

# DEFINING RESILIENCE

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**ANNUAL  
REPORT**  
2019 - 2020

**JAY BHARAT MARUTI LIMITED**



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## DEFINING RESILIENCE

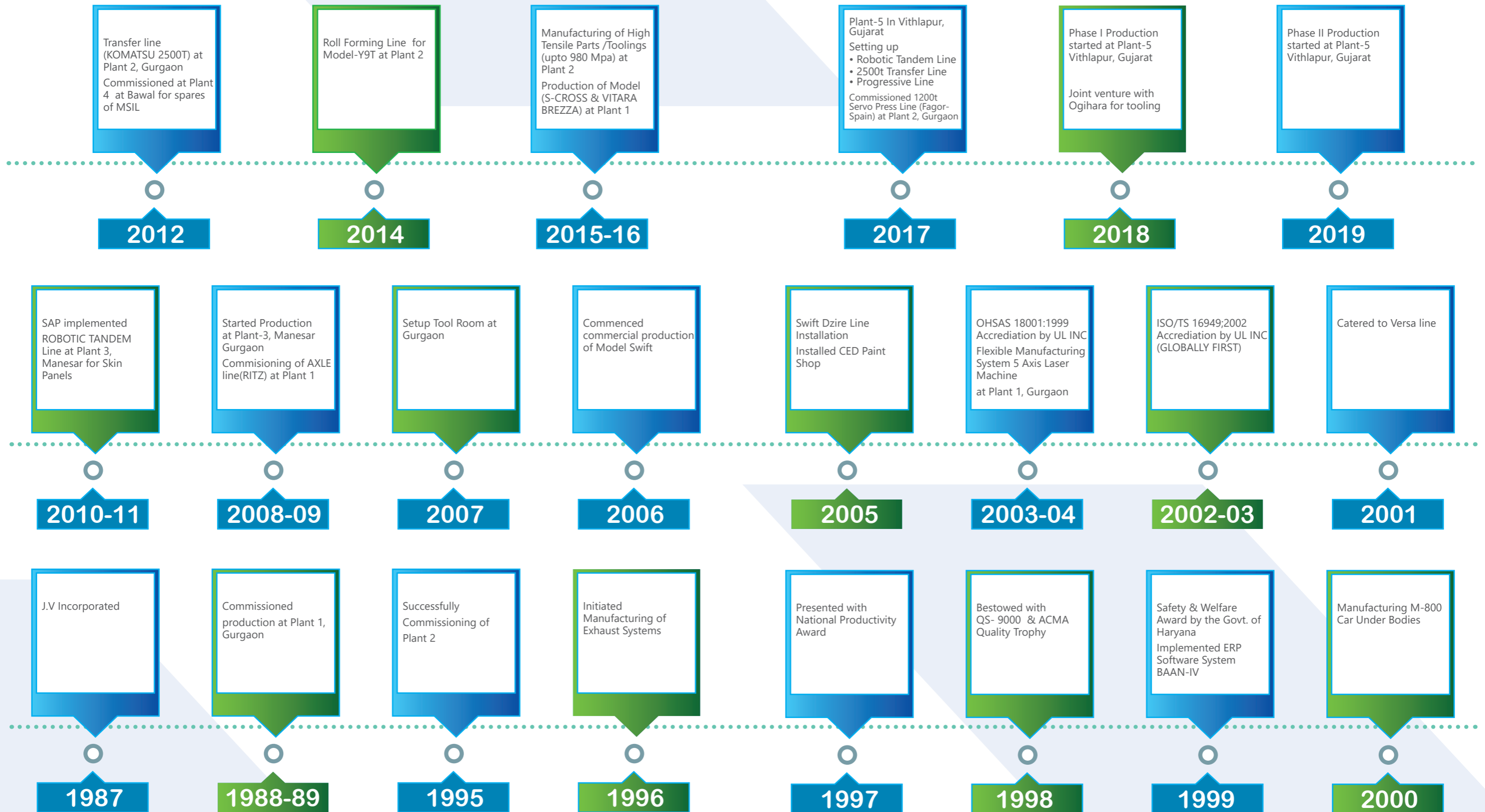
The Manufacturing Industry has weathered three industrial revolutions and in amidst of the fourth and most disruptive one. Stalwarts that revolutionized changed in such times are iconic examples of 'Resilience.' Changing within, in terms of practices and policies, as well as externally in order to adapt and satisfy their customer's requirements with total quality management as an inherent driving force. To perform with such a mission under adverse conditions is possible when thought leadership and the organization on the whole, focuses on business delivery to create value for all its stakeholders and this what truly is "Defining Resilience" in its true sense. Resilience for us is the distinguishing trait that differentiates the winner from the participant.

In relation to the defining resilience, Steven Covey wrote an inspiring quote that states " Proactive People Carry Their Own Weather With Them" and such an attribute holds true for organizations that have been built to weather-in for changes; both happening within the organization's ecosystem as well as weathering changing industry dynamics. The reflection of such proactive behavior that amplifies flexibilities to weather impacts is seen as inherent strengths of an entity in today's day and age. It is in trying times that the foundations of organizations are tested to derive energies, stand tall and bloom in the gloom. Such cohesive strength within an organization can be comparable to nothing less than 'Defining Resilience'.

Jay Bharat Maruti Limited is aptly exemplified by the 'Defining Resilience' theme concept that showcases spiraling of life in harsh terrains and uncertain conditions for growth. The theme is specifically apt for the situation that the automotive industry is at the same time that also showcases the Resilience of Jay Bharat Maruti Ltd., as the organization that continues adapting and prevailing in the tide of an industry economic slowdown.

The interesting part of this concept is the simile between organization and the industry conditions wherein the entity depicted by the sapling, is well grounded with its strong foundation build on fundamentals and strong partnership and the terrain depicts the Industry scenario. The very will of the sapling to break harsh ground and find a path to stand out in the crowd is what is called Defining Resilience.

# OUR MILESTONES





Dear Shareholders,

As we conclude another financial year at Jay Bharat Maruti Limited, it is my pleasure to present my thoughts to you at the 33rd Annual General Meeting of your company.

Humankind is facing the biggest challenge in the form of COVID-19 crisis which has crippled the economies, health systems, industries and impacted every human being. It was the first time in our history that the entire nation came to a standstill for many months together.

Unprecedented ways to minimize the impact of this blow were undertaken by the Government, industry and organizations at large. In Jay Bharat Maruti Limited we ensured compliance to all Government guidelines along with the well-being of our employees which is of utmost importance to us. Continuous education combined with self-discipline and adherence to safety measures being the focal points of business continuity when we resumed production. The core of 'Self-resilience' is the ability to adapt fast and bounce back by turning adversity into opportunity. Same has held true for us in this COVID era. Swami Vivekananda, once said, 'Take up one idea, make that one idea your life, think of it, dream of it, let the brain, muscles, nerves, every part of your body be full of that idea, and don't let any obstacles stop you.' Via this inspiring quote I draw a parallel to the sapling that springs to life in the most difficult terrain which in a way truly 'Defines Its Resilience' and that is the true persona of Jay Bharat Maruti Ltd.

The aspiration to move ahead and see opportunity in the making was, is and will be possible only when we are fundamentally flexible, agile and have a foundation that supports our business and future growth endeavors. The foundation of your organization is attributed to our partner Maruti Suzuki India Limited that has stood the test of time and gained strength with the reinforced belief and trust we continue building together. Current scenario has led to emergence of new opportunities, redefined skill sets and adapting of technical aspects of working thereby evolving to a 'new normal' in the least time. The Indian Government has encouraged all these advancements in the form of 'Atma Nirbhar Bharat', 'Vocal for Local' and 'Digital India' initiatives. This as a collective effort will lead to a faster recovery of the Indian economy, thereby your company. We must ensure that our commitment towards this national call is consistent and continuous.

At this juncture, it would be imperative to quote the 'Automotive Mission Plan(AMP) 2026' which directs the Indian Automobile Industry to be a front runner in the "Make In India" programme, as it is amongst the foremost drivers of the manufacturing sector. Over the next decade, the Indian automotive sector is likely to contribute in excess of 12% of the country's GDP and comprise more than 40% of its manufacturing sector. The AMP envisages that the Indian Automotive Industry will grow 3.5-4 times in value from its current output of around ₹ 4,64,000 Cr to about ₹ 16,16,000 – ₹ 18,88,500 Cr by 2026, thereby, constituting almost 50% of the total manufacturing GDP.

Indian Auto Market is facing continuous slow down from last two fiscal years and FY20 started with lower production due to contraction of demand which continued to H1 of FY20, however some improvement in consumer sentiment was witnessed during this festive season in H2 of FY20, but overall, the automobile industry has not recovered from demand contraction. Due to higher fixed costs and lower volumes as a result of slowdown in the Auto Market, your Company's revenues declined by 16.90% at ₹ 16594.12 million from

previous years ₹ 19969.74 Million. Your company further faced loss of production and sales arising due to pandemic spread in the last quarter of FY20 which extended to Q1 of FY21. EBIDTA of the company also witnessed a shortfall of 19.58 % from ₹ 1775.02 million in FY19 to ₹ 1427.38 million. The EBIDTA margin in FY20 stood at 8.60% from 8.89%. Your company's net profit for the year stood at ₹ 280.20 million, as against ₹ 521.71 million in FY19.

The next fiscal year will be challenging for the company due to impact of COVID-19. The Company has restarted operating at low capacity after Unlock 1.0, and we are expecting that demand will improve in coming months, as people may move to self-mobility.

To conclude, I would like to thank our partner Maruti Suzuki India Ltd for their continued patronage on our delivery prowess. I extend my sincere appreciation to the management and the staff of the company for their valued contribution to drive excellence as a practice. A big thanks to you, our valued shareholders. Your faith and trust in our capabilities helps us gain the foundation that will enable us grow from strength to strength.

Last but not the least, a strong team bound by collective values and foundation continues to be our biggest pillar of growth and support.

Finally, I would like to end this note by stating

"The key to success is to focus on the execution in order to meet the goals we set for ourselves, and not spend our energies thinking about the obstacles that can stop us"

Thank You and Jai Hind.

**Surendra Kumar Arya**  
Chairman

## FROM THE CHAIRMAN'S DESK



# STANDALONE FINANCIAL HIGHLIGHTS

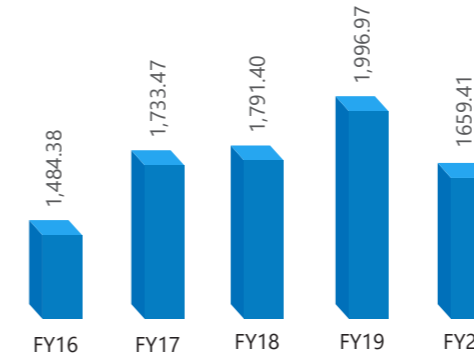
₹ In Crore

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue from operations	1,480.60	1,732.05	1,787.79	1,994.00	1,657.71
Less Excise Duty	178.68	205.42	57.38	-	-
Net Sales	1,301.92	1,526.63	1,730.41	1,994.00	1,657.71
Other Income	3.78	1.42	3.61	2.97	1.70
Total Income	1,484.38	1,733.47	1,791.40	1,996.97	1,659.41
EBIDTA	120.87	134.52	159.26	177.50	142.74
Financial Charges	22.14	18.30	20.12	34.33	38.08
Depreciation - Property, Plant and Equipment and Intangible Assets	39.02	41.43	49.10	61.49	62.52
Profit Before Tax	59.71	74.79	90.04	81.68	42.14
Tax	19.90	21.02	31.15	29.51	14.12
Profit After Tax	39.81	53.77	58.89	52.17	28.02
Share Capital	10.83	10.83	10.83	10.83	10.83
Other Equity	241.90	293.63	349.42	393.23	412.25
Net Worth	252.72	304.46	360.25	404.06	423.08
Inventory/Net Turnover (Times)	9.72	13.34	13.55	14.54	16.95

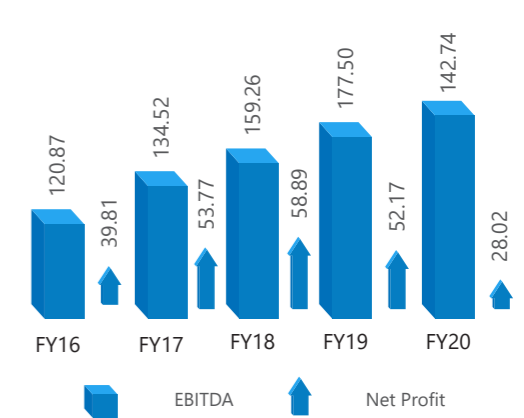
**Key Indicators**

EBIDTA/Net Sales (%)	9.28	8.81	9.20	8.90	8.61
PBT/Net Sales (%)	4.59	4.90	5.20	4.10	2.54
PAT/Net Sales (%)	3.06	3.52	3.40	2.62	1.69
RONW (PAT/Net Worth) (%)	17.32	19.30	17.72	13.65	6.78
Earning Per Share (Rs.)	18.39	24.84	27.20	24.10	12.94
Cash Earning Per Share (Rs.)	36.41	43.97	49.88	52.50	41.82
Dividend Per Share (Rs.)	2.00	2.50	2.50	2.50	1.25
Book Value per Share (Rs.)	116.73	140.63	166.40	186.63	195.42
Price/Earning Ratio (Times)	6.82	17.02	13.71	10.83	7.75
Market price of share as on 31st March' (Rs.)	125.35	422.75	372.95	260.95	100.30
Market Capitalisation (Rs in crores)	271.38	915.25	807.44	564.96	217.15
Proposed Dividend (Rs in crores)	4.33	5.41	5.41	5.41	2.71
Corporate Dividend Tax (Rs in crores)	0.88	1.10	1.10	1.11	0.00
"Dividend Payout Ratio(%)" (including Dividend Distribution Tax)"	13.09	12.11	11.06	12.51	9.66

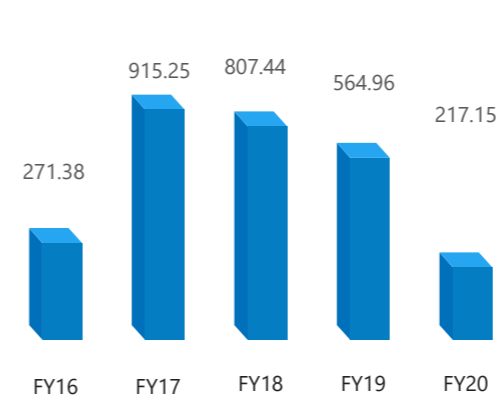
Total Income (₹ In Crore)



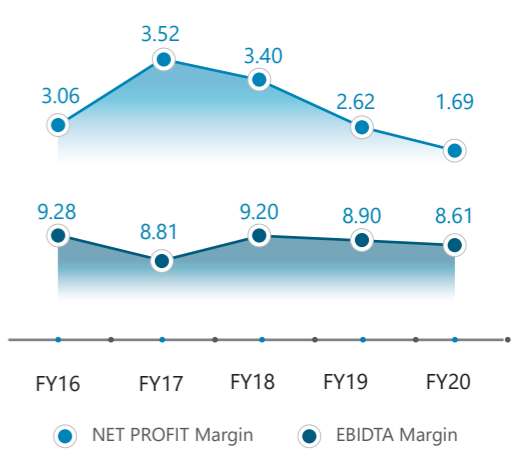
EBIDTA and Net Profit (₹ In Crore)



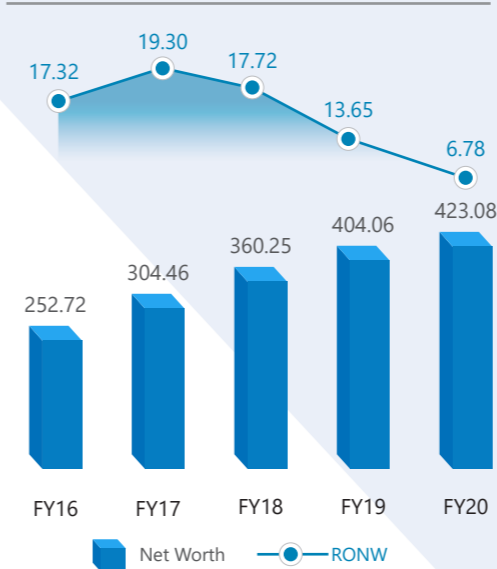
Market Capitalisation (₹ In Crore)



Profit and EBIDTA Margin (%)



Net Worth (₹ In Crore) and RONW (%)

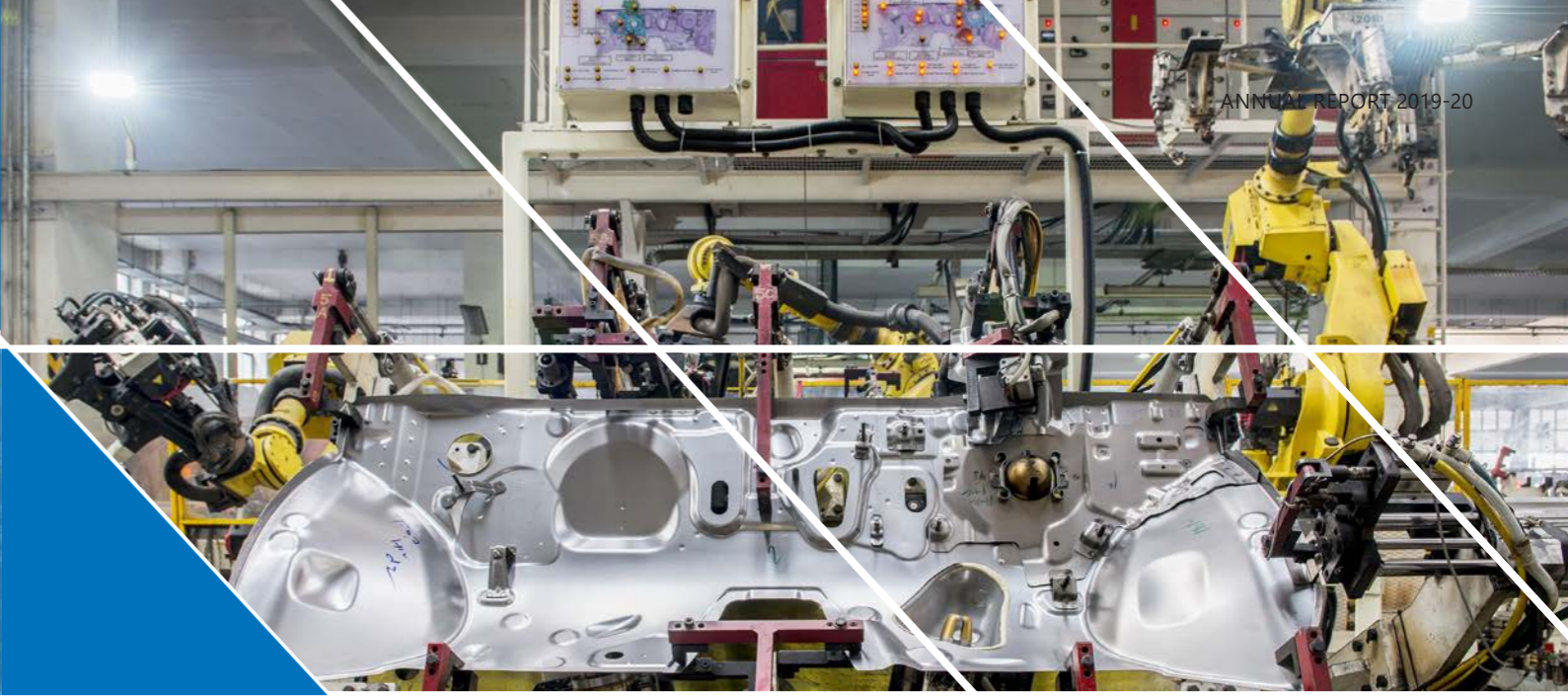


Earning Per Share and Dividend Per Share (₹)





Jay Bharat Maruti Limited (JBML), founded in 1986, in collaboration with Maruti Suzuki India Limited (MSIL), is the leading manufacturer of key auto components and assemblies such as BIW parts, exhaust systems, fuel fillers (fuel pipe), and suspension parts for passenger cars. Our five state-of-the-art manufacturing plants, located in Gurgaon, Bawal, Manesar (Haryana) and Gujarat are well equipped with advanced production lines to develop products of highest quality.



# JAY BHARAT MARUTI LTD. IN BRIEF

### Vision

Expanding leadership in our business by creating an agile environment that delivers excellence and delight to stakeholders through the power of People, Innovation and Technology.

### Mission

To make JBML a synonym for a world-class organization, excelling in sheet metal technologies.

1657.71

Crore turnover

5

State-of-the-art manufacturing facilities

4673

Workforce

IATF-16949:2016,  
ISO 14001:2015,  
OHSAS 18001:2007

System quality certifications

### Values

**Integrity & Ethics:** By having the conscience to be honest and sincere, resulting in appropriate conduct without being overseen.

**Ownership & Commitment:** By feeling a sense of accountability towards all tasks undertaken and taking complete responsibility for the outcomes.

**Respect & Teamwork:** By fostering trust among people and an appreciation for diversity of ideas, thereby harnessing the potential of individuals and channeling it to accomplish greater group goals.

**Customer Trust & Delight:** By meeting commitments, being sensitive to customer needs and addressing matters with clarity and speed.

**Safe & Green:** By being, in all our actions, a conscientious corporate citizen who prioritizes the safety of its people, protects the environment and contributes to the wellbeing of the society.

