIMITED

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal

mk

Director

Manjul Kejriwal

Director

Din: 01507039

Date: October 6th, 2020

Place: Mumbai

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal

MDK

Director

Manju Devi Kejriwal

Director

Din: 07030483

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **HIGHNESS MICROELECTRONICS PRIVATE LIMITED**

Report on the Financial Statements

I have audited the accompanying financial statements of Highness Microelectronics Private Limited ("the Company") having Company Identification Number U72900MH2007PTC173854, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. As informed to me, the Company does not have any other information to be included in the annual report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact.

Responsibilities of Management and Those Charged With Governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

I give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit and its cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirements

1. This Report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, since in my opinion and according to the information and explanations given to me, the said Order is not applicable to the Company.
2. As required by Section 143(3) of the Act, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) In my opinion, there are no matters that may have an adverse effect on the functioning of the Company.



- g) The Company is a Private Company as defined under section 2(68) of the Act and covered under the criteria specified in the Notification G.S.R..583(E) dated June 13, 2017 as amended from time to time by Ministry of Corporate Affairs and complies with conditions specified therein. Accordingly, reporting under section 143(3)(i) of the Act with respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls is not applicable to the Company.
- h) 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 my opinion and to the best of my information and according to the explanations given to me:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
3. In my opinion, according to information, explanations given to me, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For Satya Gandhi & Co.
Chartered Accountants
ICAI Firm Registration No.: 132044W


Satya Gandhi
Proprietor
Membership No.: 120786
UDIN: 20120786AAAAUI5441



Place: Mumbai
Date: 30th October, 2020

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS
OF HIGHNESS MICROELECTRONICS PRIVATE LIMITED**

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

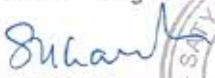
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

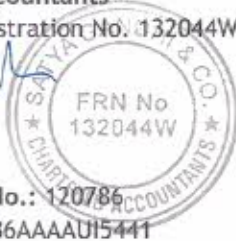
I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

For Satya Gandhi & Co.

Chartered Accountants

ICAI Firm Registration No. 132044W


Satya Gandhi
Proprietor
Membership No.: 120786
UDIN: 20120786AAAAU15441



Place: Mumbai

Date: 30th October, 2020

Highness Microelectronics Private Limited

Regd. Add.: 103/103, 1st Floor, Elecon Chamber, Near Sakinaka Telephone Exchange,
Off Andheri Kurla Rd, Sakinaka, Mumbai - 400072

Balance sheet as at March 31, 2020

Particulars	Notes	31st March 2020 (Rupees)	31st March 2019 (Rupees)
Equity and liabilities			
Shareholder's funds			
Share Capital	3	1,00,000	1,00,000
Reserves and Surplus	4	1,07,64,608	84,28,211
Non-current liabilities			
Long Term Borrowings	5	1,88,74,513	97,17,750
Current liabilities			
Short-Term Borrowings	6	12,34,046	20,95,644
Trade Payables	7	41,65,999	36,92,246
Other Current Liabilities	8	38,29,036	1,07,87,911
Short Term Provisions	9	20,61,782	15,47,421
TOTAL		4,10,29,984	3,63,69,223
Assets			
Non-current assets			
Fixed Assets			
Tangible Assets	10	42,93,864	48,40,598
Intangible Assets in Development	11	1,18,750	-
Capital WIP		-	-
Long term Loans and Advances	12	11,06,349	6,52,849
Deferred Tax Asset		2,64,821	97,867
Other Non-Current Assets	13	1,67,38,535	1,10,37,547
Current assets			
Inventories	14	1,06,41,368	45,96,617
Trade Receivables	15	47,822	25,28,117
Cash and Cash Equivalents	16	8,61,330	48,63,485
Short term Loans and Advances	17	39,644	20,000
Other Current Assets	18	69,17,501	77,32,143
TOTAL		4,10,29,984	3,63,69,223
Summary of significant accounting policies	1 & 2		

See accompanying notes forming part of the financial statements.