### Driving ahead through robust operational facilities

- Stamping, Welding, Fuel Pipe Manufacturing, Die Manufacturing, Painting and Plating
- Press Shop - 20T to 2500T Presses - Standalone, Hydraulic Robotic, Automated and Transfer Press Lines. Die Design Development and Manufacturing CNC Machines – Die Spotting, Assembly - Trial and TPMs
- Weld Shop - MIG / MAG Welding - Manual Robotic, Spot Welding - SSW, PSW, IT Gun, MSW, Robotic Projection Welding - MSW, PSW, SSW, and Laser Cutting Rules
- Coordinating measuring rules and other quality Control/assurance related equipment
- Die manufacturing for large panels
- Fuel pipe manufacturing machines
- Others - World-class Paint and Plating shops



# KEY CATEGORIES

## Superior product portfolio

- Sheet Metal Components & Assemblies
  - Welded Assemblies
    - Exhaust Systems
    - Fuel Fillers (Fuel pipe)
      - Axles
      - Tools & Dies



# ALLIANCES & PARTNERSHIPS

In partnership with leading global companies to deliver market-leading innovation

- SNIC Co. Ltd., Japan
  - Daiwa Excel, Japan
- Yorozu Corporation, Japan
  - Futaba Industrial Co., Japan
  - Okamoto Press Co. Ltd., Japan
    - Ogihara (Thailand) Co. Ltd., Thailand



# AWARDS AND ACCOLADES

<p><b>2018-19</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate of Appreciation for superior performance in the field of Yield improvement.</li> <li>&gt; Certificate of Appreciation for superior performance in the field of Part Development (Build to Print Category).</li> </ul>	<p><b>2017-18</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate of Appreciation in the field of VA-VE</li> <li>&gt; Certificate of Appreciation for Gujarat Localization</li> <li>&gt; Certificate of Appreciation in the field of Tooling Localization</li> </ul>	<p><b>2016-17</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate of appreciation in the field of yield improvement</li> <li>&gt; Certificate of appreciation in tooling localisation</li> <li>&gt; Certificate of appreciation in the field of Design &amp; Development</li> </ul>
<p><b>2015-16</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate for Yield Improvement</li> <li>&gt; Certificate for Superior Performance in the field of Focused Model Cost Reduction</li> </ul>	<p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate for Yield Improvement</li> </ul>	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate of Tier-2 Up-gradation</li> <li>&gt; Certificate for Yield Improvement</li> </ul>
<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>&gt; Gold Trophy for overall performance</li> <li>&gt; Shield for Yield Improvement</li> </ul>	<p><b>2011-12</b></p> <ul style="list-style-type: none"> <li>&gt; Silver Shield for overall performance</li> <li>&gt; Shield for Spare Delivery</li> <li>&gt; Shield for Special Support</li> <li>&gt; Certificate for 'VA VE'</li> <li>&gt; Certificate for 'Capacity Enhancement'</li> </ul>	<p><b>2010-11</b></p> <ul style="list-style-type: none"> <li>&gt; Certificate for Incoming Quality Improvement</li> <li>&gt; Certificate for VA VE</li> <li>&gt; Trophy for HR initiative</li> <li>&gt; Trophy for Audit Rating</li> </ul>
<p><b>2009-10</b></p> <ul style="list-style-type: none"> <li>&gt; Trophy for Value Analysis and Value Engineering (VA VE)</li> <li>&gt; Trophy for Manufacturing Excellence Awards</li> </ul>	<p><b>2008-09</b></p> <ul style="list-style-type: none"> <li>&gt; Vendor Performance Award for Car Scheme</li> <li>&gt; Vendor Performance Award for MPS</li> <li>&gt; Shield for Tier-2 Up-gradation</li> <li>&gt; Shield for Yield Improvement (1.1.1)</li> </ul>	<p><b>2007-08</b></p> <ul style="list-style-type: none"> <li>&gt; Yield Improvement Trophy</li> <li>&gt; Significant Achievement in Business Excellence - CII Exim Bank</li> </ul>





# CORPORATE INFORMATION



**Mr. S.K. Arya**  
Chairman & Managing Director



**Mr. Rajiv Gandhi**  
Director



**Mr. Dhanendra Kumar**  
Director



**Mrs. Pravin Tripathi**  
Director



**Mr. D.P. Agarwal**  
Director



**Mr. Achintya Karati**  
Director



**Mr. Nishant Arya**  
Director



**Ms. Esha Arya**  
Director

## CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to supporting various social causes. The Company has initiated Skill Development programme and the said program is designed as per the need of the community and organizing Vocational Training Program - In line with the 'Skill India Scheme' by the Ministry of Skill Development and Entrepreneurship which aims to build the capacity of rural people by developing their skills in various fields. We have persistently worked towards economic empowerment of the rural communities wherein we have provided economic independence to the rural populace and improved their infrastructure through our community outreach programs.

By way of our contribution to Suman Nirmal Minda Charitable Trust and Shree Madhav Jan Sewa Nyas we have been promoting education, education projects and building school infrastructure. We have produced and promoted moral and motivational CD's for distribution to various Schools and Institutions that will, in turn, instill moral values in the younger generation. Every year at the end of the skill development programme, each plant records the success stories of pass out students which shows that each students is doing well in their fields as some of them become self-employed and some of them are working as an employee.

### Following are some of our committed efforts in this direction:

- We manage our operational activities effectively to minimise any adverse impact on the environment, general health and safety.
- We constantly frame and implement effective environment conservation policies.
- We have a Health and Safety Management Team that regularly monitors, set and reviews our environment health and safety objectives and targets.
- We constantly endeavour to reduce waste through implementing an effective waste recycling process within our manufacturing operations

**President & CFO**  
Mr. Anand Swaroop

**Company Secretary & Compliance Officer**  
Mr. Ravi Arora

**Joint Venture Partner**  
Maruti Suzuki India Limited

**Statutory Auditors**  
Sahni Natarajan & Bahl  
(Chartered Accountants)

**Registrar & Share Transfer Agent**  
MCS Share Transfer Agent Ltd.

### Bankers

- Axis Bank Ltd. • CTBC Bank Ltd • DBS Bank India Ltd • HDFC Bank • HSBC Bank • ICICI Bank Ltd. • IDFC First Bank • Kotak Mahindra Bank Ltd. • MUFGBank Ltd • Standard Chartered Bank • Yes Bank Ltd.







## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the Thirty Third Annual Report on business and operations of your Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2020.

### 1. FINANCIAL SUMMARY:

The highlights of the standalone and consolidated financial statements of your Company for the year ended 31st March, 2020 along with the previous year's figures are given as under:

₹ In Crore

Particulars	Year ended	Year ended	Year ended	Year ended
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Standalone		Consolidated	
Total Income	1659.41	1996.97	1659.41	1996.97
Earnings before interest, depreciation, tax and amortization (EBIDTA)	142.74	177.50	142.74	177.50
Finance Cost	38.08	34.33	38.08	34.33
Depreciation	62.52	61.49	62.52	61.49
Profit for the period before share of profit of joint venture	42.14	81.68	42.14	81.68
Share of profit of joint venture	-	-	0.26	(0.12)
Profit before Tax	42.14	81.68	42.40	81.56
Tax Expense	14.12	29.51	14.17	29.51
Profit after Tax	28.02	52.17	28.23	52.05
Retained Earnings:				
Balance at the beginning of the Year	357.35	311.52	357.35	311.52
Profit for the Year	28.02	52.17	28.23	52.05
Other Comprehensive Income arising from remeasurement of defined benefit Obligation	0.62	0.18	0.62	0.18
Payment of dividend on equity shares	(5.41)	(5.41)	(5.41)	(5.41)
Corporate Dividend Tax paid	(1.11)	(1.11)	(1.11)	(1.11)
Balance at the end of the year	379.47	357.35	379.68	357.23

### 2. STANDALONE FINANCIAL HIGHLIGHTS:

Your Company recorded total Income of ₹ 1659.41 Crores during the financial year 2019-20 as compared to ₹ 1996.97 Crores in the previous year showing a decrease of 16.90%. The EBIDTA has gone down by 19.58% during the financial year 2019-20 due to lower volumes. The Profit Before Tax for the financial year 2019-20 amounts to ₹ 42.14 Crores as against ₹ 81.68 Crores for the previous year, showing a decrease of 48.41%. The profit after tax has gone down in the financial year 2019-20 to ₹ 28.02 Crores as compared to ₹ 52.17 Crores in the previous year, showing a decrease of 46.29%. Profits for the year are low due to loss of sales w.e.f. 23rd March, 2020, due to pandemic spread of Covid-19, Further, due to higher fixed cost and delay in launch of model, produced at plant at Gujarat, there were lower sales for the period ended 31st March, 2020.

### 3. COVID-19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. The year that started with weak demand owing to slow-down in Auto sector and other segments along with liquidity squeeze, ended with the global economy coming to an indeterminate standstill following the outbreak of COVID-19. Furthermore, the Government's decision to put the country into full lockdown during the latter phase of the fourth quarter had a major impact on the Company. In enforcing social distancing to contain the spread of the disease, our plants and offices all over India were shut down for extended period of times. We, at JBM has closely monitored the situation and with commitment taken all relevant steps to safeguard the JBM family from getting exposed to this virus. A COVID taskforce has been setup in the corporate office and at each workplace to keep a track of all developments and suggest relevant precautionary actions to be taken at all our offices and plants PAN India.

After getting permission to start our production from concerned authorities, we partially resumed our production operations from 12th May, 2020 after performing maintenance check and sanitization of all Plant & Machinery(ies), premises, equipments etc, with

limited workforce. All the facilities are now operational with capacity utilization of more than 60% capacity, plants are being run effectively to optimize cost.

The Company has been operating at low capacity from Unlock 1.0, hence there has been corresponding loss in production and business during the period. Operational activities have drastically decreased however, presently we are able to operate the plant by more than 60% capacity. We expect to partly recover from the impact of shutdown this fiscal year. The Company envisages a reduction of turnover and profitability this financial year as compared to last year figures to the extent of production loss due to Lockdown effects. Further The Company's capital and Banking facilities remain intact and the Company is in comfortable liquidity position to meet its financial and other commitments. In view of the recent announcement on dated March, 22, 2020 and May 22, 2020 by RBI on benefits owing to COVID 19 situation in the country, the Company has availed the moratorium period on Term Loan and extended its repayment by 6 months i.e. 1st March, 2020 to 31st August, 2020 to maintain the smooth cash flow of the company. Further the company has postponed and deferred most of its capex requirements except those capex which are essential for its growth to ensure that the safety and sustainability of the business is not affected and such deferment of capex has not created any negative impact to the growth of the Company. The expenses incurred on development of new products are also on track.

The Company is taking utmost care of its staff and work force like sanitisation, social distancing, mandatory mask wearing, thermal check at the gate, maintaining proper hygiene. Company has achieved its purpose of social distancing and benefitted through Artificial Intelligence (AI) in regard to combat spread of pandemic by way of creating awareness among employees, maintaining social distancing at work premises without manual monitoring. AI Cameras has been installed at premises, shop floor, entry gates of the company to capture images and checking temperatures of employees through thermal scanner without manual intervention. AI cameras also send alerts for violations in social distancing thus no manpower is required to monitor social distancing.

### 4. DIVIDEND AND APPROPRIATION:

#### (A) DIVIDEND

Your Directors have recommended a dividend of ₹ 1.25 per equity share for the financial year ended 31st March, 2020, amounting to ₹ 2.70 Crores.

The final dividend, once approved by the shareholders in their ensuing Annual General Meeting will be paid to members whose name appear in the Register of Members as on 02nd September, 2020 through various online transfer modes to those shareholders who have updated their bank account details. For shareholders who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent out to their registered addresses once the postal facility is available.

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend at the rates as specified in the Notice to the AGM. However, no tax shall be deducted if the total dividend amount to be received by them during F.Y. 2020-21 does not exceed Rs. 5,000 and also in cases where shareholders provide Form 15G/Form 15H subject to conditions specified in the Act

#### (B) APPROPRIATION

Your Directors do not propose to transfer any amount to the general reserve and entire amount of profit for the year forms part of the 'Retained Earnings'.

### 5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis report is given separately and forming part of the Annual Report.

### 6. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with Indian Accounting Standard (IND AS) -110 on Consolidated Financial Statements read with Indian Accounting Standard (IND AS)- 28 on Investments in Associates and Joint Ventures, the audited consolidated financial statements are provided in the annual report.

The Consolidated Financial Statements together with the Auditors' Report thereon forms part of this Annual Report. Pursuant to provision of Section 129 (3) of the Companies Act, 2013 ("the Act") read with rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Joint Venture Company in the prescribed form AOC-1 is a part of the Consolidated Financial Statements.



## 7. CREDIT RATING:

ICRA has reaffirmed its credit rating of A1 for short term instruments which is the highest rating for credit quality and the rating for long term debt Instruments is A+ and indicating the outlook on the long term rating as "Stable".

## 8. QUALITY:

Your Company has implemented International Quality Management System based on the requirement of IATF 16949:2016. The Company has established, implemented and is maintaining an Information Security Management System. During the year, ISO 14001 surveillance was carried out by M/s American System Registrar, LLC and the auditors recommended the continuation of the ISO 14001. Apart from the above, your Company is also OHSAS-18001:2007, ISO-14001:2015 and IATF 16949:2016 certified.

## 9. HUMAN RESOURCES:

At JBML, we understand that it is of the foremost importance to assess and identify the Potential of Human Capital. In order to face current challenging environment, we need to equip ourselves with the power of Technology and Innovation. Your company is making Effective use of Artificial Intelligence, Machine Learning, Digitalization and people empowerment. Various learning programs like VLFM (Visionary Leaders for Manufacturing), MDP (Management Development Programs), SDP (Supervisory Development Program), & TTT (Train the Trainer) were strengthened, with the commitment of making Human Capital future ready and grooming them for future leadership. Your company also started a Program by the name "Joyful body & Mind" (JBM). We appointed a Yogacharya as the "Happiness & Wellness Coach". We are regularly conducting various sessions across locations. This is targeted to encourage employees in leading a healthy and fulfilling happy life. This has become even more relevant during the ongoing COVID-19 pandemic.

## 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Directors

- Mr. Nishant Arya (DIN 00004954) will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommend his re-appointment. A brief profile and other details as required under Regulation 36 of Listing Regulations are provided in the notice of 33rd Annual General Meeting of the Company.
- Mrs. Pravin Tripathi (DIN 06913463), has been appointed as Independent Woman Director of the Company w.e.f. 10th July, 2019 for a period of Five years.
- Your Company at the 31st Annual General Meeting held on 04th September, 2018, had appointed Mr. Dhanendra Kumar as Independent Directors of the Company for a period of 5 (five) consecutive years w.e.f. 16.07.2018 to 15.07.2023. Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018"), Mr. Dhanendra Kumar on attaining the age of 75 (seventy five) years on 06th June, 2021, during the above term of appointment, the continuation of such appointment as an Independent Non-Executive Director after attaining the age of 75 years, will be requiring requisite approval from shareholders as required in the Amendment Regulations, 2018 which is placed for approval of shareholders in ensuing Annual General Meeting.
- The Shareholders are hereby informed that at 31st Annual General Meeting (AGM) of the Company held on 04th September, 2018 ('Original Resolution'), had appointed Mr. S. K. Arya, as Managing Director of the Company for further period of 5(Five) years with effect from 10.06.2018 to 09.06.2023 on the terms and conditions and remuneration as approved by shareholders

Due to inadequacy of profits, remuneration paid to Mr. S. K. Arya, Managing Director of the Company, exceeds the overall managerial remuneration as specified in Section 197 of the Companies Act, 2013, however it is paid in pursuance of Section II of Part II of Schedule V of the Companies Act, 2013 and within terms of Special Resolution passed by the Shareholders in their 31st AGM held on 04.09.2018. Further, pursuant to Section II of Part II of Schedule V of the Act, your Board of Directors in their meeting held on 21st January, 2020 has approved the revision in period of appointment from 5 years to 3 years which is placed for approval of shareholders in ensuing Annual General Meeting.

### Key Managerial Personnel

There is no change in the Key Managerial Personnel of the Company during the year 2019-20.

## 11. DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, and the Listing Regulations.

The terms of appointment of Independent Directors may be accessed on the Company's website at the link: [www.jbm-group.com](http://www.jbm-group.com)

## 12. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Act, Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by the SEBI dated January 05, 2017, the Board has carried out the annual performance evaluation of its own performance, Directors' individually as well as evaluation of its Committees. The evaluation criteria, inter-alia, covered various aspects of the Board functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

The performance of individual Directors was evaluated on parameters such as level of engagement and contribution, independence of judgment and safeguarding the interest of the Company, etc. The Directors expressed their satisfaction with the evaluation process.

## 13. NOMINATION & REMUNERATION POLICY:

The policy for selection of Directors and determining Directors independence can be accessed from Company's website at the link [www.jbm-group.com](http://www.jbm-group.com) and may be accessed from Company's website.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) of the Act, your Directors, to the best of their knowledge and belief and based on recommendation and compliance certificate received from the operating management and after enquiry, pursuant to Section 134(5) confirm that:

- In the preparation of the Annual Accounts for the year ended 31st March, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- Such accounting policies have been selected and applied consistently and judgments and estimates are made which were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit or loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The financial statements for the financial year ended 31st March, 2020 have been prepared on a 'going concern' basis;
- Proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## 15. BOARD MEETINGS AND ANNUAL GENERAL MEETING:

During the financial year 2019-20, 4 (Four) Board meetings were held. The details of meetings including dates of meetings indicating the number of meetings attended by each director are given in the Corporate Governance Report. The intervening gap between two Board Meetings did not exceed 120 days.

The 32nd Annual General Meeting (AGM) of the Company was held on 14th September, 2019.

## 16. CORPORATE GOVERNANCE:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from Ms. Sunita Mathur, (FCS 1743) a Practising Company Secretary regarding compliance of the conditions of corporate governance is appended with this report and the same forms part of the Annual Report.

## 17. RELATED PARTY TRANSACTIONS:

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis.

Prior Omnibus approval is obtained on an annual basis from the Audit Committee for the related party transactions which are foreseen and repetitive in nature. A statement of all related party transactions are placed before the Audit Committee on quarterly basis for review.

The Policy on 'materiality of and dealing with related party transactions', as approved by the Board may be accessed on the Company's website at the link: [www.jbm-group.com](http://www.jbm-group.com)

The detail particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is attached herewith and marked as **Annexure –I**. Attention of the members is also drawn to the disclosures of transactions with related parties set out in Note to Accounts forming part of the financial statements.

## 18. CORPORATE SOCIAL RESPONSIBILITY:

In compliance of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility Committee ('CSR Committee'). The detailed terms of reference of the Corporate Social Responsibility Committee is provided in the Report on Corporate Governance. In pursuit of the responsibilities entrusted to the CSR Committee, a policy on Corporate Social Responsibility has been prepared and approved by the Board which may be accessed on the Company's website at the link: [www.jbm-group.com](http://www.jbm-group.com).

Annual Report on CSR activities of the Company in format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith and marked as **Annexure –II**.

## 19. RISK MANAGEMENT:

The Board of Directors has constituted Risk Management Committee to identify elements of risk in different areas of operations. The Company has developed and implemented a risk management policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same. The details of Risk Management Committee are included in the Report on Corporate Governance.

## 20. INTERNAL FINANCIAL CONTROLS:

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. These controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. Company has in place Standard Operating Procedures and other software for all its critical business processes in strengthening the internal financial controls and accurate reporting of operational and financial data.

The Company has appointed M/s Mehra Goel & Co., Chartered Accountants, New Delhi as Internal Auditors to carry out internal audits. Further the Company has centralized Internal Audit Department headed by senior CA professional who is coordinating with Internal Audit and ensures that observations of the auditors are appropriately implemented by respective plants. The Internal Auditors' Reports are regularly reviewed by the Senior Management and the Audit Committee of the Board for its implementation and effectiveness. The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal teams test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting.

## 21. AUDITORS AND AUDITORS' REPORT:

### (A) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Sahni Natarajan & Bahl (Firm Registration No. 002816N), Chartered Accountants, New Delhi had been appointed as Statutory Auditors of the Company in the 30th Annual General Meeting of the Company held on 18th August, 2017 to hold office from the conclusion of 30th Annual General Meeting until the conclusion of 35th Annual General Meeting.

Further, the Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. The notes on the financial statement referred to in the Auditors Report are self-explanatory and do not call for any further comments. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

### (B) SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Sunita Mathur (FCS 1743), a Practicing Company Secretary as its Secretarial Auditor to conduct secretarial audit of the Company for the financial year 2019-20. The Secretarial Audit Report given by the Secretarial Auditors in Form no. MR-3 is annexed as **Annexure-III** and forms an integral part of this Report. There is no qualification or adverse remark in the report.

## 22. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and has put in place a vigil mechanism for Directors, Employee and other person dealing with the Company for reporting illegal or unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors, employees or other persons who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the Company's website, which may be accessed at the link: [www.jbm-group.com](http://www.jbm-group.com)

## 23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2020 are given in the notes to the financial statement. During the year under review, the Company has neither given loans, guarantee nor provided any security to anyone.

## 24. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

During the year under review, there has been no change in the nature of the business of the Company and no material changes have occurred and commitments made, affecting the financial position of the Company between the end of the financial year of the Company i.e. 31st March, 2020 and the date of this Report i.e. 26th June, 2020.

## 25. DETAIL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company's Joint venture Company JBM Ogihara Die Tech Pvt. Ltd., started its trial production from April 2019. It is manufacturing tandem, progressive & transfer dies for medium to high tensile range of various auto parts for OEMs like Maruti Suzuki India Ltd., M&M, Escorts, Nissan, PSA, Tata.

Your Company does not have any subsidiary company.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure - IV** to this Report.

## 27. CHANGES IN SHARE CAPITAL:

There has been no change in the capital structure of the Company during the year under review.

## 28. TRANSFER OF DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Dividends amounting to ₹ 454724/-, that were unclaimed for a period of seven years were transferred to the Investor Education and Protection Fund Authority in accordance with the provisions of the Act. The details of the consolidated unclaimed/unpaid dividend as required by the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") for all the unclaimed/ unpaid dividend accounts outstanding (drawn up to the date of 32nd Annual General Meeting on September 14, 2019) have been uploaded under the Company's website: [www.jbm-group.com](http://www.jbm-group.com). Attention is drawn that the unclaimed/ unpaid dividend for the financial year 2012-13 is due for transfer to IEPF. In view of this, the Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company/ Company's Registrar and Share Transfer Agent, i.e., MCS Share Transfer Agent Ltd.

## 29. TRANSFER OF SHARES IN FAVOR OF INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY:

Pursuant to the provisions of the Act, read with the IEPF Rules, the shares on which dividends have not been claimed for seven consecutive years have been transferred in favor of IEPF authority. As on date, the company had transferred 11740 equity shares in the demat account of IEPF authority.



### 30. PREVENTION OF INSIDER TRADING:

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation. The said Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons, other employees and their immediate relatives.

### 31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has always believed in providing a safe workplace to every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy and framework for prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in Corporate Governance Report.

### 32. CODE OF CONDUCT:

In compliance with Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted Code of Conduct ('the Code'). The code is applicable inter-alia to all Directors, Independent Directors and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code is available on the Company's website. All the Board Members and the Senior Management personnel have confirmed compliance with the Code as on 31st March, 2020. A declaration to this effect, signed by the Managing Director in terms of Listing Regulations form part of the Corporate Governance Report.

### 33. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form MGT -9 as required under Section 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is given in **Annexure - V** to this Report.

### 34. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### 35. PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are form part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are form part of the Annual Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

### 36. GREEN INITIATIVES:

In Compliance with Circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs, 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.jbm-group.com](http://www.jbm-group.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

### 37. LISTING FEES:

The Company affirms that the annual listing fees for the year 2020-21 to both National Stock Exchange of India Limited (NSE) and BSE Limited (Bombay Stock Exchange) has been paid.