As per our report of even date

For Satya Gandhi & Co

Chartered Accountant

Firm Registration No.: 132044W

Satya Gandhi
Satya Gandhi
Proprietor
Membership No: 120786
Place : Mumbai
Date : October 6th, 2020

For and on behalf of the Board of Directors of

Highness Microelectronics Private Limited

(CIN: U72900MH2007PTC173854)

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
Director
Manjul Kumar Kejriwal
Director
DIN: 01507039
Place : Mumbai
Date : October 6th, 2020

Manjudevi Kejriwal
Director
Manjudevi Kejriwal
Director
DIN: 07030483
Place : Mumbai

Highness Microelectronics Private Limited

Regd. Add.: 102/103, 1st Floor, Elecon Chamber, Near Sakinaka Telephone Exchange,
Off Andheri Kurla Rd, Sakinaka, Mumbai - 400072

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	31st March 2020 (Rupees)	31st March 2019 (Rupees)
Income			
Revenue from Operations (Gross)	19	5,87,97,639	5,11,32,955
Less: Excise Duty		-	-
Revenue from Operations (Net)		5,87,97,639	5,11,32,955
Other income	20	5,44,598	25,00,611
Total Income(I)		5,93,42,237	5,36,33,566
Expenses			
Cost of Materials Consumed/ Cost of Goods Purchased	21	2,82,32,940	1,77,47,595
Changes in Inventories	22	(60,44,751)	(37,93,705)
Personnel Cost	23	1,15,44,382	83,25,631
Other Expenses	24	1,81,09,220	2,54,33,142
Finance Costs	25	23,67,303	13,19,665
Depreciation and Amortization Expense	10	17,19,787	10,63,760
Total Expenses(II)		5,59,28,881	5,00,96,088
Profit before tax(I-II)		34,13,356	35,37,478
Tax expenses			
Current Tax		12,43,912	11,54,226
Deferred Tax		(1,66,954)	(41,142)
Current Tax expense relating to prior years		-	-
Total tax expense		10,76,958	11,13,084
Profit for the year		23,36,398	24,24,394
Earnings per share (10,000 Equity Shares of Rs. 10 each)			
Basic & Diluted :		233.64	242.44

See accompanying notes forming part of the financial statements.

As per our report of even date

For Satya Gandhi & Co

Chartered Accountant

Firm Registration No.: 132044W


Satya Gandhi
Proprietor
Membership No: 120786
Place : Mumbai
Date : October 6th, 2020

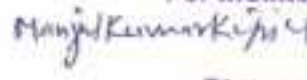


For and on behalf of the Board of Directors of

Highness Microelectronics Private Limited

(CIN: U72900MH2007PTC173854)

For HIGHNESS MICROELECTRONICS PVT. LTD.


Manjul Kumar Kejriwal
Director

Manjul Kumar Kejriwal

Director

DIN: 01507039

Place : Mumbai

Date : October 6th, 2020


Manjudevi Kejriwal
Director

Manjudevi Kejriwal

Director

DIN: 07030483

Place : Mumbai

Highness Microelectronics Private Limited

Regd. Add: 103/108, 1st Floor, Decon Chamber, Near Sakinaka Telephone Exchange,
Off Andheri East Rd, Sakinaka, Mumbai - 400073