### 38. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Plan referred to in this Report.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- The Managing Director did not received any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

Further your company has passed a Special Resolution for proposal of Issue of securities under Section 42, 62 and 71 of the Act, at 32nd AGM held on 14.09.2019, due to Covid-19, there has been drastic slowdown in market and operations of the company were shut for more than two months. Further, because of lower volumes, to meet the working capital requirements and for exploring alternate funding sources, it is proposed to pass again the said resolution for raising funds through issuance of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013.

### 39. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report (BRR) on initiatives taken from an environmental, social and governance perspective, in the prescribed format is available as a separate section of the Annual Report which is available on the Company's website [www.jbmgroup.com](http://www.jbmgroup.com)

### 40. ACKNOWLEDGEMENT:

Your Director acknowledge the continued assistance, guidance and Co-operation received from Maruti Suzuki India Limited, Suzuki Corporation Limited (Japan), Suzuki Motor Gujarat Private Limited and all its other technical partners.

Your Directors also wish to express their sincere appreciation for the assistance and co-operation received from the Banks, State Government and Central Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services rendered by all the employees of the Company.

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

**Place: New Delhi**  
**Date: 26 June, 2020**

**Sd/-**  
**S. K. Arya**  
**Chairman & Managing Director**  
**DIN:00004626**

## ANNEXURE –I

## 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 transaction under third proviso thereto.

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS.**

S N.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board/ Audit Committee	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NOT APPLICABLE									

**2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS.**

S N.	Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board /Audit Committee	Amount paid as advances, if any
1	Maruti Suzuki India Ltd.	Associate Company	Purchase and Sale of Components, Raw Materials, tools & dies, Equipments, including hiring of services and job work, etc.	Ongoing Transactions	Based on transfer pricing guidelines	18.04.2019	Nil
2	Neel Metal Products Ltd.	Public Company in which Director is a director Holding more than 2% of its paid up share capital	Sale, Purchase or Supply of goods or Materials or services	Ongoing Transactions	Based on transfer pricing guidelines	18.04.2019	Nil
3	Suzuki Motor Gujarat Private Limited	Fellow Subsidiary of Maruti Suzuki India Ltd., hence related party as per Indian Accounting Standard.	Purchase and Sale of Components, Raw Materials, tools & dies, Equipments, including hiring of services and job work, etc.	Ongoing Transactions	Based on transfer pricing guidelines	18.04.2019	Nil

## ANNEXURE –II

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2019-20**

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be under-taken and a reference to the web-link to the CSR policy and projects or programs.	As per Section - Corporate Social Responsibility in Directors' Report.
2	Composition of the CSR Committee	i. Mr. D. P. Agarwal, Chairman ii. Mr. Dhanendra Kumar, Member iii. Ms. Esha Arya, Member
3	Average net profit of the Company for last three financial years	₹ 8209.92 Lakhs
4	Prescribed CSR Expenditure (two per cent of the amount mentioned in item 3 above)	₹ 164.20 Lakhs
5	Details of CSR spent during the financial year:	
	a.Total amount to be spent for the financial year	₹ 164.20 Lakhs
	b.Amount unspent, if any	NIL
	c.Manner in which the amount spent during the financial year	As per detail given below

**DETAIL OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2019-20:**

S N.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ in Lakhs)	Amount spent on the projects or programs Sub heads: (1) Direct Expenditure on the project or programs (2) Overheads: (₹ in Lakhs)	Cumulative expenditure up to the reporting period i.e. FY2019-20 (₹ in Lakhs)	Amount spent: Direct or through implementing agencies
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Community Development:</b>							
1.	Education projects	Promoting Education	Gujarat	50.00	50.00	50.00	Through Shree Madhav Jan Sewa Nyas
2.	Education projects: Production & promotion of CDs on moral/motivation education for distribution at various schools and institutions.	Promoting Education	Haryana	7.60	7.60	7.60	Directly by the Company
3.	Education projects: Building school infrastructure;	Promoting Education	Gujarat	25.00	25.00	25.00	Through Suman Nirmal Minda Charitable Trust
<b>Skill Development:</b>							
4.	Skill development (under Apprentice-ship Training Scheme of Skill development and Industrial Training Deptt. Haryana)	Employment Enhancing Vocational Skills	Haryana	81.60	81.60	81.60	Directly by the Company

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not applicable (The Company has spent 2% of the Average Net Profits of the last 3 financial years in 2019-20).

**7. RESPONSIBILITY STATEMENT**

The Company has implemented and monitored CSR projects in compliance with CSR objectives and policy of the Company.

Sd/-  
S. K. Arya  
Chairman & Managing Director  
DIN:00004626

Sd/-  
D. P. Agarwal  
Chairman, CSR Committee  
DIN: 00084105



## ANNEXURE –III

## FORM No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND RULE NO.9 OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]**

To,

The Members  
JAY BHARAT MARUTI LIMITED  
CIN: L29130DL1987PLC027342  
601, Hemkunt Chambers,  
89 Nehru Place,  
New Delhi - 110019

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAY BHARAT MARUTI LIMITED** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31st, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Jay Bharat Maruti Limited ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - 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 (Buyback of Securities) Regulations, 1998;
  - i) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) As confirmed by the management, being an automotive components manufacturer, there is no sector specific law applicable to the Company.

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

- I) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- II) Listing agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange Of India Limited ("NSE").

During the period under review and as confirmed by the Management the Company has complied with the provisions of the Acts,

Rules, Regulations, Guidelines, Standards etc. mentioned above.  
I further report that:

The Board of Directors is duly constituted with proper balance of Executive Directors, Non Executive Directors, Woman Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act except to the extend marked in our report.

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

I 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.

I further report:

- a) During the audit period, the Board of Directors of the Company has appointed Mrs. Pravin Tripathi as Independent Director of the Company w.e.f. 10/07/2019
- b) NSE and BSE imposed a fine of Rs.45,000 + GST each vide its letters NSE vide its letter NSE/List SOP//CG/Fines/93794 dated November 01,2019 and Bombay Stock Exchange vide its letter LISTCOMP/Reg 27(2) and Reg 17 to 21 /Sep-19/520066/2019/2019-20 dated October 31,2019 respectively for Non Compliance with the Provisions of Regulation 17(1), 18(1), 19(1),19(2), 20(2), 21(2) of SEBI LODR Regulation, 2015 and Penalized under Regulation 17(1).

The Company has deposited the fine with a request for waiver as the said minor delay in appointment of Mrs. Pravin Tripathi as Independent Director was not under the control of the Company.

NSE committee for review of penalties after considering the submission of the company and requirement of respective regulation. Noted beside other observation that in given instance it was classified that the non-compliance was unintentional and was interim in nature. Accordingly, NSE vide its letter no. NSE/LIST/SOP/0449 dated June 23, 2020 considered require for waiver of fine favourably.

I further report that during the audit period the company NSE and BSE sought clarification from Company relating to Increase in Volumes vide its letter NSE/CM/Surveillance/9005 dated January 21, 2020 and BSE Portal Notification and NSE/CM/Surveillance/8710 dated October 24, 2019 and BSE Portal Notification.

The Company has replied that there is no such Announcement and PSI which is pending to be informed /furnished by the Company to Stock exchange concerning the operations of the company. All information furnished by company is in public domain.

**Place: NOIDA, G.B.Nagar, UP  
Date: 25 June, 2020**

**Sunita Mathur  
Company Secretary in Practice  
FCS No. 1743  
C P No.: 741  
ICSI UDIN: F001743B000374258**

\*Disclaimer Note: During this challenging time of COVID 19 outbreak this "MR 3" has been undertaken to the best of my capability based on of e verification of scans, soft copies, information, confirmations, records and documents made available to us by the management

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

## 'Annexure A'

## ANNEXURE –IV

To  
The Members  
Jay Bharat Maruti Limited  
601, Hemkunt Chambers ,  
89 Nehru Place, New Delhi - 110019

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

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

Place: NOIDA, G.B.Nagar, UP  
Date: 25 June, 2020

Sunita Mathur  
Company Secretary in Practice  
FCS No. 1743  
C P No.: 741  
ICSI UDIN: F001743B000374258

## PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

### 1. Conservation of Energy

#### (A) STEPS TAKEN FOR CONSERVATION OF ENERGY

- i) Use electrical operated solenoid valve line wise in weld shop and interlocked with machine, if machine stop more than 5 minutes, then air will stop automatically.
- ii) Use portable type small air compressor during shut down.
- iii) Use energy efficient compressor, replace 1088 cfm compressor with 750 cfm energy efficient compressor.
- iv) Use electrical grinders in place of pneumatic grinders
- v) Use air receiver tank 04 nos extra in BIW to avoid pressure drop in remote shops & also compressor frequent loading will reduce.
- vi) Use pulse setting valves where direct air flow required.
- vii) Review double impulse spot & convert it into single spot.

#### (B) STEPS TAKEN BY COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY

Installation of roof top solar systems at its new plant at Vithlapur, Gujarat, to reduce cost of generator power.

#### (C) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS

All energy conservation measures have been taken by process optimization without any major capital investment.

### 2. Technology absorption

#### (A) EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

- i) To compete with the established global players, JBM took a leap jump with an initiative to introduce the state of art "R&D Lab" for chassis parts design & testing. Our Lab is fully equipped with the latest Design software, FEA (CAE tools), CAE capabilities, Prototyping, Design validation. The lab is proved and calibrated by our TA partner Yorozu corporation Japan. And is capable for conducting all possible types of the durability, performance & strength test requirements for chassis parts as per customer specifications.
- ii) Introduced the Industry 4.0 modules ,in our New weld assembly lines ( Model - Y1K & YNC) , to improve OEE of the process. The prime objective is to eliminate Non value adding activities (NVA). By introducing sensors & data feedback software ( SCADA) and integrating all higher end machines and weld jigs through PLC program. This system is capable of data acquisition , monitoring & analyzing the output w.r.t the targets.The results can be retrieved and flashed through a user friendly app on Android phone and IOS.
- iii) Installation of state of Art - Non Cyanide Alkaline Zinc Electroplating plant at JBML Gujaratfacility. 100% EHS norms complied facility. Latest Ultrasonic cleaning equipment provided for better part quality.
- iv) State of art - Global Die manufacturing tool room "JBM Ogihara – Die technology" installed at Greater Noida in the Year -2019. It is fully equipped with Design and Die simulation & Higher end CNC machines , Prototyping, Die manufacturing facilities.

#### (B) THE BENEFIT DERIVED LIKE PRODUCTION IMPROVEMENT, COST REDUCTION, QUALITY IMPROVEMENT

- i) Introduction of our New R&D Lab initiatives has helped us in getting more confidence among customers , by showing our competitive edge over competitors. There is a radical shift in customer's opinion about us. And we have been given some breakthrough business opportunities for the complete Design and



## ANNEXURE –V

development of Critical chassis parts.

- ii) Introduction of IOT will help us in getting data acquisition to keep a live monitoring on Equipment performance and down time, Quality check violation, And monitoring the Overall equipment efficiency. It also help us in hourly monitoring of Production rate, Manpower change, Line stoppages due to Material shortage. Part traceability is going to be an imperative requisite of customer to mitigate the Recalls and market action . With This IOT initiative” End to end Traceability is possible”
- iii) New Non – Cyanide Alkaline Zinc electroplating plant has put us in forefront as the best in plating technology and enabling other customers to give us good business opportunity. This Technology helps us in getting better quality parts and reduce customer quality concerns.
- iv) State of art - Global Die manufacturing tool room : Competing with global Die maker , by establishing a world class setup locally . It has opened the doors for Tool and die business from local & Global OEM's.

**(C) INFORMATION REGARDING IMPORTED TECHNOLOGY (IMPORTED DURING LAST THREE YEARS)**

Detail of Technology Imported	Technology Imported from	Year of Import	Whether the Technology been fully absorbed
For manufacturing of Rear Axle of New Swift Dzire Model of MSIL	Yorozu corporation , Japan	2017-18	Yes
For manufacturing of Rear Axle of New Ertiga Model of MSIL	Yorozu corporation , Japan	2018-19	Yes
For manufacturing of Fuel Neck Filler for Swift Dzire mi-nor, model for MSIL	Keylex corporation , Japan	2019-20	Yes

**(D) EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT**

SI No.	Particulars	(₹ In Lakhs)
(a)	Capital	Nil
(b)	Revenue	70.80
	<b>Total</b>	<b>70.80</b>

**(E) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	(₹ In Lakhs)
Foreign exchange earned in terms of actual inflow	Nil
Foreign exchange outgo in terms of actual outflow	781.83
<b>Total</b>	<b>781.83</b>

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020  
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L29130DL1987PLC027342
2	Registration Date	19th March, 1987
3	Name of the Company	Jay Bharat Maruti Limited
4	Category/Sub-category of the Company	Public Company
5	Address of the Registered office & contact details	601, Hemkunt Chambers, 89, Nehru Place, New Delhi – 110019 E-mail: jbml.investor@jbmgroupp.com Ph. 011-26427104; Fax: 011-26427100
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited F- 65, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi – 110020 Ph. 011-41609386; 41406149; 41709885

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sheet Metal Components assemblies & sub-assemblies for Automobiles	25910	58.74%
2	Rear Axle for automobiles	29301	27.54%

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

SI. No.	Name and Address of the Company	CIN / GIN	Holding / Subsidiary/ Associates	% of Share held	Applicable Section
1.	JBM Ogihara Die Tech Private Limited	U27100DL2018PTC334880	Associates	49	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(A) CATEGORY-WISE SHARE HOLDING:-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2019]				No. of Shares held at the end of the year [As on 31st March, 2020]				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoter's</b>										
<b>(1) Indian</b>										
a) Individual/ HUF	3162950	-	3162950	14.61	3162950	-	3162950	14.61	0.00	
b) Central Govt	-	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	-	
d) Bodies Corp.	9696012	-	9696012	44.78	9685729	-	9685729	44.73	0.00	
e) Banks / FI	-	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	-	
<b>Total shareholding of Promoter (A)</b>	<b>12858962</b>	<b>-</b>	<b>12858962</b>	<b>59.39</b>	<b>12848679</b>	<b>-</b>	<b>12848679</b>	<b>59.34</b>	<b>-0.05</b>	

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2019]				No. of Shares held at the end of the year [As on 31st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	8097	3200	11297	0.05	33145	3200	36345	0.16	0.11
b) Banks / FI	6897	1200	8097	0.03	400	1200	1600	0.007	0.02
c) Central Govt	118721	-	118721	0.54	130061	-	130061	0.60	0.06
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	1000	1000	0.00	-	1000	1000	0.00	0.00
g) FIs	508	1600	2108	0.00	426912	1600	428512	1.97	1.96
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>134223</b>	<b>7000</b>	<b>141223</b>	<b>0.64</b>	<b>590518</b>	<b>7000</b>	<b>597518</b>	<b>2.75</b>	<b>2.11</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	3707095	668590	4375685	20.21	3576462	652584	4229046	19.53	-0.68
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	3077790	255517	3333307	15.39	3114320	246524	3360844	15.52	0.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	725560	13206	738766	3.41	297694	-	297694	1.37	-2.04
c) Others (specify) NBFCs Registered with RBI	1890	-	1890	0.00	3330	-	3330	0.01	0.01
Non Resident Indians	158867	40800	199667	0.91	275089	37800	312889	1.44	0.53
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	500	-	500	0.00	-	-	-	-	0.00
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>7671702</b>	<b>978113</b>	<b>8649815</b>	<b>39.95</b>	<b>7266895</b>	<b>936908</b>	<b>8203803</b>	<b>40.65</b>	<b>0.07</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>7805925</b>	<b>985113</b>	<b>8791038</b>	<b>40.60</b>	<b>7857413</b>	<b>943908</b>	<b>8801321</b>	<b>40.65</b>	<b>0.05</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>20664887</b>	<b>985113</b>	<b>21650000</b>	<b>100</b>	<b>20706092</b>	<b>943908</b>	<b>21650000</b>	<b>100</b>	<b>-</b>

**(B) SHAREHOLDING OF PROMOTERS:-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2019]			Shareholding at the end of the year [As on 31st March, 2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Maruti Suzuki India Limited	6340000	29.28	-	6340000	29.28	-	-
2	ANS Holding Pvt. Ltd.	2029000	9.37	-	2029000	9.37	-	-
3	Sanjay Singhal	1900400	8.78	-	1900400	8.78	-	-
4	JBM Industries Ltd.	616000	2.85	-	616000	2.85	-	-
5	Sanjay Singhal (HUF)	500000	2.31	-	500000	2.31	-	-
6	Shrey Singhal	445600	2.06	-	445600	2.06	-	-
7	Super Auto Industries (P) Ltd.	503662	2.32	-	493379	2.27	-	0.05
8	A To Z Securities Ltd.	207350	0.96	-	207350	0.96	-	-
9	Surendra Kumar Arya	177,350	0.82	-	177,350	0.82	-	-
10	Neelam Arya	106800	0.49	-	106800	0.49	-	-
11	Surendra Kumar Arya (HUF)	28800	0.13	-	28800	0.13	-	-
12	Nishant Arya	4000	0.02	-	4000	0.02	-	-
<b>Total:</b>		<b>12858962</b>	<b>59.39</b>	<b>-</b>	<b>12848679</b>	<b>59.34</b>	<b>-</b>	<b>0.05</b>

**(C) CHANGE IN PROMOTERS' SHAREHOLDING:**

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.19 to 31.03.20)	
		No. of shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total Shares of the Company				No. of shares	% of total shares of the company
1	Super Auto Industries (P) Ltd.	503662	2.32	01.04.2019	Decrease	Sale		
		3000	0.01	07.08.2019			500662	2.31
		5000	0.02	08.08.2019			495662	2.29
		2283	0.01	19.08.2019			493379	2.28
		493379	2.27	31.03.2020			493379	2.27



**(D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

SN.	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.19 to 31.03.20)		
		No. of shares at the beginning (01.04.2019)/end of the year (31.03.2020)	% of total Shares of the Company				No. of shares	% of total shares of the company	
1.	Focal Leasing & Credits Ltd.	981336	4.53	01.04.2019					
		981336	4.53	31.03.2020	-	-	981336	4.53	
2.	SMC Credits Ltd.	822800	3.80	01.04.2019					
		822800	3.80	31.03.2020	-	-	822800	3.80	
3.	Shuklamber Exports Ltd.	800452	3.70	01.04.2019					
		800452	3.70	31.03.2020	-	-	800452	3.70	
4.	Amity Infotech Pvt. Ltd.	615965	2.85	01.04.2019					
		615965	2.85	31.03.2020	-	-	615965	2.85	
5.	Pine Consultant Pvt. Ltd.	642000	2.96	01.04.2019					
		642000	2.96	31.03.2020	-	-	642000	2.96	
6.	Point Break Capital LP	-	-	01.04.2019	-	-	-	-	
				11.10.2019	53560	Purchase	53560	0.25	
				18.10.2019	123438	Purchase	176998	0.82	
				25.10.2019	10050	Purchase	187048	0.86	
				08.11.2019	14558	Purchase	201606	0.93	
				15.11.2019	45947	Purchase	247553	1.14	
				22.11.2019	1121	Purchase	248674	1.15	
				29.11.2019	26374	Purchase	275048	1.27	
				31.01.2020	47070	Purchase	322118	1.49	
				07.02.2020	11828	Purchase	333946	1.54	
				28.02.2020	13107	Purchase	347053	1.60	
				06.03.2020	14893	Purchase	361946	1.67	
				13.03.2020	17474	Purchase	379420	1.75	
				20.03.2020	8911	Purchase	388331	1.79	
				27.03.2020	8933	Purchase	397264	1.83	
				31.03.2020	397264	-	-	397264	1.83
		7.	D Srimathi	121517	0.56	01.04.2019			
121517	0.56			31.03.2020	-	-	121517	0.56	
8.	Kedar Dattatraya Borgaonkar	471543	2.18	01.04.2019	-	-	-	-	
				19.04.2019	-60000	Sale	411543	1.90	
				21.06.2019	-5000	Sale	406543	1.88	
				13.09.2019	-20000	Sale	386543	1.79	
				04.10.2019	-25274	Sale	361269	1.67	
				11.10.2019	-18752	Sale	342517	1.58	
				18.10.2019	-37100	Sale	305417	1.41	
				25.10.2019	-46202	Sale	259215	1.20	
				31.10.2019	-3298	Sale	255917	1.18	
				08.11.2019	-16500	Sale	239417	1.11	
				24.01.2020	-20000	Sale	219417	1.01	
				06.03.2020	-15000	Sale	204417	0.94	
				20.03.2020	-4417	Sale	200000	0.92	
				27.03.2020	-74542	Sale	125458	0.58	
		31.03.2020	106177	0.49	-19281	106177	0.49		

SN.	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.19 to 31.03.20)	
		No. of shares at the beginning (01.04.2019)/end of the year (31.03.2020)	% of total Shares of the Company				No. of shares	% of total shares of the company
9.	A.S. Lamba	132500	0.61	01.04.2019	-	-	-	-
				05.04.2019	-500	Sale	132000	0.61
				12.04.2019	-2000	Sale	130000	0.60
				19.04.2019	-1500	Sale	128500	0.59
				03.05.2019	-1000	Sale	127500	0.59
				10.05.2019	-500	Sale	127000	0.59
				05.07.2019	-1000	Sale	126000	0.58
				12.07.2019	-1000	Sale	125000	0.58
				19.07.2019	-7000	Sale	118000	0.55
				30.08.2019	-1000	Sale	117000	0.54
				06.09.2019	-600	Sale	116400	0.54
				13.09.2019	-400	Sale	116000	0.54
				27.09.2019	-1000	Sale	115000	0.53
				04.10.2019	-500	Sale	114500	0.53
				11.10.2019	-500	Sale	114000	0.53
				18.10.2019	-2000	Sale	112000	0.52
				25.10.2019	-3200	Sale	108800	0.50
				01.11.2019	120	Purchase	108920	0.50
				08.11.2019	-3920	Sale	105000	0.49
				15.11.2019	-4000	Sale	101000	0.47
				22.11.2019	-2400	Sale	98600	0.46
				06.12.2019	-1000	Sale	97600	0.45
				13.12.2019	-600	Sale	97000	0.45
				20.12.2019	-2000	Sale	95000	0.44
				31.12.2019	-700	Sale	94300	0.44
				03.01.2020	-2700	Sale	91600	0.44
				10.01.2020	-700	Sale	90900	0.42
		17.01.2020	-600	Sale	90300	0.42		
		31.01.2020	-100	Sale	90200	0.42		
		07.02.2020	-1800	Sale	88400	0.42		
		14.02.2020	-500	Sale	87900	0.41		
		21.02.2020	-700	Sale	87200	0.41		
		28.02.2020	-1700	Sale	85500	0.40		
		06.03.2020	-3150	Sale	82350	0.39		
		13.03.2020	-5550	Sale	76800	0.38		
		20.03.2020	-5124	Sale	71676	0.35		
		27.03.2020	-500	Sale	71176	0.33		
		31.03.2020	-1176	Sale	70000	0.32		
		70000	0.32	31.03.2020		70000	0.32	
10.	Zeal Impex and Traders Private Limited	67931	0.31	01.04.2019	-	-	-	-
		67931	0.31	31.03.2020	-	-	67931	0.31

**(E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	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	Surendra Kumar Arya				
	At the beginning of the year	177350	0.82		
	Sale/Purchase during the year	-	-		
	At the end of the year	177350	0.82	177350	0.82
2	Nishant Arya				
	At the beginning of the year	4000	0.02		
	Sale/Purchase during the year	-	-		
	At the end of the year	4000	0.02	4000	0.02
3	Anand Swaroop				
	At the beginning of the year	2000	0.01		
	Sale/Purchase during the year	-	-		
	At the end of the year	2000	0.01	2000	0.01
4	Ravi Arora				
	At the beginning of the year	-	-	-	-
	Sale/Purchase during the year	-	-	-	-
	At the end of the year	-	-	-	-

**V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

₹ In Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	40374.43	-	-	40374.43
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	287.83	-	-	287.83
<b>Total (i+ii+iii)</b>	<b>40662.26</b>			<b>40662.26</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	13101.46	-	-	13101.46
* Reduction	(9578.60)	-	-	(9578.60)
<b>Net Change</b>	<b>3522.86</b>			<b>3522.86</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	43901.51	-	-	43901.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	283.61	-	-	283.61
<b>Total (i+ii+iii)</b>	<b>44185.12</b>			<b>44185.12</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

₹ In Lakhs

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. S. K. Arya Chairman & Managing Director	-	-	
<b>1</b>	<b>Gross salary*</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	234.75			234.75
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	42.04			42.04
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-			-
<b>2</b>	<b>Stock Option</b>	-			-
<b>3</b>	<b>Sweat Equity</b>	-			-
<b>4</b>	<b>Commission</b> - as % of profit - others, specify...				
<b>5</b>	<b>Others, please specify</b>	-			-
<b>Total (A)</b>		<b>276.79</b>			<b>276.79</b>
Ceiling as per the Act :		₹ 213.84 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.			