Cash Flow Statement for the year ended 31 March, 2020

Particulars	31st March, 2020	31st March, 2019
	In Rupees	In Rupees
Cash Flow From Operating Activities		
Net Profit Before tax	34,11,356	25,37,478
Adjustments for:		
Depreciation	17,19,787	10,83,760
(Profit)/ Loss on sale of fixed assets	-	-
Finance Costs	23,67,303	13,19,665
Interest Income	-	-
Adjustment for Non Cash Expenses	-	-
Other non-Operating Income	-	-
Operating Profit before Working Capital Changes	75,00,446	59,20,903
Adjustments for Changes in Working Capital		
(Increase)/ Decrease in Trade Receivables	24,80,295	-19,30,904
(Increase)/ Decrease in Short Term Loans & Advances	19,644	20,000
(Increase)/ Decrease in Long Term Loans & Advances	-4,53,500	1,114
(Increase)/ Decrease in Other Current Assets	8,14,642	-33,38,367
(Increase)/ Decrease in Other Non-Current Assets	-57,00,988	-1,09,97,057
Increase/ (Decrease) in Trade Payables	4,73,753	3,93,310
Increase/ (Decrease) in Short Term Provisions	-7,29,552	-12,35,459
Increase/ (Decrease) in Other Current Liabilities	-49,58,875	76,37,077
(Increase)/ Decrease in Inventories	-60,44,751	-37,93,705
Cash Generated from/ (used in) Operations before Extraordinary Items	-86,38,174	-73,63,088
Cash Flow from Extraordinary Items	-	-
Cash Generated from Operations	-86,38,174	-73,63,088
Taxes Paid (net of refunds)	-	-
Net Cash from/ (used in) Operating Activities (A)	-86,38,174	-73,63,088
Cash Flow from Investing Activities		
Purchase of fixed assets including capital advances	-12,91,804	-30,16,359
Others	-	-
Proceeds from Sale of Fixed Assets	-	20,619
Investment in Fixed Deposits	-	-
Investment in shares	-	-
Interest Received	-	-
Net cash from/ (used in) Investing activities (B)	-12,91,804	-29,95,740
Cash flow from Financing Activities		
Proceeds of Share Application Money	-	-
Proceeds from Long Term Borrowings	91,56,723	97,17,790
Repayment of Long Term Borrowings	-	-
Proceeds from other Short-term Borrowings	-8,61,348	8,61,369
Finance Cost	-23,67,303	-13,19,665
Net cash from/ (used in) Financing Activities (C)	59,27,822	92,59,495
Net Increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	-40,02,155	-10,99,333
Cash and cash equivalents- opening balance	48,63,485	59,62,818
Cash and cash equivalents- closing balance	8,61,330	48,63,485

Notes:

(1) Cash and Cash Equivalents

Balances with banks:

In Fixed Deposits

In Current account

Cash on hand

2020

2019

40,744

31,27,775

8,20,586

17,35,710

8,61,330

48,63,485

As per our report of even date

For Satya Gandhi & Co

Chartered Accountants

Firm Registration No.: 132044W

Satya Gandhi

Satya Gandhi

Proprietor

Membership No: 120766

Place : Mumbai

Date : October 6th, 2020



For and on behalf of the Board of Directors of

Highness Microelectronics Private Limited

(CIN: U72900MH2007PTC173854)

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Kumar Kejriwal

Manju Kumar Kejriwal

Director

DIN: 01563039

Place : Mumbai

Date : October 6th, 2020

Manju Devi Kejriwal

Manju Devi Kejriwal

Director

DIN: 07030483

Place : Mumbai

Date : October 6th, 2020

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

1. Corporate Information

Highness Microelectronics Private Limited was incorporated on September 06, 2007 vide Registration Number 173854. The Company is principally engaged in the business of manufacture and trading of electronics goods.

The Company is domiciled in India and its registered office is at 102/103, 1st Floor, Elecon Chamber, Near Sakinaka Telephone Exchange, Off Andheri Kurla Rd, Sakinaka, Mumbai - 400072 (Corporate Identification Number: U72900MH2007PTC173854).

2. Significant accounting policies

2.1 Basis for preparation of financial statements

- a) The financial statements have been prepared to comply in all material aspects with the applicable accounting principles generally accepted in India, the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable and as per the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in consultation with the National Advisory Committee on Accounting Standards (NACAS) and the relevant provisions of the Companies Act, 2013.

- b) Accounting Policies not specifically referred to otherwise are in consonance with prudent accounting principles.

- c) The financial statements are prepared in accordance with the historical cost convention.

2.2 Revenue recognition

- a) Sales are accounted when significant risk and rewards are passed on to the customer. Sales are accounted net of excise duty.
- b) Interest income is accounted on a time proportion basis taking into account the amounts invested and the rate of interest.
- c) Dividend incomes on investments are accounted for when the right to receive the payment is established.

2.3 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.4 Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

2.5 Translation of Foreign Currency Items

Transactions in foreign currencies are translated into Indian Rupees (INR) at the rate of exchange ruling on the date of the transactions.