\*PF amount not included in above detail of MD Remuneration.

\*\*Due to inadequacy of profits, remuneration paid to Mr. S. K. Arya, Managing Director of the Company, exceeds the overall managerial remuneration as specified in Section 197 of the Companies Act, 2013, however it is paid in pursuance of Section II of Part II of Schedule V of the Companies Act, 2013 and within terms of Special Resolution passed by the Shareholders in their 31st AGM held on 04.09.2018. Further, pursuant to Section II of Part II of Schedule V of the Act, your Board of Directors in their meeting held on 21st January, 2020 has approved the revision in period of appointment from 5 years to 3 years which is placed for approval of shareholders in ensuing Annual General Meeting.

**B. REMUNERATION TO OTHER DIRECTORS:**

₹ In Lakhs

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. U.C. Agarwal**	Mrs. Pravin Tripathi	Mr. Achintya Karati	Mr. Dhanendra Kumar	
<b>1</b>	<b>Independent Directors:</b>					
	Fee for attending board / committee meetings	0.25	1.30	3.15	2.90	7.60
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.25</b>	<b>1.30</b>	<b>3.15</b>	<b>2.90</b>	<b>7.60</b>
<b>2</b>	<b>Other Non-Executive Directors</b>	<b>Mr. Nishant Arya</b>	<b>Mr. Rajiv Gandhi</b>			
	Fee for attending board / committee meetings	2.90	1.40			4.30
	Commission	-	-			-
	Others, please specify	-	-			-
	<b>Total (2)</b>	<b>2.90</b>	<b>1.40</b>			<b>4.30</b>
	<b>Total (B)=(1+2)</b>	<b>3.15</b>	<b>2.70</b>	<b>3.15</b>	<b>2.90</b>	<b>11.90</b>
<b>Total Managerial Remuneration*</b>						
Overall Ceiling as per the Act:		₹ 44.46 Lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.				

\* Total Remuneration to the Chairman and Managing Director and other Directors (being the Total of A and B)

\*\* Mr. U.C. Aggarwal cease to be director of the Company w.e.f. 31.03.2019.



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

₹ In Lakhs

As per the provisions of section 136 (1) read with relevant proviso of Companies Act 2013, the aforesaid information is excluded from this Annexure. Any member interested in obtaining such information may write to the Company Secretary at the registered office or the corporate office of the Company.

**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					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. ECONOMIC SYNOPSIS:****A. Global Economy**

The COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by -3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario which assumes that the pandemic fades and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. The risks for even more severe outcomes, however, are substantial. Effective policies are essential to forestall the possibility of worse outcomes, and the necessary measures to reduce contagion and protect lives are an important investment in long-term human and economic health. Because the economic fallout is acute in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses domestically. And internationally, strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems.

**Latest World Economic Outlook Growth Projections**

The COVID-19 pandemic will severely impact growth across all regions.

(real GDP, annual percent change)	Projections		
	2019	2020	2021
<b>World Output</b>	2.9	-3.0	5.8
<b>Advanced Economies</b>	1.7	-6.1	4.5
United States	2.3	-5.9	4.7
Euro Area	1.2	-7.5	4.7
Germany	0.6	-7.0	5.2
France	1.3	-7.2	4.5
Italy	0.3	-9.1	4.8
Spain	2.0	-8.0	4.3
Japan	0.7	-5.2	3.0
United Kingdom	1.4	-6.5	4.0
Canada	1.6	-6.2	4.2
Other Advanced Economies	1.7	-4.6	4.5
<b>Emerging Markets and Developing Economies</b>	3.7	-1.0	6.6
Emerging and Developing Asia	5.5	1.0	8.5
China	6.1	1.2	9.2
India	4.2	1.9	7.4
ASEAN-5	4.8	-0.6	7.8
Emerging and Developing Europe	2.1	-5.2	4.2
Russia	1.3	-5.5	3.5
Latin America and the Caribbean	0.1	-5.2	3.4
Brazil	1.1	-5.3	2.9
Mexico	-0.1	-6.6	3.0
Middle East and Central Asia	1.2	-2.8	4.0
Saudi Arabia	0.3	-2.3	2.9
Sub-Saharan Africa	3.1	-1.6	4.1
Nigeria	2.2	-3.4	2.4
South Africa	0.2	-5.8	4.0
Low-Income Developing Countries	5.1	0.4	5.6

Source: IMF, World Economic Outlook, April 2020

**B. Indian Economy**

The first advance GDP (gross domestic product) growth estimates for the fiscal year 2019-20 (FY20) came at 5% as against 6.8% recorded in 2018-19. The decline has been mainly on account of deceleration in manufacturing sector growth, which is expected to come down to 2% in 2019-20 from 6.2% in the year-ago fiscal. Deceleration was also witnessed in sectors like agriculture, construction and electricity, gas and water supply. GDP growth moderated to 4.8% in H1 of 2019-20, amidst a weak environment for global manufacturing, trade and demand. Inflation increased from 3.3% in H1 of 2019-20 to 7.35% in December 2019-20 due to temporary increase in food inflation.

India's economic growth slipped to 3.1% in the January-March quarter of 2019-20 showing impact of COVID-19 pandemic. The gross domestic product (GDP) had expanded by 5.7 % in the corresponding quarter of 2018-19. In 2019-20, the Indian economy grew by 4.2 %, against 6.1 % expansion in 2018-19.

Various reforms were undertaken during 2019-20 to boost investment, consumption and exports like speeding up the insolvency resolution process under Insolvency and Bankruptcy Code (IBC), easing of credit, particularly for the stressed real estate and NBFC sectors and the National Infrastructure Pipeline for the period FY 2020-2025 launched.

Fiscal FY2021 began with a lockdown due to spread of COVID-19, with almost zero economic activity in India, which took strict measures to contain the spread and intensity of the pandemic. With an extended lockdown in Q1-F21, the impact on GDP is expected to be significant with the risk of negative growth for FY2021, an all-time low in many years.

**2. INDIAN AUTOMOTIVE INDUSTRY:**

The year 2019-2020 was a challenging year for the auto industry, which witnessed headwinds due to the slowing economy in last 6 years. The automotive industry registered a double digit drop in sales across categories. This steep drop had caused operational hardships for many companies and production plans had to be re-evaluated through the year to adjust to market requirements. Some improvement in consumer sentiment was witnessed during this festive season, however, the automobile industry has not recovered from demand contraction and the situation further worsened due to imposition of complete Lock down in the country to contain the COVID-19 Pandemic in the last 10 days of the financial year.

Indian auto industry sales (excluding two wheelers) dropped to just 4.13 million in FY20 from the record high of 5.09 million in FY19. This is a de-growth of 18.8%. This is the worst ever de-growth in the last 28 years.

While the long-term outlook for the Indian auto industry is promising, there has been some softening of demand for automobiles in the last five years.

The government came out with a few measures to bring the industry out of this lull, including a reduction in the corporate tax rate to 22%, pumping of liquidity to boost the economy, increase in depreciation rate by 15% for vehicle purchase and also provided an assurance of scrappage policy. These interventions certainly provided some positive push to the subdued demand. The major reasons for subdued growth in the Indian Auto Industry have been primarily:

- Low consumer sentiments thereby impacting demand.
- Clubbing of various regulations leading to increase in costs and thereby impacting affordability
- Increase in vehicle prices because of new emission and safety norms and overall contraction in demand.
- Muted demand from rural parts.
- Tight credit conditions arising from stress in the NBFC sector.

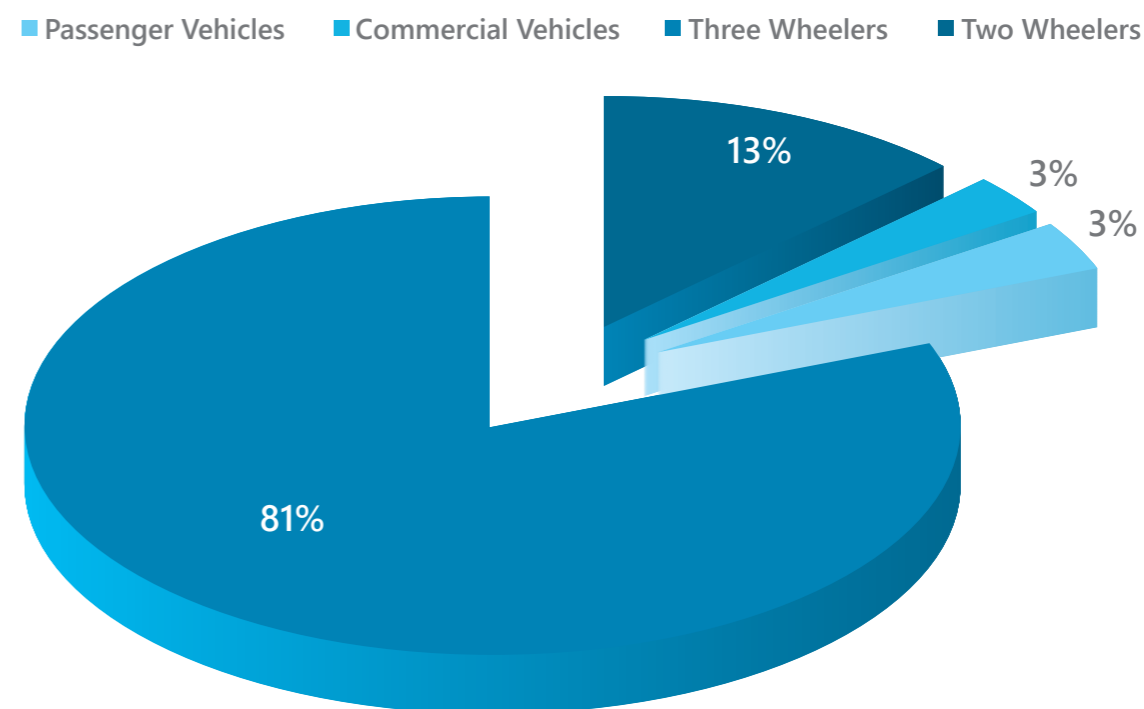
**3. THE AUTOMOBILE PRODUCTION, DOMESTIC SALES AND EXPORTS:**

**Segment-wise automobile production trends in 2019-20:**

SN.	Category	Production			Domestic Sales			Exports		
		2018-19 (In Mn)	2019-20 (In Mn)	% Change	2018-19 (In Mn)	2019-20 (In Mn)	% Change	2018-19 (In Mn)	2019-20 (In Mn)	% Growth
1	Passenger Vehicle	4.03	3.43	-0.15	3.38	2.77	-0.18	0.68	0.68	0.00
2	Commercial Vehicle	1.11	0.75	-0.32	1.01	0.72	-0.29	0.10	0.06	-0.39
3	Three Wheelers	1.27	1.13	-0.11	0.70	0.64	-0.09	0.57	0.50	-0.12
4	Two Wheelers	24.50	21.04	-0.14	21.18	17.42	-0.18	3.28	3.52	0.07
	<b>Total</b>	<b>30.91</b>	<b>26.36</b>	<b>-14.72</b>	<b>26.27</b>	<b>21.55</b>	<b>-17.96</b>	<b>4.62</b>	<b>4.76</b>	<b>3.03</b>

Source: SIAM

**Domestic Market Share for 2019-20**



Source: SIAM



### Current Scenario

The outbreak of the Covid – 19 pandemic exacerbated the crisis as it resulted in sudden crash of vehicle sales. Automakers posted zero sales in April, which followed one of the worst years in sales. The Coronavirus outbreak has added to the woes of an already struggling auto industry. Before the outbreak, the Indian auto industry was already suffering from a prolonged slump owing to many reasons – a global slowdown, stressed financial sector, weakened consumer demand, drop in private investment, the transition to BS-VI norms, confusion over EV adoption deadline.

Industry sales and production were severely impacted due to pandemic, Q1 of FY21 started with almost zero economic activity. Some productions were also lost due to short supply of certain components which are imported from China, due to lockdown.

Following the historic month of zero sales in April and partial resumption of operations in May and June 2020, Q1 FY 21 reported 75.5 % decline in auto sales at 6,084,478 units as against 1,491,216 units in April- June 2019.

The automobile sales may decline by up to 25 per cent in this financial year as compared to 2019-20 due to a complete washout in April and minuscule sales last month. The decline would be the steepest in the last two decades, much higher than that recorded during the global recession in 2008-09, and is likely to push industry volumes to the 2011-12 levels.

### 4. 'COVID-19' PANDEMIC:

The rapid emergence and spread of the novel coronavirus is an unprecedented human tragedy. It has threatened the health of millions of people across the world, disrupted industry supply chains and decimated demand and consumption. Experts predicted a significant contraction (-20%) in India's gross domestic product (GDP) in the first quarter of fiscal year 2020-21 and the automotive industry's sales could contract by approximately 20-25% in FY21.

The automotive sector could be particularly affected by this health crisis and its impact on the economy. The bigger segments of the automotive sector, especially passenger cars and two wheelers, could be most affected as they depend significantly on discretionary spending—typically the first casualty in an uncertain environment. Sub-sectors such as commercial vehicles, which depend on underlying industrial and economic activity, could also see a significant downturn. The covid crisis has hit a market which had already been weak the past 12-15 months, and has accentuated that downturn.

For automotive and industrial companies, surviving and emerging stronger at the far end of this crisis will require thinking beyond the next quarter and even the next fiscal year. Success in the long run could require a journey across five stages—resolve, resilience, return, re-imagination and reform.

**(i) Resolve:** Automakers need to think about business continuity. While shorter-term business strengthening actions are necessary, along with screening and safeguarding supply chains, it is also important to support channel partners and the workforce by increasing employee engagement and offering financial support.

**(ii) Resilience:** Automakers could aim to reduce their operational complexity and lower cost structures by rationalizing variant spreads, optimizing supply chain workflows by consolidating supplier bases, and imbibing new age manufacturing practices to reach an operating model that makes money even at 50% capacity utilization.

**(iii) Return:** Restarting production facilities could be more challenging than shutting them down; this requires a thoughtful approach, given the complexity of intertwined supply chains. Automakers will need to quickly prime their dealerships and ensure a coordinated ramp up of the supplier universe, while working to avert supply-chain shocks. Following nuanced back-to-work protocols will also be important to help safeguard business routines against the challenge of coronavirus affecting work places. A razor-sharp focus on productivity could potentially help automakers achieve 80% production with half their usual workforce, keeping operations agile while being prepared for any elongated covid-19 scenarios.

**(iv) Re-imagination:** This crisis provides the backdrop for completely re-imagining and preparing for the next normal. Automakers can innovate on the sales and marketing dimension, and build a “network of the future” that is suitably enabled by digital and augmented/virtual reality, digitizing marketing communications, promotions and transactions as much as possible. The time could also be right for automakers to evaluate and undertake proactive partnerships or mergers and acquisitions, and rejig footprints on sourcing and market presence as global supply chains strive to find a new balance.

**(v) Reform:** Coming out of the coronavirus crisis, governments are likely to take a more active role in shaping economic activity, and automakers could help guide this process in support of their sector. The automotive sector also requires a significant uptick in the availability of credit. Finally, work can be done to ensure a coherent and consistent tech-agnostic regulatory stance which solves for outcomes. On their part, automakers could structurally build greater workforce flexibility, which could also prepare them to leverage global talent pools.

*Courtesy: McKinsey & Company*

### 5. INDIAN AUTO COMPONENTS INDUSTRY:

The performance of the auto sector in FY20 compared to FY19 has not been very promising in itself due to the slowdown with CV going down by 30%, passenger vehicles segment down by 18%, 3W down by 18% and 2W by 10% approximately. The pain points of the industry that has been reeling through bad times for more than one and a half year now, need to be addressed by the govt. with much more solidarity. The volume of total sales in FY20 has been around 21 mln vehicles and FY21 could witness going down further by 20-25% as a sector due to COVID wherein the maximum impact will be in H1 FY21, where as H2 will see some recovery happening. With this setback of sales by 20-25% the autosector volume may go back to FY 2010-11 volume.

The counter measures are likely to lead to lower income levels, weaker consumer sentiments, production disruptions, decreased industrial output as well as lesser movement of vehicles, resulting in a decline in global automobile demand and therefore, lower revenue and profitability for auto ancillaries in FY21.

It is expected that the auto ancillaries industry on an average could record at least 100bp EBITDA margin decline in FY21 and the profitability decline for export focused auto ancillaries could be steeper as exports earn higher margins. The lower commodity prices could aid the profitability for the sector, though only to a limited extent, due to pass-through agreements with OEMs and OEMs' higher bargaining power.

Automobile component industry revenue stood at US\$ 56.52 billion in FY19 from US\$ 35 billion in FY14. The Indian auto component industry aims to achieve US\$ 200 billion in revenues by 2026. Turnover of automotive component industry stood at ₹ 1.79 lakh crore (US\$ 25.61 billion) in FY20 (April-Sept 2019) and exports of auto components grew by 2.7 per cent to ₹ 51,397 crore (US\$ 7.35 billion) during same time.

The automobile industry in India is world's fourth largest, with the country currently being the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2018. Indian automotive industry (including component manufacturing) is expected to reach ₹ 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. Two-wheelers dominate the industry and made up 81 per cent share in the domestic automobile sales in FY19. Overall, Domestic automobiles sales increased at 7.01 per cent CAGR between FY13-18 with 26.27 million vehicles being sold in FY19. Indian automobile industry has received Foreign Direct Investment (FDI) worth US\$ 23.89 billion between April 2000 and December 2019.

Domestic automobile production increased at 6.96 per cent CAGR between FY13-19 with 30.95 million vehicles manufactured in the country in FY19. The industry produced a total 26,362,282 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in April 2019-March 2020.

*Source: IBEF*

### 6. AATMA NIRBHAR BHARAT ABHIYAAN:

A comprehensive package, in coordination with the RBI, of Rs. 20 lakh crore was announced by the Government of India, aimed at softening the blow to the domestic industry and setting the foundation for a self-reliant India movement- 'Aatma Nirbhar Bharat Abhiyan'. The movement resting on the five pillars of Economy, Infrastructure, System, Vibrant Demography and Demand. The strategy lays renewed thrust on agriculture and micro, small and medium enterprises (MSMEs), along with preference for domestically manufactured products.

The agri sector package may benefit the auto sector indirectly in the medium term but the Indian automotive industry is expecting an immediate stimulus in the form of reduction in GST (goods and services tax), an incentive-based vehicle scrappage policy and other reforms to boost demand.

Moreover, initiatives taken for Indian MSMEs auto component manufacturers will help to resume business and fortify the supply chain. Furthermore, this will also help companies ramp up their businesses and reduce automaker's reliance on other countries for components.

The Indian automotive industry supports employment of more than 3.7 crore people and contributes to 15 per cent of GST amounting to ₹ 1.50 lakh crore every year.

### 7. ARTIFICIAL INTELLIGENCE:

We are moving very swiftly towards incorporating artificial intelligence and machine learning across our manufacturing facilities. It has become imperative for organizations to be agile at such challenging times to sustain and sail through the current situation. At JBM, support of artificial intelligence is taken to check adherence of safe working distances, facial recognition and quality check of component that will not only aid in a smoother resumption of operations post the lockdown, but also sustain a safe and healthy working environment for our employees. We are in regular touch with all our stakeholders to ensure seamless communication. The aim is to maximize and capitalize on JBM Group's inherent strengths and capabilities to minimize the impact of COVID on business, customers, suppliers, and our employees.

## 8. OPPORTUNITIES:

- COVID 19:** COVID 19 has come with a small silver lining, that social distancing measures could encourage more people to own their own car, reversing recent car-sharing trends.
- Continued government focus on supporting the industry:** Through the Automotive Mission Plan, the National Electric Mobility Mission Plan (NEMMP), and other initiatives, the government seeks to achieve two objectives—facilitate long-term growth in the industry and reduce emissions and oil dependence
- Vehicle scrappage policy:** The government is working on an initiative that focuses on formulation of end-of-life or scrappage policies. As more vehicles will be scrapped & recycled, customer ownership will get a breather, contributing to new car purchases
- Online Car Sales:** New-age consumers have started drawing heavily on online platform to make vehicle-buying decisions. The spread of Covid-19 and associated preventive norms of social distancing have increased and quicken the shift to purchases online
- Strategic Market:** India continues to be a strategic market that is expected to fuel long-term growth and thus an opportunity to look for.

## 9. CHALLENGES:

- Buying capacity of Customers-** with salary cuts and pink slips becoming the norm, customers are even more value conscious than before.
- Government Regulations-** Any kind of changes in policies by Government at different levels makes a significant impact at various level for the industry, further a Company's operations and demand are likely to be effected by new regulations like emission norms and safety norms.