Gains or losses resulting from foreign currency transactions are taken to the income statement.



For HIGHNESS MICROELECTRONICS PVT. LTD.

Manoj Kumar Kojimol
MDA

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Maya Devi Kojimol
MDA

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

2.6 Fixed assets

All fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes freight, duties, taxes and incidental expenses related to the acquisition of the fixed assets. When the asset is scrapped or otherwise disposed off, the cost and related accumulated depreciation are removed from the books of accounts and resultant profit or loss, if any, is reflected in the Statement of Profit & Loss.

2.7 Depreciation

Depreciation is provided on the written-down value method over the useful life of assets in the manner specified under Part C of Schedule II of the Companies Act, 2013. Assets acquired prior to 1st April, 2015, the carrying amount as on 1st April, 2015 is depreciated over the remaining useful life based on evaluation. Depreciation on additions during the year is provided on pro-rate basis from the date of addition.

2.8 Impairment of Assets:

The management periodically accesses, using internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of carrying amount over the higher of the assets net sales price or present value as determined above.

2.9 Investments

Non current investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of Non-current investments.

2.10 Inventories

Inventories, stores and spares are valued at cost or net realizable value, whichever is lower. Cost is arrived at on First-in-First-Out (FIFO) basis.

2.11 Taxation

Income Tax expense comprises of current tax and deferred tax charge or credit. Deferred Tax resulting from timing differences between book profit and tax profit is accounted for under the liability method, at the current rate of tax, to the extent that the timing difference are expected to crystallise.

2.12 Contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

2.13 Deferred Revenue Expenditure

Deferred Revenue Expenditure is an expenditure which is revenue in nature and incurred during an accounting period, but its benefits are to be derived over a number of following accounting periods. These expenses are unusually large in amount and, essentially, the benefits are not consumed within the same accounting period.

For HIGHNESS MICROELECTRONICS PVT. LTD.

Mangal Kumar Kajriwal
MKK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Mangli Devi Kajriwal
MDK

Director



Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

The company had incurred deferred revenue expenditure of Rs. 1,84,05,328/- during the financial year ending March 31, 2019 on Tooling, Engineering and Designing charges, the benefit of which was expected to be derived over the period of five years. Accordingly, the company had deferred the expenditure to the extent of Rs. 1,08,98,552 over next four financial years. In the current also, the company has incurred Rs. 91,65,364/- towards such expenditure. The company has deferred Rs. 80,19,694/- out of this over the period of seven next financial years considering that the benefit will accrue to the company over the period of eight years.

2.14 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand, cash at bank, deposits with banks and other short-term investments with an original maturity of three months or less.

2.15 Miscellaneous Expenditure

Preliminary expenses are charged to profit and loss account over a period of five years.

2.16 Cash Flow Statement

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

2.17 Earnings Per Share

Basic EPS per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.



For HIGHNESS MICROELECTRONICS PVT. LTD.
Manjit Kumar Kajriwal
MKK Director

For HIGHNESS MICROELECTRONICS PVT. LTD.
Manji Devi Kajriwal
MDK Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

3 Share capital

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Amount Rupees	Number of shares	Amount Rupees
Authorised Capital: Equity Shares of Rs. 10/- each	10,000	1,00,000	10,000	1,00,000
Issued, Subscribed and Paid up: Equity Shares fully Paid up of Rs.10/- each	10,000	1,00,000	10,000	1,00,000

3.a Reconciliation of the number of shares

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Amount Rupees	Number of shares	Amount Rupees
At the beginning of the year	10,000	1,00,000	10,000	1,00,000
Add: Shares issued During the year	-	-	-	-
Outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

3.b Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March 2020		As at 31st March 2019	
	No.	% Holding	No.	% Holding
Gaurav Kejriwal	500	5%	500	5%
Manjul Kejriwal	5,000	50%	5,000	50%
Manjudevi Kejriwal	4,500	45%	4,500	45%
	10,000	100%	10,000	100%

3.c Terms/Rights to Equity Shares

The Company has only one class of Equity shares of Rs. 10/share, Each share holder of equity share is entitled to One vote per share.