## 10. RISKS AND MITIGATION MEASURES:

Company's Risk Management Policy envisages on identification of risks by each product segment and location, together with the impact that these may have on the business objectives. It also provides a mechanism for categorization of risks into Low, Medium and High according to the severity of risks.

- Safety Risk:** Safety is an ever-evolving journey. Your company strives to be at the forefront of this evolution.  
**Mitigation Measure:** The Company follows a multi-pronged strategy, with additional emphasis on establishing a culture that promotes sound safety practices. The Company implements '5S' practice at its manufacturing facilities. Manufacturing facilities have adopted Safety Management practices based on the leading safety standards. Regular audits are conducted to assess the on-ground implementation of various processes. Critical safety incidents are studied by the senior leadership.
- Statutory Compliance Risk:** The Company adheres to a diverse set of laws and regulations laid down by governments and regulatory bodies at the local, state and national levels. Failure to fulfil regulatory obligations might results in fines, penalties, damages and/or criminal actions.  
**Mitigation Measure:** The Company is committed to complying with all laws and regulations as applicable. It monitors and adapts to significant changes in the legal systems, regulatory controls, customs and practices. Given the rapid pace of regulatory changes, the Company proactively analyses the impact of imminent changes well in advance.
- Economic slowdown:** Indian economy is on a revival path backed by many policy initiatives taken by the government. However, any delay in implementation can significantly impact the economy and industry.  
**Mitigation measure:** The management team of your Company monitors the macro-economic situations closely and takes appropriate and timely decisions.
- Risk of Quality:** Company's image in competitive market is made by quality of its products. Hence Company shall maintain quality of its products as per requirements of its customer at all levels.  
**Mitigation Measure:** Your Company has standards of techniques for improvement in quality of products manufactured at all levels for its leading customers like MSIL according to norms and requirements of customer. Company ensures that quality processes are adequately equipped and are in control.
- Human Capital risk:** It is difficult to attract and retain the human resource of the Company.  
**Mitigation measure:** The Company finds it imperative to attract, retain and engage a talented pool of individuals at its plants and offices and actively monitors its staff movements and works continuously to reduce shortages and inefficiencies. Company also runs various programs, from time to time. for the skill development which increases the skill level of the employees and which increases the longevity of the employees with the company.

- Covid Risk:** The prevailing Covid-19 situation has brought in financial hardships and unprecedented risks for the Company.  
**Mitigation Measure:** To overcome financial issues, the Company took benefit of March, 22, 2020 and May 22, 2020 fiscal incentives of RBI & availed the moratorium on Term Loan repayment and interest payment. There are no payment delays from the customer.

## 11. STANDALONE FINANCIAL REVIEW:

During the FY 19-20, Your Company recorded total Income of ₹ 1659.41 crores as compared to ₹ 1996.97 crore in the previous year showing a decrease of 16.90%. The EBIDTA has gone down by 19.58% during the financial year 2019-20 due to lower volumes. The Profit Before Tax for the financial year 2019-20 amounts to ₹ 42.14 Crores as against ₹ 81.68 Crores for the previous year, showing a decrease of 48.41%.The profit after tax has gone down in the financial year 2019-20 to ₹ 28.02 Crores as compared to ₹ 52.17 Crores in the previous year, showing a decrease of 46.29%. Profits for the year are also affected due to impact of loss of sales w.e.f. 23rd March, 2020, due to pandemic spread of Covid-19.

The market capitalization of the Company as on 31st March, 2020 stood to ₹ 21715 Lakhs

The summarized financial performance and key financial ratios are as under:

₹ In Crores			
PARTICULARS	FY2020	FY2019	CHANGE (%)
Revenue from operations	1657.71	1994.00	-16.87%
Other Income	1.70	2.97	-42.76%
<b>TOTAL INCOME</b>	<b>1659.41</b>	<b>1996.97</b>	<b>-16.90%</b>
<b>EXPENSE</b>			
Material cost	1252.34	1,542.18	-18.79%
Changes in Inventory of Finished Goods, Work-in-progress	15.70	(7.53)	-308.50%
Employee Benefit Expense	142.08	154.98	-8.32%
Finance Cost	38.08	34.33	10.92%
Depreciation and Amortization cost	62.52	61.49	1.68%
Other Expense	106.55	129.84	-17.94%
<b>TOTAL EXPENSE</b>	<b>1617.27</b>	<b>1,915.29</b>	<b>-15.56%</b>
<b>PROFIT BEFORE TAX</b>	<b>42.14</b>	<b>81.68</b>	<b>-48.41%</b>
TAX EXPENSE	14.12	29.51	-52.15%
<b>PROFIT AFTER TAX</b>	<b>28.02</b>	<b>52.17</b>	<b>-46.29%</b>
Total Comprehensive Income for the period (Net of Tax)	(2.48)	(1.83)	35.52%
Total Comprehensive Income for the period [Comprising profit/(loss) for the period (after tax) and other comprehensive income (net of tax)]	25.54	50.34	-49.26%
<b>Earnings Per Share ( In ₹)</b>	<b>12.94</b>	<b>24.10</b>	<b>-46.31%</b>



**Financial Performance Ratios** [As a percentage of Total Income]

PARAMETERS	FY20	FY19	CHANGE (%)
Debtors Turnover	31.93	26.89	18.74%
Inventory/ Net Turnover (Times)	16.95	14.54	16.58%
Current Ratio	0.48	0.62	-22.58%
Debt Equity Ratio	1.04	1.00	4.00%
Operating Profit Margin (%)	8.60%	8.89%	-0.29%
Net Profit Margin (%)	1.69%	2.61%	-0.92%
RONW (PAT/Net Worth)*	6.78%	13.65%	-6.87%
Material Cost	76.42%	76.85%	-0.43%
Employee Cost	8.56%	7.76%	0.80%
Manufacturing, Administrative and other Expense	6.42%	6.50%	-0.08%
Financial Charges	2.29%	1.72%	0.57%
Depreciation	3.77%	3.08%	0.69%
EBITDA	8.60%	8.89%	-0.29%
Profit Before Tax	2.54%	4.09%	-1.55%
Profit After Tax	1.69%	2.61%	-0.92%
Debt Service Coverage	0.96	2.14	-55.14%
Interest Coverage	2.11	3.38	-37.57%

\*Return on Networth is lower this year due to lower net profit as compared to last year

**12. TREASURY OPERATIONS:**

The Company ensures the ultimate goal of managing its liquidity and mitigating its operational, financial and reputational risk. The Company manages its funds efficiently. The borrowings are structured in a manner so as to minimize the interest cost.

The company has explored new ways of financing to reduce its finance cost and started the Non-Recourse Receivable Discounting which will help in managing its cash flow efficiently.

The Company also has adequate Short Term Working Capital Facilities. Your Company is using Commercial Paper (CP) to the tune of Rs. 75 Crores. The procurement of CP has helped in the reduction of Working capital borrowing cost. The Credit Rating awarded by ICRA for the short term borrowing including CP is A1. Further, the long term borrowing rating is A+.

**13. INTERNAL CONTROL SYSTEMS, INTERNAL AUDIT AND ITS ADEQUACY:**

Your Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use. The Company has continued its efforts to align all its processes and controls with global best practices.

Given the nature of business and size of operations, your Company has designed a proper and adequate internal control system to ensure:

- Maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- That transactions are recorded as necessary to permit preparation of Ind AS 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;
- prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements;

Your Company has complied with the specific requirements as laid out under Section 134(5)(e) of the Companies Act, 2013 which calls for establishment and implementation of an Internal Financial Control framework that supports compliance with requirements of the Act in relation to the Directors' Responsibility Statement.

The Company's Internal Audit is carried out by an efficient Chartered Accountants firm from New Delhi – M/s Mehra Goel & Co.,

Internal Auditors of the Company. Moving on, the counter measures (if any) to strengthen the internal controls are also taken in this regard. Further, the suggestions made by Internal Auditor are reviewed and considered by Audit Committee on a quarterly basis for improvement of internal controls and systems within the Company.

**14. HUMAN RESOURCE:**

The automotive industry in recent has witnessed most testing times of the decade. This has directly impacted the bottom-line of this industry. In order to face such challenging environment, we need to equip ourselves with the power of Technology and Innovation. Effective use of Artificial Intelligence, Machine Learning, Digitalisation and people empowerment will be the key for success.

At JBML, we identified the areas of strength as well as improvement and started acting timely. Adaption of AI at manufacturing facilities and offices has been initiated and there has been a continuous endeavour to achieve digitalization.

We understand that it is of the foremost importance to assess and identify the Potential of Human Capital. Hence as a way forward, we have adapted the 9-blocker technique to assess performance & potential of the employees and preparing their development plans. It is setting the right tone in people towards "Performance" and also towards future & change which is "Potential".

Implementing the best practices in the industry through cross learning is a habit in the company now. Various learning programs like VLFM (Visionary Leaders for Manufacturing), MDP (Management Development Programs), SDP (Supervisory Development Program), & TTT (Train the Trainer) were strengthened, with the commitment of making human capital future ready and grooming them for future leadership. Web based learning is a spurring trend which helps in covering Population across all locations simultaneously.

The Industrial relation has remained peaceful and cordial throughout the year. Appreciation and engagement achieved new heights helping in boosting the morale of participants.

In April 2019, we have started "E-Cube Initiative" to identify and rigorously monitor the improvement areas across all Plants & Functions with a specific focus on all key elements of business that is EBIDTA, Excellence & Employees. The review of all the projects is being done by a CFT of the Top Management.

We also started a Program by the name "Joyful body & Mind" (JBM). We appointed Acharya Mukesh, a very learned Yogacharya as the "Happiness & Wellness Coach". We are regularly conducting various sessions across locations. This is targeted to encourage employees in leading a healthy and fulfilling happy life. This has become even more relevant during the ongoing COVID-19 pandemic.

Committed to the Skill India program initiated by Government of India we are touching significant milestones in Skilling the workforce to be industry ready for future.

As per continuously increasing pace of change in the industry which demands the organizations to be more agile and flexible, we are keeping ourselves abreast of future technologies & management tools accordingly.

**15. ENVIRONMENT, HEALTH, AND SAFETY (EHS):**

Your Company strives hard to maintain the highest standards to preserve and protect the environment along with the able support of its suppliers, customers, and stakeholders. Moreover, this is a major step of the Company towards enhancing the health and safety of its employees and communities. The focus of your Company hinges around environmental protection and occupational health and safety, as it strives for continuous improvement in all these parameters.

Your Company conducts periodic drills, safety, health awareness through competitions, campaigns, and events to ensure preparedness for emergencies. Your Company is committed to ensure continuous improvement in its ISO-14001:2015 and OHSAS-18001:2007 systems through periodic audits by the American Systems Registrar (USA). JBML's Quality Management system is certified for IATF 16949:2016 (Quality Management System) standard. Periodical Internal assessments for compliance is also done by senior Plant teams.

In recent times, the Company is going through COVID situation as witnessed globally. Many actions have been taken within organisation to align with expectations of management in following guidelines issued by Ministry of Home Affairs and Ministry of Health and Family Welfare. We have initiated several measures for maintaining Social Distancing and sanitization of employees, vehicles and plant premises. JBML strives to maintain a Corona- free work environment for which all requisite steps have been taken like installation of sanitization tunnel, hand sanitizer at each nook & corner floor markings for social distancing. A Covid Manager is identified in each plant to address the plant issues and flow of communication to management. Updation of Health data on Aarogya Setu App is made mandatory for everyone entering the premises. Safety Committee meetings are conducted every fortnight in each plant under supervision of Safety officer, chaired by Unit Head. Safety data is closely monitored, which includes cases of Major/Minor accidents, first aid, near-misses, Unsafe acts and conditions monitoring.

JBML performs the re-assessment of its quality, Environment and Safety systems at regular intervals from an accredited third-party agency M/s ASR certifications. Integrity, Safety & Quality have been adopted as three non-negotiating values of the Company in its work culture which are driven as ISQ momentum to make it a part of our DNA

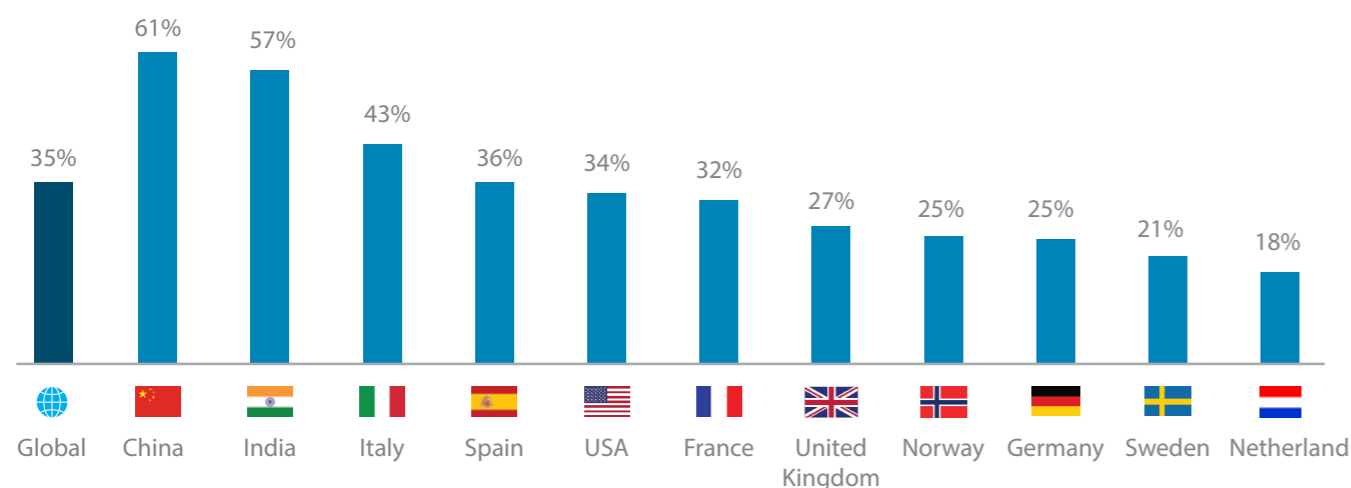
## 16. OUTLOOK:

COVID-19 has disrupted the way business used to be where every individual or company is trying to find a new normal. Mobility is undergoing under a complete overhaul as public transport turns out to be scary because of the rapid virus spread. Individuals are now strongly vying for own their vehicles to maintain personal hygiene and social distancing.

The survey was done in 11 different countries and collected responses of over 11,000 consumers, representing about 62 per cent of global annual vehicle sales and found that health and safety concerns will continue to shape consumer behavior even after this crisis subsides.

If the survey stands true in any sense, the Indian car market will bounce back much faster than the anticipation after the prolonged slowdown of over 20 months. From 3.4 million units at its FY19 peak, the Indian car market is projected to decline by 2.4 million units in FY21 taking it to levels of 2010.

### Percentage of consumers considering buying a car in 2020



Source: Capgemini Research Note April 2020

Despite hard times, all hope is not lost. Industry expects things to turnaround in 2020-21. Even this can have a long term positive impact considering the bilateral ties between India and Japan, Korea, and the USA. Japan has already announced a \$2 billion investment package for companies to move out of China. The Make in India programme is sure to gain increased momentum with the inflow of foreign companies, thereby, strengthening the manufacturing capabilities inhouse and India well-positioned in becoming the contract manufacturer for the world. The government can come up with new tax brackets to promote new companies to invest in India in sectors such as automobiles, textiles, high-tech manufacturing, EVs, etc. The Electric Vehicle segment is another opportunity area for India. Having gone through the lockdown phase, people are now more focused on their health, safety, and environmental sustainability.

#### DISCLAIMER

The information and opinion expressed in this section of the Annual Report consists of 'outlook' which the management believes are true to the best of its information at the time of preparation. The Company shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

## BUSINESS RESPONSIBILITY REPORT

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	<b>Corporate Identity Number (CIN) of the Company</b>	L29130DL1987PLC027342
2	<b>Name of the Company</b>	Jay Bharat Maruti Limited
3	<b>Registered address</b>	601 Hemkunt Chambers 89, Nehru Place New Delhi 110019
4	<b>Website</b>	www.jbmgroup.com
5	<b>E-mail id</b>	Jbml.investor@jbmgroup.com
6	<b>Financial Year reported</b>	2019-2020
7	<b>Sector(s) that the Company is engaged in (industrial activity code-wise)</b> <b>Name and Description of main product/ services</b> <b>(i) Sheet Metal Components assemblies &amp; sub-assemblies for Automobiles</b> <b>(ii) Rear Axle for automobiles</b>	NIC Code of the Product/Service  (i) 25910 (ii) 29301
8	<b>List three key products/services that the Company manufactures/provides (as in balance sheet)</b>	Sheet Metal Components assemblies & sub-assemblies, Rear Axle and Fuel Neck Filler
9	<b>Total number of locations where business activity is undertaken by the Company</b> <b>(a) Number of International Locations (Provide details of major 5)</b> <b>(b) Number of National Locations</b>	NIL 5
10	<b>Markets served by the Company – Local/State/National/International</b>	All over India

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

Particulars	₹ In Crs.	
	2019-20	2018-19
1. Equity Share Capital	10.82	10.82
2. Total Turnover	1657.71	1994.00
3. Total Profit after Taxes	28.02	52.17

#### 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

₹ 164.20 Lakhs has been spent during financial year 2019-20 which is 2% of average profits of previous three years of the Company.

#### 5. List of activities in which expenditure in 4 above has been incurred

Community Development, Promoting Education and Skill Development

### SECTION C: OTHER DETAILS

SN.	Particulars	
1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NA
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No, BR initiatives of the Company are limited to its own operations. However, stakeholders are encouraged to participate in the Company's BR initiatives being a responsible business.



**SECTION D: BR INFORMATION**

**1. Details of Director/Directors responsible for BR**

**a. Details of the Director/Director responsible for implementation of the BR policy/policies:**

1.	DIN Number	00004626
2.	Name	Mr. Surendra Kumar Arya
3.	Designation	Chairman & Managing Director

**b. Details of the BR head:**

1.	Name	Mr. Anand Swaroop
2.	Designation	President & Group CFO
3.	Telephone No.	0124-4674500
4.	Email Id	Jbml.investor@jbmgroup.com

**List of Principles**

<b>Principle 1:</b> Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	<b>Principle 2:</b> Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	<b>Principle 3:</b> Businesses should promote the wellbeing of all employees
<b>Principle 4:</b> Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	<b>Principle 5:</b> Businesses should respect and promote human rights	<b>Principle 6:</b> Business should respect, protect, and make efforts to restore the environment
<b>Principle 7:</b> Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	<b>Principle 8:</b> Businesses should support inclusive growth and equitable development	<b>Principle 9:</b> Businesses should engage with and provide value to their customers and consumers in a responsible manner

**2. Principle-wise (as per NVGs) BR Policy/policies**

**a. Details of compliance (Reply in Y/N)**

S.N.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
6	Indicate the link for the policy to be viewed online?	www.jbmgroup.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y*	Y	Y**	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								

\*The Company does not have a standalone Human Rights policy. Aspects of human rights, such as child labour, occupational health and safety and non-discrimination are covered in its various Human Resource policies.

\*\*The Company does not have a standalone advocacy policy. For advocacy on policies related to the automobile industry, the Company engages with industry associations in which Company is a member and expert agencies, as required.

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why:  
NA

**3. Governance related to BR**

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually and from time to time.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published business responsibility report as part of Annual Report and is available on Company's website: www.jbmgroup.com

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**PRINCIPLE 1**

**Business should conduct and govern themselves with Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

No. The Company has articulated a comprehensive Code of Conduct which is applicable to the Group.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No Complaints were received in the last Financial Year relating to Ethics, Transparency and accountability.

**PRINCIPLE 2**

**Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is the leading manufacturer of key auto components and assemblies such as BIW parts, exhaust systems, fuel neck fillers (fuel pipe), and suspension parts for passenger cars. The company continuously monitor its operational activities effectively, with respect to usage of raw materials and other natural resources so that there should be no adverse impact on the environment, general health and safety.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

The optimized designs and technologies resulted in saving of raw materials and power consumption, directly and indirectly in entire supply chain. Other details for technology absorption and conservation of energy are detailed in Board Report.

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company continuously monitors its processes with respect to usage of raw materials and other natural resources in terms of sales. The optimized designs and technologies resulted in saving of raw materials and power consumption, directly at the company and indirectly in entire supply chain.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Yes.

(a) If yes, what percentage of your inputs was sourced sustainably?

The Company has an environment policy and safety policy. We encourage our vendors to ensure compliance with these policies. It covers various issues like health of workers and safety measures.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

The Company keeps on developing local vendors: visit their facilities, analyze quality related aspects, and create action plans jointly with the suppliers, customers and monitored performance.

**5. Does the company have a mechanism to recycle products and waste?**

The nature of the Company's business is such that there are no significant emissions of Raw materials and all emissions are related to process wastes only. The Company recycle materials wherever it is usable within the Company and which cannot be reused is disposed off.

**PRINCIPLE 3  
Business should promote the wellbeing of all employees.**

1. **Please indicate the Total number of employees.**  
4673
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**  
3693
3. **Please indicate the Number of permanent women employees.**  
10
4. **Please indicate the Number of permanent employees with disabilities**  
NIL
5. **Do you have an employee association that is recognized by management.**  
YES
6. **What percentage of your permanent employees is members of this recognized employee association?**  
8.65%
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**  
NIL
8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

(a) Permanent Employees	80-90%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	60-70%
(d) Employees with Disabilities	NIL

**PRINCIPLE 4  
Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. **Has the company mapped its internal and external stakeholders?**  
Yes
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**  
Yes
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**

The Company carries out various CSR initiatives for the upliftment / growth & development of people living in the villages around its manufacturing facilities.

**PRINCIPLE 5  
Business should respect and promote Human Rights**

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**  
  
The Company does not have a separate human right policy. However, these factors are covered under various HR Policies of the Company.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**  
  
The Company has not received any complaints from any stakeholders pertaining to human rights and there were NIL complaints under Whistle-blower complaints and Sexual Harassment Act during the last Financial Year.

**PRINCIPLE 6  
Business should respect, protect and make efforts to restore the environment**

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**  
  
Environmental and Safety Policy of the company is applicable to the whole group comprising of all the business units and also encourage our business partners including suppliers, vendors and contractors to follow this policy.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**  
  
Yes, the Company has an Environmental Policy. The Company works continuously to reduce the waste.
3. **Does the company identify and assess potential environmental risks? Y/N**  
  
Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.
4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**  
  
The Company has implemented International Quality Management System based on the requirement of IATF 16949:2016. The Company has established, implemented and is maintaining an Information Security Management System. During the year, ISO 14001 surveillance was carried out by M/s American System Registrar, LLC and the auditors recommended the continuation of the ISO 14001. Apart from the above, the Company is also OHSAS-18001:2007 and ISO-14001:2015 certified. Management system ensures that the corrective actions are closed looped and issues are addressed within a reasonable time frame.
5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**  
  
Details are covered under Board's Report which forms a part of the Annual Report.
6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**  
  
All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB.
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**  
  
None.

**PRINCIPLE 7  
Business when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**  
  
a. Confederation of Indian Industry (CII)



- b. Automotive Component Manufacturers Association of India (ACMA)
- c. The Federation of Indian Chambers of Commerce and Industry (FICCI)
- d. PHD Chambers
- e. Gurgaon Chamber of Commerce and Industry

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**  
No.

#### PRINCIPLE 8

##### Business should support inclusive growth and equitable development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has aligned its CSR programmes with the requirements of the Companies Law 2013. The CSR programmes are mentioned in the CSR policy. Details of expenditure made on CSR activities in the financial year 2019-20 are mentioned in CSR Report which forms part of the Annual Report.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

The CSR programmes of the Company are run through by Company at its own and with Trust/NGO/NPOs and other agencies.

3. **Have you done any impact assessment of your initiative?**

The CSR programmes and their impacts/ outcomes are monitored and reviewed by the CSR Committee periodically.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

The Company spends amount on CSR activities directly and through Trusts, amount of contribution during the year is given in Annexure II to the Board Report as Annual report to CSR Activities.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The community development initiative is undertaken on the basis of needs assessment which is based on the feedback of the community itself.

#### PRINCIPLE 9

##### Business should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

The Company has a strong system for addressing customer complaints, which are resolved promptly in a time framed manner. The Company has Customer Complaint Handling Procedures and defined SOPs.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

Not applicable, as the Company supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**  
No

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes, regular feedback are received from the customers and corrective actions are taken.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value and its own image. An effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders. The Company strongly believes that sound, robust and unambiguous system of Corporate Governance practices go a long way in retaining investor trust and preserving the interest of all existing as well as prospective Stakeholder.

The Company is committed to conduct its business in compliance of the applicable laws, rules and regulations and with the highest standards of business ethics. We, at Jay Bharat Maruti, believe that good Corporate Governance is a key contributor to sustainable corporate growth and creating superior value for our stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices. The objective of the Company is not only to meet the statutory requirements of the Code of Corporate Governance as prescribed under Listing Regulations, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable, thereby enhancing the stakeholders value and protecting the interest of stakeholders.

A report on compliances with the Corporate Governance provisions as prescribed under Listing Regulations is given hereunder.

### 2. BOARD OF DIRECTORS:

#### (a) Composition of the Board

As on March 31, 2020, the Company has an optimum combination of Executive, Non-Executive and Independent Directors.

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations. The maximum tenure of Independent Directors is in compliance of the Act and the Listing Regulations. All the Independent Directors of the Company have confirmed that they meet the criteria as mention in Regulation 16(1)(b) of the Listing Regulations and Section 149 (6) of the Act. Except getting sitting fees none of the Independent Directors have any other pecuniary relationships with your Company, its associates or its promoters or directors.

Necessary disclosures regarding committee positions in other companies as on March 31, 2020 have been made by the Directors. None of the Directors is related to each other except Mr. S. K. Arya, Ms. Esha Arya and Mr. Nishant Arya, who are promoter directors and related to each other. Based on the declaration received from Independent Directors, has confirmed that they meet the criteria of independence as mentioned on the Listing Regulations and that they are independent of management.

As on 31st March, 2020, the total strength of the Board of Directors of the Company is Eight (8) Directors (i.e. Three Promoter Directors, One Nominee Director and Four Independent Directors) comprising of an Executive Chairman, one Non-Executive Nominee Director, two Non-Executive Directors and Four Non-Executive Independent Directors including one Non-Executive Independent Woman Director. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities

SN.	Name of Directors	Relationship with other Directors	Category	No. of meetings attended (Total Meetings held : 4)	Attendance at the last AGM held on 14th September, 2019	No. of other Directorship(s)		No. of Committee(s)*		Name of the Listed Entity in which Director Including this entity	Number of shares and convertible instruments held by non-executive directors
						Public	Private	Member	Chairman		
1.	Mr. S. K. Arya (DIN: 00004626)	Father of Mr. Nishant Arya and Ms. Esha Arya	Chairman & Managing Director	4	Yes	6	9	2	1	1. Jay Bharat Maruti Limited: Chairman and Managing Director 2. JBM Auto Limited: Non Executive-Director and Chairman	177350
2.	Mr. Nishant Arya (DIN: 00004954)	Son of Mr. S. K. Arya and brother of Ms. Esha Arya	Non-Executive Director	4	Yes	10	5	2	-	1. Jay Bharat Maruti Limited : Non Executive Director 2. JBM Auto Limited: : Non Executive Director	4000
3.	Ms. Esha Arya (DIN: 00004836)	Daughter of Mr. S. K. Arya and Sister of Mr. Nishant Arya	Non-Executive Director	1	Yes	2	-	-	-	1. Jay Bharat Maruti Limited : Non Executive Director	NIL
4.	Mr. Rajiv Gandhi (DIN: 07231734)	NA	Non-Executive Nominee Director	4	Yes	2	-	-	-	1. Jay Bharat Maruti Limited: Non- Executive Nominee Director	NIL
5.	Mr. D. P. Agarwal (DIN: 00084105)	NA	Non Executive-Independent Director	4	Yes	7	-	1	1	1. Jay Bharat Maruti Limited : Independent Director 2. TCI Express Limited : Chairman Non-Executive Non- Independent Director 3. TCI Developers Limited : Chairman Non-Executive Non-Independent Director 4. Transport Corporation Of India Limited : Chairman & Managing Director 5. TCI Industries Limited: Non Executive Director	NIL

SN.	Name of Directors	Relationship with other Directors	Category	No. of meetings attended (Total Meetings held : 4)	Attendance at the last AGM held on 14th September, 2018	No. of other Directorship(s)		No. of Committee(s)*		Name of the Listed Entity in which Director Including this entity	Number of shares and convertible instruments held by non-executive directors
						Public	Private	Member	Chairman		
6.	Mr. Achintya Karati (DIN: 00024412)	NA	Non Executive-Independent Director	4	Yes	7	2	4	5	1. Jay Bharat Maruti Limited : Independent Director 2. Sangam (India) Limited: Independent Director 3. J. K. Cement Limited : Independent Director 4. Delton Cables Limited:Independent Director 5. Shyam Telecom Limited : Independent Director 6. Uflex Limited: Independent Director	NIL
7.	Mr. Dhanendra Kumar (DIN: 05019411)	NA	Non Executive-Independent Director	4	No	3	-	2	1	1. Jay Bharat Maruti Limited : Independent Director 2. Indo Rama Synthetics (India) Limited: Independent Director	NIL
8.	Mrs. Pravin Tripathi (DIN: 06913463)	NA	Non Executive Independent Woman Director	3	Yes	7	1	4	2	1. Jay Bharat Maruti limited: Independent Woman Director 2. Multi Commodity Exchange Of India Limited: Independent Director 3. PTC India Financial Services Limited: Independent Director 4. Minda Industries Limited: Independent Director 5. JBM Auto Limited: Independent Director	NIL

\* Committee means Audit Committee and Stakeholders Relationship Committee.  
# Mrs. Pravin Tripathi was appointed w.e.f. 10th July, 2019.

Your Company has appointed Mrs. Pravin Tripathi as an Independent Woman Director of the Company on 10th July, 2019 in conformity with Regulation 17 of Listing Regulations.

The composition of Board of Directors as on 31st March, 2020, their attendance at the Board Meetings held during the Financial Year 2019-20, attendance in the last Annual General Meeting and also the Directorship in listed entities along with category of directorship and Membership/ chairmanship of the Board Committees (including this Entity) are as follows:



## (b) Board Meetings

During the year 4 (Four) meetings of the Board of Directors of the Company were held. The Board meets at least once in a quarter with a time gap of not more than one hundred and twenty days between two consecutive meetings. The necessary quorum was present for all the meetings. Agenda papers were circulated to the Directors in advance for each meeting. All relevant information as required under Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 was placed before the Board from time to time. The details of Board Meetings are given below:

Date of Board Meeting*	Total Strength of the Board on the date of Board Meeting	No. of Directors present at the Board Meeting
18th April, 2019	7	6
16th July, 2019	8	7
17th October, 2019	8	8
21st January, 2020	8	7

\*The Board of Directors vide its Circular Resolution dated 10.07.2019 has appointed Mrs. Pravin Tripathi as Independent Director of the Company.

The attendance of the Directors at the meeting above was as under:

Name of the Directors	Attendance at the Board Meetings		Whether attended the AGM held on 14.09.2019
	Held	Attended	
Mr. S. K. Arya	4	4	Yes
Mr. Nishant Arya	4	4	Yes
Ms. Esha Arya	4	1	Yes
Mr. D. P. Agrawal	4	4	Yes
Mr. Achintya Karati	4	4	Yes
Mr. Dhanendra Kumar	4	4	No
Mr. Rajiv Gandhi	4	4	Yes
Mrs. Pravin Tripathi	4	3	Yes

## (c) Independent Directors

Your Board of Directors vide their circular resolution dated 10th July, 2019 have appointed Mrs. Pravin Tripathi (DIN: 06913463) as an Independent Director of Company.

## (d) Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on January 21, 2020. The Independent Directors, inter-alia, reviewed the performance of Non- Independent Directors, Board as a whole and Chairman of the company, taking into account of views of Executive Directors and Non- Executive Directors. All Independent Directors were present in the meeting.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory.

## (e) Familiarization Programmes

All new independent directors inducted into the Board attend an orientation program. Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's business and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization Programmes for Directors are available on the Company's website under the web link: [www.jbm-group.com](http://www.jbm-group.com)

## (f) Skills / Expertise/ Competencies of Board of Directors

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board.

**i. Industry Knowledge:** Industry Experience, Knowledge of Sector, Knowledge of Public Policy Direction and Govt. legislation & legislative process.

**ii. Technical Skills:** Accounting, Financial literacy, Public Relation, Development and Implementation of risk management system, Strategy development and its implementation.

**iii. Competencies:** Professional skills, Strategic Thinking and decision making, Executive performance management.

**iv. Strategy and Planning:** Appreciation of long term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

**v. Governance:** Experience in developing governance practices, serving the best interests of all stakeholders, maintain board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/field from where they come.

## 3. CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the value of the Company. The Code has been circulated to all concerned and the same is posted on the website of the Company which may be accessed at the web link: [www.jbm-group.com](http://www.jbm-group.com)

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman & Managing Director of the Company has confirmed the compliance with the Code by all the members of the Board and Senior Management.

## 4. AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee. Post cessation of Mr. U.C. Aggarwal on 31st March, 2020, no new member has been inducted to Audit Committee. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. The Audit Committee functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

### (a) Composition, Category and Attendance record during the year

The composition and of Audit Committee, category and record of attendance is given below:

SN.	Name	Category	Designation	Attendance (No. of meeting held: 4)	Date of Audit Committee Meeting
1.	Mr. Achintya Karati	Independent	Chairman	4	18th April, 2019
2.	Mr. D. P. Agarwal	Independent	Member	4	16th July, 2019
3.	Mr. Nishant Arya	Non- Executive Non Independent	Member	4	17th Oct. 2019 21st Jan, 2020

The Chairman & Managing Director, President & CFO and the representative of the Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. Mr. Ravi Arora, Company Secretary of the Company is the Secretary of the Audit Committee.

### (a) Terms of Reference

The powers and role of the Committee encompasses accounting matters, financial reporting and internal controls. The terms of reference of the Audit Committee are in line with the Section 177 of the Act and Part C of Schedule II of the Listing Regulations. In fulfilling the above role, the Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations. The role of the audit committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, re-appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;

- iv. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion (s) in the draft audit report;
- v. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with the Internal Auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force.

## 5. NOMINATION AND REMUNERATION COMMITTEE:

The Board has framed the Nomination and Remuneration policy for its Directors, Key Managerial Personnel and other employees which ensures that level and composition of remuneration is reasonable meets the performance benchmarks. There was no change in the composition of the committee during the last financial year. The Composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

### (a) Composition, Category and Attendance record during the year

The composition and of Nomination and Remuneration Committee, category and record of attendance is given below:

SN.	Name	Category	Designation	Attendance (No. of meeting held : 1)	Date of Nomination and Remuneration Committee Meeting*
1.	Mr. Dhanendra Kumar	Independent	Chairman	1	21.01.2020
2.	Mr. D. P. Agarwal	Independent	Member	1	
3.	Mr. Achintya Karati	Independent	Member	1	
4.	Mr. Nishant Arya	Non- Executive	Member	1	

\*Nomination and Remuneration Committee passed a circular resolution dated 09.07.2019 for the recommendation of appointment of Mrs. Pravin Tripathi as Independent Director of the Company.

### (b) Terms of reference

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for Directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become Directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The power, role, responsibilities and terms of reference of the Nomination and Remuneration Committee are as prescribed under Section 178 of the Companies Act, 2013 and also as provided in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Ravi Arora, Company Secretary of the Company is Secretary of the Nomination and Remuneration Committee.

### (c) Role of Nomination and Remuneration Committee

The role of Nomination and Remuneration committee includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

### (d) Detail of remuneration and sitting fee paid to Directors during the Financial Year 2019-20

Remuneration paid to the Chairman & Managing Director		Sitting Fees paid to Non-Executive Directors		No. of equity share held
Particulars	Amount ( ₹ In Lakhs)	Name of Directors	Board /Committee Meetings Amount ( ₹ In Lakhs)	
Salary & allowances	234.75	Mr. Pravin Tripathi#	1.30	-
Other Perquisites	42.04	Mr. D. P. Agarwal <sup>1</sup>	-	-
Commission	-	Mr. Rajiv Gandhi <sup>2</sup>	1.40	-
		Mr. Nishant Arya	2.90	4000
		Mr. Achintya Karati	3.15	-
		Ms. Esha Arya <sup>3</sup>	-	-
		Mr. Dhanendra Kumar	2.90	-
		Mr. U. C. Aggarwal <sup>4</sup>	0.25	-
<b>Total:</b>	<b>276.79</b>	<b>Total:</b>	<b>11.90</b>	<b>4000</b>

\* Contribution to PF do not included in computation of overall managerial remuneration.

# Mrs. Pravin Tripathi was appointed as Independent Director on 10th July, 2019.

1. Fee was waived w.e.f. 14th July 2005;

2. Fee was paid in the name of MSIL, being its nominee director.

3. Fee was waived w.e.f. 20th April, 2016

4. Mr. U. C. Aggarwal cease to be Director of the Company w.e.f. close of business hours on 31.03.2019.



## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted a Stakeholder Relationship Committee which oversees and review all matters relating to transfer/transmission of shares, issue of duplicate share certificates (including transfer of Investor Education and Protection Fund) and also monitor redressal of the grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

**(a) Composition:** The Stakeholders Relationship Committee comprises of the following Directors:

Sl. No.	Name	Category	Designation
1.	Mr. D. P. Agarwal	Independent	Chairman
2.	Mr. S. K. Arya	Executive	Member
3.	Mr. Dhanendra Kumar	Independent	Member

Mr. Ravi Arora, Company Secretary of the Company is the Secretary of the Stakeholders' Relationship Committee. The constitution of the Stakeholders' Relationship Committee and terms of reference are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year one meeting of committee was held on 17th October, 2019. All committee members were present at the meeting.

### (b) Role of the Committee:

The role of the Committee include the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### (c) Name and address of Compliance Officer:

Mr. Ravi Arora,  
Company Secretary & Compliance Officer  
Plot No.9, Institutional Area  
Sector - 44, Gurgaon -122 003  
Haryana.  
Ph.: 0124 - 4674500 – 50;  
Fax: 0124 - 4674559  
E-mail: [jbml.investor@jbmgroup.com](mailto:jbml.investor@jbmgroup.com); [ravi.arora@jbmgroup.com](mailto:ravi.arora@jbmgroup.com)

### (d) Prevention of insider trading

'The Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in securities of the Company as amended from 01st April, 2019, is in line and conformity with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

The Code lays down guidelines, procedures to be followed and disclosure to be made while dealing with the shares of the Company and cautioning them of its consequences of non-compliance. The said code may be accessed on the Company's website at the link: <http://www.jbmgroup.com/pdf/policies/JBML-Insider-Trading-Policy.pdf>

### (e) Shareholders grievances / complaints received and resolved during the year

(i)	Number of Shareholders complaints received during the year	3
(ii)	Number of complaints not resolved to the satisfaction of shareholders	Nil
(iii)	Number of complaints pending at the end of the year	Nil

## (f) Registrar and Share Transfer Agent (RTA)

The Company has appointed M/s MCS Share Transfer Agent Limited as Registrar and Share Transfer Agent (RTA) to take care of share transfer related matters, dematerialization / re-materialization of Shares, etc. Investor may contact the RTA at the below mentioned address:

### MCS Share Transfer Agent Limited

(Unit: Jay Bharat Maruti Limited)  
F-65, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020  
Tel.: 011-41609386; 41406149; 41709885 | Fax: 011-41709881  
E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com); [helpdesk@mcsregistrars.com](mailto:helpdesk@mcsregistrars.com)

## 7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee's constitution is in line and conformity with the Listing Regulations and the Companies Act, 2013.

The Corporate Social Responsibility Committee consists of three Directors and it will meet as when required. During the year, Two (2) meetings of the committee were held on 18th April, 2019 and 21st January, 2020. The Composition of the Committee is mentioned below:

### (a) Composition and Category

SN.	Name	Category	Designation
1.	Mr. D. P. Agarwal	Independent	Chairman
2.	Mr. Dhanendra Kumar	Independent	Member
3.	Ms. Esha Arya	Non- Executive	Member

### (b) Role & Responsibilities

The role of the CSR Committee includes the following:

- Formulate and recommend to the Board, Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the Rules made thereunder.
- Recommend the amount of expenditure to be incurred on the activities under Corporate Social Responsibilities.
- Monitor Corporate Social Responsibility Policy of the Company.
- To carry out all other duties as may be required under the Companies Act, 2013 and rules made thereunder.

The Corporate Social Responsibility Committee has adopted a Corporate Social Responsibility Policy which is posted on the website of the Company. The same may be accessed at the web link: <http://www.jbmgroup.com/pdf/policies/CSR-policy.pdf> The Corporate Social Responsibility Report for the year ended 31st March, 2020 is given in the Directors' Report.

## 8. RISK MANAGEMENT COMMITTEE:

### Composition of the Risk Management Committee:

- Mr. S. K. Arya, Chairman
- Mr. Nishant Arya, Member
- Mr. Anand Swaroop, Member

The prime responsibility of the Risk Management Committee is to implement and monitor the risk management plan and policy of the Company.

The role and responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Develop, implement and maintain a sound system of Risk Management
- Assess and recommend to the Board acceptable level of risk.
- Execute such other related functions as it may deem fit.
- Monitoring of Risk Management Plan and Policy.

The said Committee is a voluntary committee framed by the Board of Directors, However, It is not applicable on company as per Listing Regulations.

## 9. GENERAL BODY MEETINGS:

I. Details of last three Annual General Meeting (AGMs):

Financial Year	Date & Time of AGM	Venue	Special Resolution passed
2018-19	14th September, 2019 At 10:30 A.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	<ul style="list-style-type: none"> <li>Reappointment of Mr. Dharmpal Agarwal (DIN: 00084105) as an Independent Director of the Company.</li> <li>Reappointment of Mr. Achintya Karati (DIN: 00024412) as an independent Director of the Company.</li> <li>Approval of the transactions with related parties pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</li> <li>Consideration and approval Proposal for Issue of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013.</li> </ul>
2017-18	4th September, 2018 At 10:30 A.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	<ul style="list-style-type: none"> <li>Re-appointment of Mr. S.K. ARYA (DIN : 00004626) as Chairman &amp; Managing Director</li> <li>Issue of Non -Convertible Debentures on private placement basis</li> </ul>
2016-17	18th August, 2017 At 10:30 A.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	<ul style="list-style-type: none"> <li>No Special Resolution was passed during the year.</li> </ul>

II. No resolution was either required or passed through postal ballot in last year.

III. As on date of this report, no resolution is proposed through postal ballot in this year;

## 10. DISCLOSURES:

- I. No material related significant transaction were entered during the year which might have potential conflicts with the interests of listed entity at large.
- II. During the year, NSE and BSE has imposed a fine of ₹ 45000/- each (exclusive of GST) for the non-compliance made in compliance of Regulation 17(1) of the Listing Regulations. The Company has deposited the fine with a request for waiver as the said minor delay in appointment of Mrs. Pravin Tripathi as Independent Director was not under the control of the Company. NSE's committee considered the request of the company and stated that the non-compliance was unintentional and was interim in nature. Accordingly, NSE vide its letter no. NSE/LIST/SOP/0449 dated June 23, 2020 considered require for waiver of fine favourably.
- III. During the year all recommendation by all committees which were mandatorily required were accepted.
- IV. The Company do not have any subsidiary company.
- V. Policy on dealing with related party transaction is available at web link <http://www.jbmgroupp.com/pdf/policies/JBML-Policy-on-Related-Party-Transaction.pdf>
- VI. The Company does not deal in commodities and hence the disclosure is not required to be given. However, the details of foreign currency exposure are disclosed in Note No. 48 to the Standalone Financial Statements.
- VII. Disclosure under Regulation 32 (7A) is not applicable for the year ended 31.03.2020.
- VIII. The details of payment made to Statutory Auditors for their services are mentioned in the Note No. 38 of Standalone Financial Statements and Note No. 38 of Consolidated Financial Statements. The company had not paid any other network entity for any other service in which Statutory Auditor is a part.
- IX. The Senior Management Personnel has made disclosure to the Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company.
- X. The financial statements have been prepared in accordance with the Generally Accepted Accounting Policies (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

- XI. The Company has a Code of Conduct for its Board and Senior Management Personnel (as per Code of Corporate Governance), which is available on the Company's website. The Company has obtained a compliance certificate from all concerned.
- XII. The Company has made a policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company and the same can be accessed at the web link: [http://www.jbmgroupp.com/pdf/policies/JBML\\_Whistle-Blower-Policy.pdf](http://www.jbmgroupp.com/pdf/policies/JBML_Whistle-Blower-Policy.pdf)
- XIII. The Company is complying with all the mandatory requirements and adopted non-mandatory requirements such as:
- (a) Reimbursement of expenses to Non-Executive Chairman;
- (b) Though half yearly results with summary of significant events in the last six-months are not sent to each shareholder, however the quarterly results are posted on the websites of the Company, the Stock Exchanges and also published in the newspapers;
- (c) The Auditors' Report on financial statements of the Company are unqualified.
- XIV. Company has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.(same forms part of this report as Annexure 1)
- XV. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:
- |    |   |     |
|----|---|-----|
| a. | Number of complaints filed during the financial year :        | NIL |
| b. | Number of complaints disposed of during the financial year :  | NIL |
| c. | Number of complaints pending as on end of the financial year: | NIL |

## 11. MEANS OF COMMUNICATION:

The Company publishes unaudited quarterly/half yearly financial results and audited annual financial results reviewed by auditor, in newspapers like Business Standard, Financial Express and Jansatta. The said results are also informed to the Stock Exchanges where the shares of the Company are listed. The quarterly & half yearly results are not being sent separately to any of the shareholder. The Company also issues news releases on significant corporate decisions/ activities and posts them on the website.