4 Reserves and surplus

Particulars	As at 31st March 2020 (Rupees)	As at 31st March 2019 (Rupees)
Surplus in Statement of Profit & Loss		
Balance as per last financial statements	84,28,211	60,03,816
Add: Profit During The Year	23,36,398	24,24,394
Balance as per current financial statements	1,07,64,608	84,28,211

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
MKK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal
MDK

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

Particulars	31st March 2020 (Rupees)	31st March 2019 (Rupees)
5 Long Term Borrowings		
Loan from Banks	92,76,823	52,01,572
Loans from Other Financial Institutions	75,64,588	45,16,218
Bank Overdraft Account	20,33,102	-
	1,88,74,513	97,17,790
6 Short term Borrowings		
From Directors(Unsecured, payable on demand)		
Manjul Kejriwal	8,30,651	10,49,129
Manju Devi Kejriwal	4,03,395	9,54,076
From Others	-	92,439
	12,34,046	20,95,644
7 Trade Payables		
Creditors For Goods	13,39,574	11,42,137
Creditors For Expenses	28,26,424	25,50,109
	41,65,999	36,92,246
8 Other Current Liabilities		
Other payables		
Statutory Dues Payable	3,23,431	16,54,240
Advance from Customers	35,05,605	91,33,671
Total	38,29,036	1,07,87,911
9 Short Term Provisions		
Provision for taxation (Net of Advance Tax & TDS/TCS)	12,39,042	11,32,650
Provision for Salary	8,22,740	4,14,771
Total	20,61,782	15,47,421



For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
MKK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal
MDK

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

10 Fixed Assets

(Amount in Rupees)

Asset	Rate	Amount as on 01/04/2019	Gross Block			Depreciation			Net Block	
			Addition during the year	Deletion During the year	Amount as on 31/03/2020	Depreciation for the year	Deletion	Amount as on 31/03/2020	WDV as on 31/03/2020	WDV as on 31/03/2019
Tangible Assets										
Computers	63.16%	6,26,681	77,810	-	7,04,511	1,37,997	-	8,10,729	93,782	1,53,569
Furniture & Fixtures	25.89%	8,16,202	3,72,669	-	11,88,871	1,80,293	-	4,87,868	7,91,403	5,09,027
Office Equipment	25.89%	3,53,791	1,46,556	-	5,00,357	81,568	-	2,28,513	2,71,744	2,06,756
Plant & Machinery	31.23%	47,38,536	5,75,999	-	53,14,584	13,10,320	-	30,87,649	32,36,935	39,71,365
Total		65,35,170	11,73,034	-	77,08,223	17,19,787	-	34,14,359	42,93,864	48,40,598
Previous Year		36,16,704	30,16,359	97,893	65,35,170	7,08,046	77,374	16,94,372	48,40,598	29,08,638

11 Intangible Assets in Development

Particulars	Accumulated Cost
Website Development	1,18,750
	1,18,750



For HIGHNESS MICROELECTRONICS PVT. LTD.

Mangal Kumar Kishor
MD

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Mangal Devi Kajiwala
MD

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

Particulars		31st March 2020 (Rupees)	31st March 2019 (Rupees)
12	Long term Loans and Advances		
	Security Deposits	11,06,349	6,52,849
	Total	11,06,349	6,52,849
13	Other Non-Current Assets		
	Deferred Revenue Expenditure	1,67,38,535	1,10,37,547
	Total	1,67,38,535	1,10,37,547
14	Inventories (As taken, verified & certified by the Management)		
	Finished Goods	1,06,41,368	45,96,617
	Scrap Items	-	-
	Total	1,06,41,368	45,96,617
15	Trade Receivables (Unsecured, considered good)		
	Outstanding for a period exceeding six months from the date they were due.	-	-
	Others	47,822	25,28,117
	Total	47,822	25,28,117
16	Cash and Cash Equivalents		
	Balance with banks	-	-
	In Fixed Deposit	-	-
	In Current Account	40,744	31,27,775
	Cash in Hand	8,20,586	17,35,710
	Total	8,61,330	48,63,485
17	Short Term Loans and Advances		
	Advance Paid to Staff	39,644	20,000
	Total	39,644	20,000
18	Other Current Assets		
	Advances to Suppliers	57,93,861	76,51,906
	GST Credit / Refunds	10,84,023	-
	Income Tax Refundable	2,350	2,350
	TDS & TCS Receivable	-	19,586
	Prepaid Expense	37,266	58,301
	Total	69,17,501	77,32,143

For HIGHNESS MICROELECTRONICS PVT. LTD.