The financial results of the Company are displayed on the website of the Company i.e., [www.jbmgroupp.com](http://www.jbmgroupp.com). The Company does not make presentations for institutional investors or to the analysts..

### SCORES (SEBI Complaints Redressal System)

SEBI commenced processing of investor complaints in a centralized web based complaints redressal system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

### Corporate Filing and Dissemination System (Corp-filing) & NEAPS (NSE Electronic Application Processing System)

All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through Corp-filing and NEAPS respectively. The disclosures are also mailed to the exclusive e-mail IDs of these Stock Exchanges.

### Exclusive e-mail ID for Investors

Pursuant to SEBI Circular, the Company has created an e-mail ID exclusively for redressal of investors' grievances. The investors may post their grievances to the specific e-mail ID i.e. [jbml.investor@jbmgroupp.com](mailto:jbml.investor@jbmgroupp.com)

## 12. ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS:

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with the applicable statutory requirements and Secretarial Standards, to provide guidance to Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## 13. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis report has been given separately in the Annual Report.



## 14. SHAREHOLDERS:

The detail relating to appointment / re-appointment of Directors is provided in the Notice of the Annual General Meeting.

## 15. GENERAL SHAREHOLDER INFORMATION:

### (i) Annual General Meeting

Date and Time : 10th September, 2020  
Venue/ Mode : Thorough Video Conference

### (ii) Financial year

: 1st April to 31st March

Financial reporting for the Financial Year 2019-20

1st quarter ended 30th June, 2019 : July, 2019  
2nd quarter ended 30th September, 2019 : October, 2019  
3rd quarter ended 31st December, 2019 : January, 2020  
Year ended 31st March, 2020 : April, 2020

### (iii) Date of Book Closure

3rd September, 2020 to 10th September, 2020 (both days inclusive).

### (iv) Dividend Payment Date

The dividend, if declared, will be paid within 30 days from the date of Annual General Meeting. Physical warrants shall be dispatched to the shareholders, who have not registered their ECS mandates, upon normalisation of postal services.

### (v) Listing on Stock Exchanges

The equity shares of the Company are listed and traded on the following Stock Exchanges:

Sl. No.	Name & Address of Stock Exchanges	Stock / Scrip Code
1.	<b>BSE Limited ("BSE")</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Tel. No. 022-22721233/34, Fax: 022-22721919	520066
2.	<b>National Stock Exchange of India Limited ("NSE")</b> Exchange Plaza, 5th Floor, Plot No.- C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, Tel.: 022-26598100-14, Fax : 022-26598120	JAYBARMARU

ISIN No. for CDSL and NSDL: **INE 571B01028**

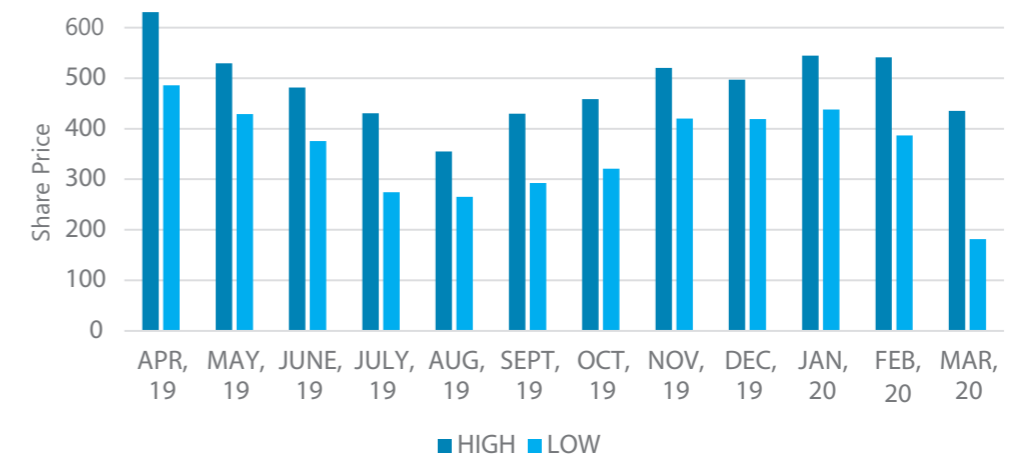
The Annual listing fee for the financial year 2020-21 has been paid by the Company to BSE and NSE and the Annual Custodian Fee has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2020-21.

## 16. STOCK MARKET DATA:

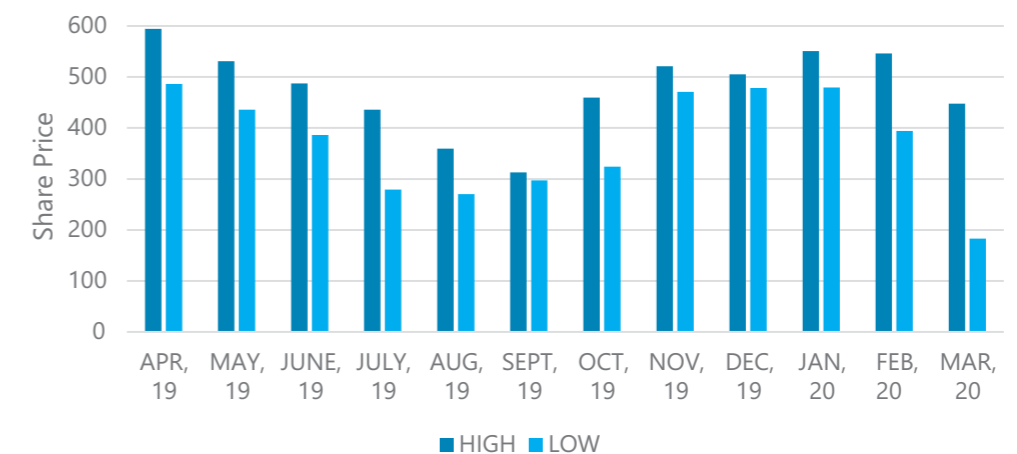
(A) SHARE PRICE MOVEMENT: The monthly high/low prices and volume during the financial year 2019-20:

Months	BSE Limited ("BSE")			National Stock Exchange of India Ltd. ("NSE")		
	High (₹)	Low (₹)	Turnover (In Lacs)	High (₹)	Low (₹)	Turnover (In Lacs)
April, 2019	312.95	241.60	313.33	293.60	240.15	2912.13
May, 2019	263.00	215.00	169.17	261.50	215.40	1251.56
June, 2019	239.35	186.85	136.47	239.80	190.00	858.47
July, 2019	214.70	137	93.00	215.35	136.10	776.51
August, 2019	176.45	133.10	361.41	176.50	132.05	2814.07
September, 2019	213.7	146.4	888.17	213.40	147.05	6218.04
October, 2019	228.00	159.45	1140.83	227.00	159.20	10714.81
November, 2019	258.30	209	1082.83	257.95	231.85	12411.15
December, 2019	247.00	207.90	533.62	247.30	235.15	5273.92
January, 2020	271.20	217.05	731.16	272.00	216.95	6967.91
February, 2020	268.50	193	272.23	269.00	192.80	2931.34
March, 2020	216.60	91.00	184.58	219.95	90.00	1170.18

MONTHLY HIGH LOW AT BSE LTD.



MONTHLY HIGH AND LOW AT NSE LTD.

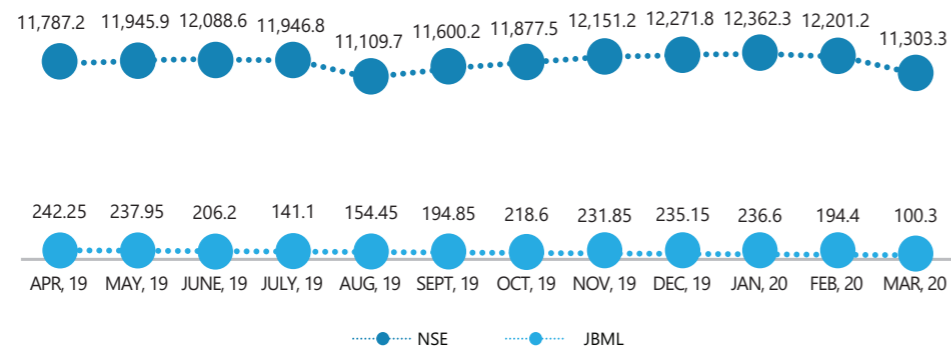


Source: www.nseindia.com

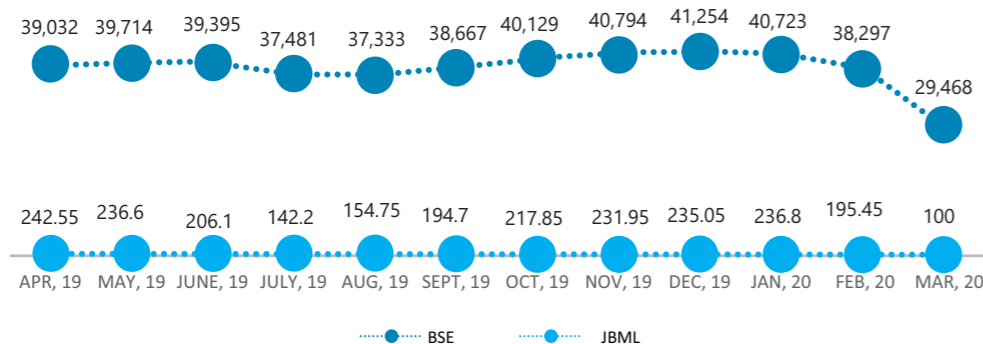
**(B) PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO NIFTY AND BSE SENSEX DURING FY 2019-20:**

A comparison of monthly closing share price at BSE and NSE with monthly closing BSE Sensex & NSE Nifty (S & P CNX Nifty) are as follows:

**Comparison of the Share Price of JBML with NSE Nifty**



**Comparison of the Share Price of JBML with BSE Sensex**



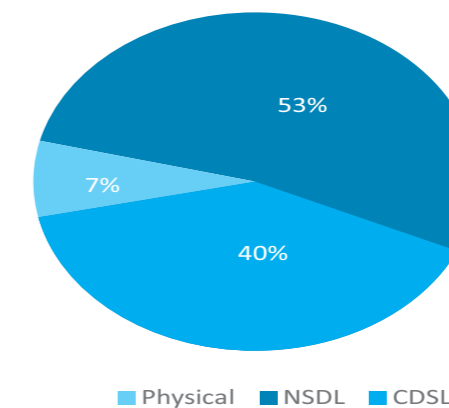
**(C) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2020**

Category (Shares)	Folios		Shares	
	Numbers	Percentage (%)	Numbers	Percentage (%)
1 - 500	17284	93.50	1558809	7.20
501 - 1000	636	3.44	486566	2.25
1001 - 2000	308	1.67	469726	2.17
2001 - 3000	82	0.44	206256	0.95
3001 - 4000	54	0.29	195679	0.90
4001 - 5000	23	0.12	107788	0.50
5001 - 10000	38	0.21	281101	1.30
10001 - 50000	39	0.21	821293	3.79
50001 - 100000	2	0.01	137931	0.64
100001 & above	20	0.11	17384851	80.30
<b>Total</b>	<b>18486</b>	<b>100.00</b>	<b>2,16,50,000</b>	<b>100.00</b>

**(D) CATEGORY OF SHAREHOLDERS HOLDING SHARES IN COMPANY AS ON 31ST MARCH, 2020**

Category	No. of shareholder	Percentage (%)	Shares held	Percentage (%)
Physical	1292	6.99	943908	4.36
NSDL	9747	52.73	12839331	59.30
CDSL	7447	40.28	7866761	36.34
<b>Total</b>	<b>18,486</b>	<b>100</b>	<b>21650000</b>	<b>100</b>

**SHAREHOLDING PATTERN**



The shares of the Company are available for trading with both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The name and addresses of the depositories are as under:

National Securities Depository Limited	Central Depository Services (India) Limited
Trade World, 4th Floor Kamala Mills Compound Senapathi Bapat Marg Lower Parel, Mumbai - 400013 Tel. No. 022 - 24994200 Fax No. 022 - 24976351 E Mail : info@nsdl.co.in	Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400023 Tel No. 022 - 22723333; Fax: 022 - 22723199 / 22722072 E-Mail: investor@cdslindia.com; helpdesk@cdslindia.com

**(E) VALUATION OF SHARES:** The closing price of the Company's share as on 31st March, 2020 on the Stock Exchanges are given below:

Sl. No.	Name of the stock exchanges	Share price
1.	BSE Limited ("BSE")	100.00
2.	National Stock Exchange of India Ltd. ("NSE")	100.30

**(F) MARKET CAPITALIZATION:** Market Capitalization as on 31st March, 2020 is ₹ 21715 Lakhs.

**(G) DEMATERIALIZATION OF SHARES & LIQUIDITY:**

The shares of the Company are in compulsory demat segment and are available for trading on NSE and BSE. As at 31st March, 2020, Equity 20706092 equity shares out of 216,50,000 equity shares of the company, representing 95.64% of the Company's paid up capital are held in dematerialized form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE571B01028

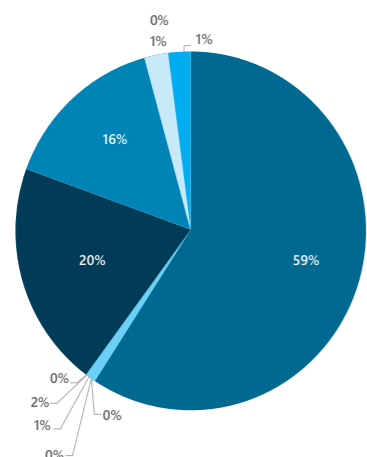


**(H) SHARE TRANSFER SYSTEM:**

Application for transmission and transposition are received by the Company at its Registered Office or Corporate Office or at the office of its Registrar and Transfer Agent. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 2019 except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Share Transfer Committee of the Board of Directors of the Company is empowered to approve transposition, demat request on case to case basis and transmission etc. Such approvals are accorded in due course of time when request is made and, thereafter are registered and duly endorsed certificates are sent to the shareholders.

**(I) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2020**

Category code	Category of Shareholder	Number of Shares	Percentage (%)
<b>(A) Shareholding of Promoter and Promoter Group</b>			
1	Indian	12,848,679	59.35
2	Foreign	-	-
<b>Sub Total (A):</b>		<b>12,848,679</b>	<b>59.35</b>
<b>(B) Public shareholding</b>			
1	Institutions		
(a)	Mutual Funds/ UTI	36345	0.17
(b)	Financial Institutions / Banks	1600	0.00
(c)	Insurance Companies	1000	0.00
(d)	Foreign Portfolio Investors	428512	1.98
<b>Sub-Total (B)(1):</b>		<b>467457</b>	<b>2.15</b>
2	Central Government/ State Government(s)	130061	0.60
<b>Sub-Total (B)(2):</b>		<b>130061</b>	<b>0.60</b>
3	Non-institutions		
(a)	Bodies Corporate	4229046	19.53
(b)	Individual shareholders holding nominal share capital up to ₹ 2 lakh	3360844	15.52
(c)	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	297694	1.38
(d)	NBFCs registered with RBI	3330	0.01
(e)	NRI with & without REPAT	312889	1.44
<b>Sub-Total (B)(3):</b>		<b>8203803</b>	<b>37.89</b>
<b>Total Public Shareholding (B)(1)+(B)(2) +(B)(3):</b>		<b>8801321</b>	<b>40.65</b>
<b>Grand Total:</b>		<b>2,16,50,000</b>	<b>100.00</b>



Shareholding Pattern

- Promoter
- Mutual Funds/ UTI
- Financial Institutions / Banks
- Central Government/ State Government(s)
- Insurance Companies
- Foreign Portfolio Investors
- Bodies Corporate
- Individual shareholders holding nominal share capital up to Rs 2 lakh
- Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.
- NBFCs registered with RBI
- NRI with & without REPAT

**(J) OUTSTANDING GDR/ADR/WARRANTS OR ANY OTHER CONVERTIBLE INSTRUMENTS**

The Company has no outstanding GDR/ADR/Warrants or any other convertible Instruments as on 31st March, 2020.

**(K) CREDIT RATINGS OBTAINED DURING THE FINANCIAL YEAR**

ICRA has reaffirmed its credit rating of A1 for short term instruments and the rating for long term debt Instruments is A+ and indicating the outlook on the long term rating as "Stable".

**17. UNPAID / UNCLAIMED DIVIDEND OF THE COMPANY FOR PREVIOUS YEARS:**

As per Section 123 of the Companies Act, 2013, the Company is required to transfer the balance amount of dividends remaining unpaid/unclaimed for a period of 7 years from the due date to the Investor Education Protection Fund (IEPF) set up by the Central Government. Given below are the tentative due dates for transfer of unpaid/unclaimed dividends to IEPF by the Company. It is important to note that no claim shall lie against the Company or IEPF, once amount is transferred to IEPF.

Financial Year	Rate of Dividend	Proposed date for transfer to IEPF
2012-13	30%	18th September, 2020
2013-14	25%	18th September, 2021
2014-15	40%	23rd September, 2022
2015-16	40%	2nd October, 2023
2016-17	50%	23rd September, 2024
2017-18	50%	10th October, 2025
2018-19	50%	20th October, 2026

**18. PLANT LOCATION:**

- Plant - I** : Plot No. 5, Maruti Joint Venture Complex, Gurgaon -122015, Haryana.
- Plant - II** : Sector 36, Mohammadpur Jharsa, Near Khandsa Village, Gurgaon -122001, Haryana.
- Plant - III** : Plot No. 15 & 22, Sector 3A, Maruti Supplier Park, IMT Manesar, Gurgaon -122050 Haryana.
- Plant - IV** : Plot No. 322, Sector -3, Phase - II, Bawal -123501, Haryana.
- Plant - V** : Survey No.62, Paiki, 6 & 7, GIDC Extension Road, Village Vithlapur, Taluka Mandal, District Ahmedabad Gujarat -382130

**18. ADDRESSES:**

Investors/ shareholders correspondence may be addressed either to the Company at its corporate office or to its share transfer agent at the following respective address(s):

**Mr. Ravi Arora**  
**Company Secretary**  
 Jay Bharat Maruti Limited,  
 Plot No. 9, Institutional Area,  
 Sector -44, Gurgaon, Haryana -122 003.  
 Tel.: 0124 - 4674500  
 Fax: 0124 - 4674599  
 E-mail: ravi.arora@jbmgroup.com  
 jbml.investor@jbmgroup.com

**MCS Share Transfer Agent Limited**  
**(Unit: Jay Bharat Maruti Limited)**  
 F - 65,1st Floor  
 Okhla Industrial Area, Phase - I  
 New Delhi-110 020.  
 Tel.: 011-41609386, 41406149, 41709885  
 Fax: 011-41709881  
 E-mail: admin@mcsregistrars.com  
 helpdeskdelhi@mcsregistrars.com

**20. WEB SITE:**

The following updates and information can be accessed through the company's website i.e. [www.jbmgroup.com](http://www.jbmgroup.com)

- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate disclosures made to the Stock exchanges
- Unpaid Dividend
- Various Policies, etc.

## 21. GREEN INITIATIVE IN CORPORATE GOVERNANCE:

In Compliance with Circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs, 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.jbm-group.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

### NOTE:

**The details are given purely by way of Information. Members may make their own Judgement and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

### (PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements ) Regulation 2015, (LODR) in respect to Jay Bharat Maruti Limited ( CIN: : L29130DL1987PLC027342) I hereby certify that :

\*On the basis of written representation /declarations received from the Directors and taken on record by the Board of Directors as on March 31,2020 , none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authorities.

Place: Noida  
Date: June 26, 2020

Sd/-  
Sunita Mathur  
Company Secretary in Practice  
FCS No. 1743 / CP No.: 741  
ICSI UDIN:F00174B000374357

\*Disclaimer Note: During this challenging time of COVID-19 outbreak this "Certificate" has been undertaken to the best of my capacity based on of e-verification of scans, softcopies, information, confirmation, records and documents made available to us by the management.



## CODE OF CONDUCT COMPLIANCE CERTIFICATE FOR FY 2019-20

To the best of my knowledge and belief and information available with me, I hereby declare that all the Board Members and Senior Management Personnel of M/s Jay Bharat Maruti Limited have complied with the Code of Conduct during the financial year 2019-20 (as applicable on them).

**Place: New Delhi**  
**Date: June 26, 2020**

**For Jay Bharat Maruti Limited**  
**Sd/-**  
**S. K. Arya**  
**Chairman & Managing Director**  
**DIN:00004626**

## CEO AND CFO CERTIFICATION

The Board of Directors  
Jay Bharat Maruti Limited  
601, Hemkunt Chambers  
89, Nehru Place  
New Delhi 110019

Date: June 26, 2020

**Sub: Annual Certificate of Compliance for FY 2019-20**

Sir,

We, S. K. Arya, Chairman & Managing Director and Anand Swaroop, President & CFO of the Company hereby states that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we 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:
  - i. significant changes in such internal control during the year, if any;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - iii. 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 for financial reporting.

Thanking you,

**Sd/-**  
**(S. K. Arya)**  
**Chairman & Managing Director**  
**DIN: 00004626**

**Sd/-**  
**(Anand Swaroop)**  
**President & CFO**

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
JAY BHARAT MARUTI LIMITED  
CIN : L29130DL1987PLC027342.  
601, Hemkunt Chamber ,  
89 Nehru Place, New Delhi - 110019

I, have examined the compliance of conditions of Corporate Governance by Jay Bharat Maruti Limited (hereinafter referred to as "the Company"), for the year ended 31st March, 2020 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the period 1st April, 2019 to 31st March, 2020.

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

\*In my opinion and to best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

Date: June 25, 2020  
Place: Noida

Sd/-  
Sunita Mathur  
Company Secretary in Practice  
FCS No. 1743 / CP No.: 741  
ICSI UDIN:F001743B000374632

\*Disclaimer Note: During this challenging time of COVID-19 outbreak this "Certificate" has been undertaken to the best of my capacity based on of e-verification of scans, softcopies, information, confirmation, records and documents made available to us by the management.