Majal Kumar Kejriwal
MKK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Mayu Devi Kejriwal
MD

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

Particulars	31st March 2020 (Rupees)	31st March 2019 (Rupees)
19 Revenue from Operations		
Sale of products	5,87,97,639	5,11,32,955
Revenue from operations (Gross)	5,87,97,639	5,11,32,955
Less: Excise duty	-	-
Revenue from operations (Net)	5,87,97,639	5,11,32,955
20 Other Income		
Commission Received	-	3,000
Discount Received	6,743	7,169
Incidental Charges Recoverable	25,000	-
Freight on sale	-	6,80,612
Foreign Exchange Gain & Losses	5,08,231	2,09,785
Sundry Balances W/back	4,624	16,00,045
Total	5,44,598	25,00,611
21 Cost of Material Consumed/ Cost of Goods Purchased		
Cost of Goods Purchased		
Import Purchases	14,69,405	1,33,71,105
GST Purchases	2,08,14,038	30,40,096
Custom Duty on Import	59,49,497	13,36,394
Total	2,82,32,940	1,77,47,595
22 Changes in Inventories		
Opening Stock		
Finished goods	45,96,617	8,02,912
Scrap Items	-	-
	45,96,617	8,02,912
Closing Stock		
Finished goods	1,06,41,368	45,96,617
Scrap Items	-	-
	1,06,41,368	45,96,617
(Increase)/Decrease in inventories	-60,44,751	-37,93,705
23 Personnel Cost		
Salaries, wages, bonus etc.	1,14,88,740	82,84,295
Contribution to Provident fund, Employee State Insurance Fund and Other Statutory Funds	-	-
Staff Welfare	55,642	41,336
Total	1,15,44,382	83,25,631

For HIGHNESS MICROELECTRONICS PVT. LTD.

Munjal Kumar Kishor

MKK

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kajriwal

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

Particulars	31st March 2020 (Rupees)	31st March 2019 (Rupees)
24 Other Expenses		
Audit Fees	26,500	26,500
Account Writing Charges	-	70,000
Discount Given	-	6,912
Electricity Charges	2,42,939	2,27,046
Legal & Professional Charges	4,38,903	3,02,600
Professional Tax	2,500	2,500
Registration Fees	5,300	4,419
Rent, Rate & Taxes	36,03,983	25,54,174
Service Charges	1,20,441	56,744
Telephonic Expenses	3,23,626	2,29,421
Insurance Charges	1,92,271	1,47,136
Brokerage & Commission	76,250	-
Selling Expenses	-	10,63,425
Advertisement Expenses	70,710	1,69,753
Freight, Forwarding & Transportation Charges	50,21,458	1,11,47,175
Conveyance Expenses	1,63,586	1,38,097
Travelling & Accommodation Expenses	12,59,163	26,20,089
General Expenses	8,93,070	10,64,791
Repairs & Maintenance	7,22,198	4,43,585
Transportation Charges	25,210	9,452
Car Hire Charges	-	4,20,000
Vehicle Expenses	7,184	46,816
Warehouse Charges	11,54,069	18,86,955
Miscellaneous Expenses	34,46,231	27,44,883
Interest other than Borrowings	3,13,627	50,669
Total	1,81,09,220	2,54,33,142
25 Finance Cost		
Interest Expense	19,43,598	10,99,605
Other Borrowing Cost	4,23,705	2,20,060
Total	23,67,303	13,19,665
Auditors Remuneration comprises		
For Statutory Audit & Others	26,500	26,500
Total	26,500	26,500

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
HKB

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal
HKB

Director

Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

26. Trade & other receivables and trade & other payables, are subject to confirmation/reconciliation and subsequent adjustment, if any. However, as per the management, impact on such reconciliations will not be significant.
27. In the opinion of the Board, the Current Assets and Loans and Advances are approximately of the value stated, if realized in the ordinary course of business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
28. On the basis of the information and records available with the management, there are no dues to Micro, Small and Medium Enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2020.
29. Disclosure of Deferred Tax

Particulars	F.Y. 2019-20	F.Y. 2018-19
Profit After Tax	23,36,398	24,24,394
Current Tax	12,43,912	11,54,226
Deferred Tax	(1,66,954)	(41,142)
Current Tax relating to Prior Period	-	-
Profit Before Tax	34,13,356	35,37,478

30. Disclosures of Related Party Transactions (as per AS-18):

- Details of Related Parties:

Sr. No.	Description of Relationship	Name of related person
1	Enterprises over which Key Management Personnel exercise significant influence	Global Business
2	Director / KMP	Gaurav Kejriwal Manjul Kumar Kejriwal Manju Devi Kejriwal

- Details of related party transactions during the year ended 31 March, 2020 and balances outstanding as at 31 March, 2020:

	Global Business	Gaurav Kejriwal	Manju Devi Kejriwal	Manjul Kumar Kejriwal
Balance As on 01/04/2019	11,31,638	-	9,54,078	10,49,129
Expenses Paid	-	-	-	-
Sales of Goods	2,78,197	-	-	-
Purchase of Goods	-	-	-	-
Remuneration	-	2,40,000	14,50,000	14,50,000
Receipts/Credits	3,01,524	1,24,268	39,094	6,575
Payments/Debits	2,97,519	3,64,268	20,39,775	16,75,053
Closing Balance as on 31/03/2020	8,57,446	-	4,03,397	8,30,651

31. Earnings Per share

Particulars	31 March 2020 (Rupees)	31 March 2019 (Rupees)
Net Profit after tax (Rs.)	23,36,398	24,24,394
Weighted average number of equity shares outstanding (No's)	10,000	10,000
Earnings Per Share - Basic and Diluted (Rs.) (Face value of Rs. 100 per share)	233.64	242.44

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manjul Kumar Kejriwal
M.K.

Director

For HIGHNESS MICROELECTRONICS PVT. LTD.

Manju Devi Kejriwal
MD

Director



Highness Microelectronics Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020

32. Expenditure in form of foreign Currency:

Particulars	31 March 2020 (Rupees)	31 March 2019 (Rupees)
Purchases	1,14,39,519	1,33,71,105
Loading & Unloading Charges	9,33,748	15,78,227
Warehouse Charges	11,54,069	18,86,955
Tooling & Designing Charges (of which Rs. 80,19,694 deferred over the period of next seven financial years)	91,65,364	1,84,05,328
Other Expenses	7,73,262	-
Capital Assets (Fixed Assets)	5,23,088	-

33. Earnings in form of foreign Currency:

Particulars	31 March 2020 (Rupees)	31 March 2019 (Rupees)
Export Sale	1,31,85,506	13,94,564

34. Auditors Remuneration:

Particulars	31 March 2020 (Rupees)	31 March 2019 (Rupees)
As an Auditor	26,500	26,500

35. As per the information and records available with the Company, there are no dues outstanding for a period of more than 30 days as at March 31, 2020, in respect of small scale industries as defined under clause (j) of Section 3 of the Industries (Development and Regulation) Act, 1951.

36. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with the current year's figures.

For and on Behalf of the Board of Directors of
Highness Microelectronics Private Limited

For **HIGHNESS MICROELECTRONICS PVT. LTD.**

Manjul Kumar Kejriwal

NK

Manjul Kumar Kejriwal
Director
Place: Mumbai
Date: October 6th, 2020

For **HIGHNESS MICROELECTRONICS PVT. LTD.**

Manju Devi Kejriwal

Manjudevi Kejriwal
Director
Place: Mumbai
Date: October 6th, 2020