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF JAY BHARAT MARUTI LIMITED

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

#### Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **JAY BHARAT MARUTI LIMITED** ("the Company"), 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 the notes to the Standalone Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (here in after referred to as the "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 (the Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone 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 Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Leases</b></p> <p>Ind AS 116, Leases, is applicable from April 01, 2019 and introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability in their balance sheet in respect of contracts which qualify as a lease.</p> <p>Ind AS 116, Leases, involves certain key judgements with respect to identification of leases, determination whether there is reasonable certainty that an extension or termination option will be exercised, identification of appropriate discount rate using the interest rate implicit in the lease or lessee's incremental borrowing rate, as applicable, to calculate the lease obligation, measuring any impairment of the 'right of use asset', modification/ termination to the leases etc.</p> <p>The Company has adopted Ind AS 116, Leases, with effect from April 01, 2019 using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability (Refer Note No. 2.5 of the Standalone Ind AS Financial Statements).</p> <p>The assessment of the impact of transition to Ind AS 116 is significant to our audit as it involves selection of the transition option and identification and processing all relevant data associated with the leases which is complex. Significant judgement is required in the assumptions and estimates made in the measurement of the ROU asset and lease liability. Such assumptions and estimates include assessment of lease term including termination and renewal options, and determination of appropriate discount rates.</p> <p>Based on the above factors, the implementation of the new accounting standard on leases has been identified as a key audit matter.</p>	<p>Principal audit procedures performed:</p> <p>We have performed the following procedures:</p> <p>(i) Assessed the appropriateness of the accounting policy for leases as per relevant accounting standard with special reference to methodology of the selected transition approach to this standard.</p> <p>(ii) Evaluated and tested Company's internal control processes in relation to lease identification, assessment of the terms and conditions of lease contracts and the calculation of the related lease liability and ROU asset.</p> <p>(iii) Evaluated the reasonableness of Company's key judgements and estimates made in preparing the transition adjustments, specifically in relation to the lease term and discount rate.</p> <p>(iv) Testing the completeness and accuracy of underlying lease data and Ind AS 116 adjustments by checking its reconciliation with the number of operating lease contracts and relevant records of the Company.</p> <p>(v) Tested the accuracy and existence of the ROU asset and lease liability recognised on transition by examining the original lease agreements and re-performing the calculations after considering the impact of the variable lease payments, if any.</p> <p>(vi) Assessed the adequacy of the disclosures included in the Standalone Ind AS Financial Statements.</p>



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone 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 Standalone 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 Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone 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 Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian 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 Standalone 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 Standalone Ind AS 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.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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:

- Identify and assess the risks of material misstatement of the Standalone 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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 Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial 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 the requirements of section 197(16) of the Act, as amended:
 

In our opinion and according to the best of our information and according to explanations given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director for the year ended March 31, 2020 was paid as per Schedule V Part II Section II of the Companies Act, 2013 as the Profits for the year ended March 31, 2020 were inadequate. The amount paid is in excess of the amount as per section 197 of the Companies Act, 2013 but within the limits as approved by shareholders by way of special resolution passed in their meeting held on 04.09.2018. To comply with the provisions of Schedule V Part II Section II, the Board as well as the Nomination and Remuneration Committee has approved the change of term from 5 years to 3 years, subject to approval of shareholders in the ensuing Annual General Meeting of 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements- Refer Note 37 of the Standalone Ind AS Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Sahni Natarajan and Bahl**  
**Chartered Accountants**  
**Firm Registration No.: 002816N**

**Sd/-**  
**Sudhir Chhabra**  
**Partner**  
**Membership No. 083762**  
**UDIN: 20083762AAAAAR9784**

**Place: New Delhi**  
**Date: June 26, 2020**

**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE IND AS FINANCIAL STATEMENTS OF JAY BHARAT MARUTI LIMITED****(This is the annexure referred to in Para 1 of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)**

- (i) In respect of the Fixed Assets:
- (a) The Company has maintained proper records showing the full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets covering significant value were physically verified during the year by the management at such intervals which in our opinion, provides for the physical verification of all the Fixed Assets at reasonable interval having regard to the size of the Company and nature of its business. In our opinion and according to the information and explanations given to us by the management, no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) Inventories, except goods-in-transit and stock lying with the third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as defined under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the maintenance of the cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) In respect of the statutory and other dues:
- (a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and any other material statutory dues as applicable with the appropriate authorities. In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at March 31, 2020 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, disputed demand for Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax which have not been deposited with relevant authorities as on March 31, 2020 are given as under:

S.No.	Name of Statute	Nature of Dues	Amount due (net of deposit *) (Rs. In Lakhs)	Year to which amount relates	Forum where dispute is pending
1	The Central Excise Act, 1944	Excise Duty (Interest on Supplementary Bill)	115.48	FY 2001- 2009	Supreme Court
2	Finance Act, 1994	Service Tax	2.19	FY 2011-2016	CGST-Appeal-Gurugram
3	Income Tax Act, 1961	Income Tax	582.89	FY 2004-2005 to 2013-14	Income Tax Appellate Tribunal
4	Income Tax Act, 1961	Income Tax	10821.87	FY 2007-08 to 2017-18	CIT (Appeals)

\*Total amount deposited in respect of disputed Service Tax demands is Rs. 1.42 Lakhs.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions & banks. The Company has not borrowed from Government or by way of debentures.

- (ix) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which those are raised.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported by the Company during the year.
- (xi) In our opinion and according to the best of our information and according to explanations given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director for the year ended March 31, 2020 was paid as per Schedule V Part II Section II of the Companies Act, 2013 as the Profits for the year ended March 31, 2020 were inadequate. The amount paid is in excess of the amount as per section 197 of the Companies Act, 2013 but within the limits as approved by shareholders by way of special resolution passed in their meeting held on 04.09.2018. To comply with the provisions of Schedule V Part II Section II, the Board as well as the Nomination and Remuneration Committee has approved the change of term from 5 years to 3 years, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.
- (xii) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into with the Related Parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

**For Sahni Natarajan and Bahl  
Chartered Accountants  
Firm Registration No.: 002816N**

**Sd/-  
Sudhir Chhabra  
Partner  
Membership No. 083762  
UDIN: 20083762AAAAAR9784**

**Place: New Delhi  
Date: June 26, 2020**



## ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE IND AS FINANCIAL STATEMENTS OF JAY BHARAT MARUTI LIMITED

**(This is the annexure referred to in Para 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)**

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

We have audited the internal financial controls over financial reporting of **JAY BHARAT MARUTILIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

The Company's Board of Directors 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 Standalone 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.

#### 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 and according to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

**For Sahni Natarajan and Bahl  
Chartered Accountants  
Firm Registration No.: 002816N**

**Sd/-  
Sudhir Chhabra  
Partner  
Membership No. 083762  
UDIN: 20083762AAAAAR9784**

**Place: New Delhi  
Date: June 26, 2020**

**CIN L29130DL1987PLC027342**  
**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020**

₹ In Lakhs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	81,676.00	82,980.59
(b) Capital Work-in-Progress	4	14,312.10	5,121.60
(c) Intangible Assets	5	60.94	197.14
(d) Financial Assets			
(i) Investments	6	2,073.05	1,715.72
(ii) Loans	7	361.59	202.45
(e) Other Non-Current Assets	8	3,592.72	3,884.54
		<b>1,02,076.40</b>	<b>94,102.04</b>
<b>2. Current Assets</b>			
(a) Inventories	9	12,257.81	16,921.53
(b) Financial Assets			
(i) Trade Receivables	10	5,191.87	7,415.33
(ii) Cash and Cash Equivalents	11	151.52	91.45
(iii) Bank Balances other than (ii) above	12	41.80	40.86
(iv) Other Financial Assets	13	242.49	94.26
(c) Other Current Assets	14	712.82	1,889.07
		<b>18,598.31</b>	<b>26,452.50</b>
<b>TOTAL</b>		<b>1,20,674.71</b>	<b>1,20,554.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	1,082.50	1,082.50
(b) Other Equity	16	41,225.34	39,323.40
		<b>42,307.84</b>	<b>40,405.90</b>
<b>Liabilities</b>			
<b>1. Non-Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	27,911.74	26,924.05
(ii) Other Financial Liabilities	18	3,145.75	2,875.12
(b) Provisions	19	1,197.67	1,139.14
(c) Deferred Tax Liabilities (Net)	20	7,404.64	6,706.56
(d) Other Non-Current Liabilities	21	-	95.00
		<b>39,659.80</b>	<b>37,739.87</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	11,269.27	7,939.67
(ii) Trade Payables	23		
Total outstanding dues of micro enterprises and small enterprises		301.51	417.57

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of creditors other than micro enterprises and small enterprises		16,183.74	20,065.11
(iii) Other Financial Liabilities	24	8,509.57	11,205.61
(b) Other Current Liabilities	25	2,243.52	2,571.55
(c) Provisions	26	199.46	209.26
		<b>38,707.07</b>	<b>42,408.77</b>
<b>TOTAL</b>		<b>1,20,674.71</b>	<b>1,20,554.54</b>
Significant Accounting Policies	2		

The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)



**CIN L29130DL1987PLC027342**  
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED**  
**31ST MARCH, 2020**

Particulars	Note No.	₹ In Lakhs	
		For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I. Revenue from Operations</b>	27	<b>1,65,771.34</b>	<b>1,99,400.22</b>
<b>II. Other Income</b>	28	<b>169.85</b>	<b>297.19</b>
<b>III. Total Income (I + II)</b>		<b>1,65,941.19</b>	<b>1,99,697.41</b>
<b>IV. Expenses</b>			
Cost of Materials Consumed		1,25,234.47	1,54,218.16
Changes in Inventories of Finished Goods and Work in Progress	29	1,569.89	(752.68)
Employee Benefits Expense	30	14,207.74	15,497.51
Finance Costs	31	3,807.95	3,433.21
Depreciation and Amortization Expense	32	6,252.02	6,148.66
Other Expenses	33	10,655.24	12,984.25
<b>Total Expenses (IV)</b>		<b>1,61,727.31</b>	<b>1,91,529.11</b>
<b>V. Profit before tax (III-IV)</b>		<b>4,213.88</b>	<b>8,168.30</b>
<b>VI. Tax Expense:</b>	34		
(1) Current Tax		747.14	1,759.26
(2) Deferred Tax		710.82	1,191.64
(3) Earlier Years Tax		(46.08)	0.30
		<b>1,411.88</b>	<b>2,951.20</b>
<b>VII. Profit after tax for the year (V-VI)</b>		<b>2,802.00</b>	<b>5,217.10</b>
<b>VIII. Other Comprehensive Income</b>	35		
(A) Items that will not be reclassified subsequently to profit or Loss			
- Remeasurement of the net defined benefit liability/asset		95.32	28.78
- Income tax effect		(33.31)	(10.06)
- Fair value changes on Investment		(309.56)	(201.84)
(B) Items that will be reclassified subsequently to profit or Loss		-	-
<b>Total Other Comprehensive Income (A)+ (B)</b>		<b>(247.55)</b>	<b>(183.12)</b>
<b>IX. Total Comprehensive Income (VII+VIII)</b>		<b>2,554.45</b>	<b>5,033.98</b>
<b>X. Earnings per equity share (Face Value of Rs 5/- each) :</b>	36		
(1) Basic		12.94	24.10
(2) Diluted		12.94	24.10
Significant Accounting Policies	2		

The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

CIN L29130DL1987PLC027342

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

A. Equity Share Capital					₹ In Lakhs
Particulars	Balance as at 01 April 2018	Change in equity share capital during the year	Balance at the end of 31 March 2019	Change in equity share capital during the year	Balance at the end of 31 March 2020
Equity Share Capital	1,082.50	-	1,082.50	-	1,082.50
B. Other Equity					₹ In Lakhs
Particulars	Reserves and Surplus		Other Comprehensive Income	Total	
	General Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income		
<b>Balance as at 1 April 2018</b>	<b>2,516.75</b>	<b>31,152.06</b>	<b>1,273.10</b>	<b>34,941.91</b>	
Profit for the year	-	5,217.10	-	5,217.10	
Remeasurement of defined benefit obligations (net of income tax)	-	18.72	-	18.72	
Fair valuation of investments	-	-	(201.84)	(201.84)	
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)	
Corporate dividend tax	-	(111.25)	-	(111.25)	
<b>Balance as at 31 March 2019</b>	<b>2,516.75</b>	<b>35,735.39</b>	<b>1,071.26</b>	<b>39,323.40</b>	
Profit for the year	-	2,802.00	-	2,802.00	
Remeasurement of defined benefit obligations (net of income tax)	-	62.01	-	62.01	
Fair valuation of investments	-	-	(309.56)	(309.56)	
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)	
Corporate dividend tax	-	(111.26)	-	(111.26)	
<b>Balance as at 31 March 2020</b>	<b>2,516.75</b>	<b>37,946.89</b>	<b>761.70</b>	<b>41,225.34</b>	

The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

CIN L29130DL1987PLC027342

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	₹ In Lakhs	
	Year ended March 31,2020	Year ended March 31,2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,213.88	8168.30
<b>Adjustments for :</b>		
Depreciation and amortisation	6,252.02	6,148.66
Interest expense	3,807.95	3,433.21
Interest income	(29.24)	(14.52)
Dividend income	(15.30)	(15.35)
Rental income	(28.92)	(28.92)
Balances written back	(34.83)	(0.47)
Unpaid exchange fluctuation	211.58	(177.76)
Profit/Loss on sale of property,plant and equipment	(42.84)	3.36
	10,120.42	9348.21
<b>Operating Profit before working Capital changes</b>	<b>14,334.30</b>	<b>17,516.51</b>
<b>Adjustments for :</b>		
Trade and other receivables	3,274.55	(2,967.10)
Inventories	4,663.72	3326.98
Trade and other payables	(4,946.66)	(2,268.47)
	2,991.61	(1,908.60)
<b>Cash generated from operating activities</b>	<b>17,325.91</b>	<b>15,607.92</b>
Direct taxes paid	(1,921.38)	(2,846.36)
	(1,921.38)	(2,846.36)
<b>Net Cash from Operating Activities</b>	<b>15,404.53</b>	<b>12,761.56</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property,plant and equipment and intangible assets including capital advances	(13,893.40)	(19,186.29)
Proceeds from sale of property,plant and equipment	103.11	30.47
Purchase of Investments	(666.89)	(405.93)
Rent received	28.92	28.92
Interest received	29.24	14.52
Dividend received	15.30	15.35
<b>Net cash used in Investing Activity</b>	<b>(14,383.72)</b>	<b>(19,502.96)</b>
	<b>1,020.81</b>	<b>(6,741.40)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	9,776.08	11,262.34
Repayments of long term borrowings	(9,641.89)	(3,484.75)
Short term borrowings(Net)	3,329.60	2,758.38
Interest paid	(3,772.02)	(3,284.64)
Dividend paid	(541.25)	(541.25)
Corporate dividend tax	(111.26)	(111.25)
<b>Net cash from/(used in) financing activities</b>	<b>(960.74)</b>	<b>6,598.84</b>
<b>Net increase/(decrease) in Cash and Cash equivalents</b>	<b>60.07</b>	<b>(142.57)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>91.45</b>	<b>234.02</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>151.52</b>	<b>91.45</b>

The accompanying notes are forming part of these financial statements

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

### NOTES:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the IND AS-7 "Statement of Cash Flows".
- During the year the Company spent ₹ 164.20 Lakhs (P.Y ₹ 147.38 Lakhs) on CSR Expenses in accordance with the provisions of the Companies Act, 2013
- Cash and Cash Equivalents include Bank Balances and Cash in Hand (Refer Note No. 11)
- Figures in bracket represents cash outflow.
- IND AS 7 cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the requirement following disclosure is made:

	As at 1st April 2019	Recognised During the Year	Cash Inflows/ (Outflows)	Acquisition/Foreign Exchange Movement/Fair Value Changes	As at 31st March 2020
Borrowings- Non Current	32,434.75	-	270.59	(73.10)	32,632.24
Borrowings- Current	7,939.67	-	3,329.60	-	11,269.27
Lease liabilities	-	690.91	(136.40)	40.14	594.65

₹ In Lakhs

As per our report of even date attached

#### For Sahni Natarajan and Bahl

Chartered Accountants  
Firm Registration No. - 002816N

#### S.K.Arya

Chairman & Managing Director  
DIN 00004626  
New Delhi

#### Nishant Arya

Director  
DIN 00004954  
New Delhi

#### Sudhir Chhabra

Partner  
M.No-083762

#### Anand Swaroop

President & CFO  
Gurugram (Haryana)

#### Sunil Dutt Agrawal

VP-Finance  
Gurugram (Haryana)

Place: New Delhi

Date : June 26, 2020

#### Ravi Arora

Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1. GENERAL INFORMATION

Jay Bharat Maruti Limited (JBML) ("The Company") is a public limited company incorporated in India, listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is 601, Hemkunt Chambers, 89, Nehru Place, New Delhi, New Delhi-110019. The Company is a Associate of Maruti Suzuki India Limited. The principal activities of the Company are manufacturing of sheet metal components, rear axle, muffler assemblies, fuel neck and tools & dies for motor vehicles, components and spare parts.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorize for issue on 26-06-2020.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the companies Act, 2013 ("the Act") read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

#### 2.2. Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### 2.3. Use of Estimates & Judgment's

The preparation of financial statements in conformity with Ind AS requires management to make judgment's, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

#### 2.4. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

##### Sale of Products

Revenue is recognized for sale of products when the Company transfer control over such products to the customer which is generally on dispatch from the factory.

##### Sale of Services

Revenue from services are recognized as related services are performed.

##### Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

For all Financial instruments measured either at amortized 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 amortised cost of the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.]

### 2.5. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on the date of initial application, using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability. Accordingly, comparatives for previous year ended March 31, 2019 have not been retrospectively adjusted.

#### The Company as lessor

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company did not make any adjustments to the accounting for assets held as a lessor as a result of adopting the new lease standard.

#### The Company as lessee (Till 31st March, 2019)

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company policy on borrowing costs.

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

#### The Company as lessee (With effect from April 1, 2019)

The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognises a 'right-of-use' asset and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Right-of-use asset are measured at cost comprising the following:

- The amount of initial measurement of liability
- Any lease payments made at or before the commencement date less the incentives received
- Any initial direct costs, and
- Restoration costs

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use asset are depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Lease liabilities measured at amortised cost include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company under residual value guarantees
- The exercise price of purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the rate of interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in the similar economic environment with similar terms, security and conditions.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets. Variable lease payments are recognised in the statement of profit and loss in the period in which the condition that triggers those payments that occur.

#### Lease liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option

### 2.6. Foreign Currencies

#### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

### 2.7. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 2.8. Employee Benefits

#### Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

#### Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

#### Post-employment obligations

#### Defined benefit plans

The Company has defined benefit plans namely Gratuity Fund for employees. The Gratuity Fund is recognised by the income tax authorities and are administered through Trust set up by the LIC. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined contribution plans

The Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund administered through Life Insurance Corporation of India. The Company's contribution are charged to revenue every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

#### Termination Benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

### 2.9. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the income taxes are also recognised in Other Comprehensive Income or directly in Equity respectively.

### 2.10. Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

#### Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option available in Ind AS 101.

#### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Property, plant and equipment	Useful lives based on technical evaluation
Plant & machinery	20 years
Electric Installation	20 years
Factory Building (Including Tube well)	28-29 Years
Vehicles	5 years
Office Building	60 years
Furniture & Fixtures	5 years
Trolleys & Bins (Dies, Fixtures & Special Purpose Machine)	5 years
Dies, Fixtures & Jigs	3-9 Years
Computers	3 Years
Office Equipment	5 Years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing ₹ 5000/- or less are depreciated in full in the year of purchase. Plant & Machinery and other assets the written down value of which at the beginning of the year is ₹ 5000/- or less and ₹ 1000/- or less respectively are depreciated at the rate of 100%.

Freehold land is not amortised.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

### 2.11. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

### Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an intangible asset at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option in Ind AS 101.

### Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows.

Residual Value is considered as Nil in the below cases:

Nature of Assets	Life
Technical knowhow	3 years
Computer software	3 years

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of an intangible asset 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

### 2.12. Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

**Raw Material** is recorded at cost on a first-in, first-out (FIFO) basis;

**Stores & spares** are recorded at cost on a weighted average cost formula.

**Finished goods and work-in-process** are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

**By products and scrap** are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

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

### 2.13. Provisions and contingencies

#### Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. 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 recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

### 2.14. 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 assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

### (i). Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets

### (ii). Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

### (iii). Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in the Statement of Profit and Loss.

### (iv). Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Remeasurement recognised in profit or loss.

### (v). Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

### (vi). Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet and forms part of financing activities in the Cash Flow Statement. Book overdrafts are shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the Cash Flow Statement.

### (vii). Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

### (viii). De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients
- The right to receive cash flows from the asset has expired.

### (ix). Foreign Exchange Gains and Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

### Financial liabilities and equity instruments

#### (x). Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (xi). Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### (xii). Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through the Statement of Profit and Loss.

### (xiii). Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

### (xiv). Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

### (xv). Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

### (xvi). De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### (xvii). Derivative Financial Instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

### (xviii). Offsetting Financial Instruments

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 2.15. 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 recognised in the Balance Sheet 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.

### 2.16. Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit 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, except where the result would be anti-dilutive.

### 2.17. Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lacs as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated

### 2.18. Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

### 2.19. Royalty

The Company pays/accrues for royalty in accordance with the relevant licence agreements.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE-3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Description	Freehold Land #	Leasehold Land (Right of use Asset)	Buildings	Plant and Equipment	Furniture & Fixtures	Office Equipment	Computers & Computer System	Vehicles	Total
Gross Block*									
As at 01 April 2018	334.79	29.16	7,197.54	66,736.45	156.59	253.78	130.89	364.58	75,203.77
Additions	1,520.97	-	2,192.19	22,152.99	19.84	38.19	78.14	83.53	26,085.85
Disposals	-	-	-	(45.48)	-	-	(0.04)	-	(45.52)
As at 31 March 2019	1,855.76	29.16	9,389.73	88,843.96	176.43	291.97	209.00	448.11	1,01,244.10
Additions	-	690.91	1,050.33	2,740.73	7.60	23.06	5.39	345.70	4,863.73
Disposals	-	-	(7.10)	(78.72)	-	-	(2.08)	(134.12)	(222.02)
As at 31 March 2020	1,855.76	720.07	10,432.96	91,505.97	184.03	315.03	212.30	659.69	1,05,885.80
Accumulated Depreciation*									
As at 01 April 2018	-	29.16	633.46	11,293.85	70.96	80.39	59.32	110.55	12,277.69
Charge for the year	-	-	299.22	5,512.39	32.96	40.02	40.79	72.13	5,997.52
Adjustments on disposals	-	-	-	(11.70)	-	-	-	-	(11.70)
As at 31 March 2019	-	29.16	932.68	16,794.54	103.92	120.41	100.11	182.68	18,263.51
Charge for the year	-	104.27	367.85	5,429.03	25.82	41.85	41.55	97.68	6,108.04
Adjustments on disposals	-	-	(0.15)	(62.64)	-	-	(0.92)	(98.04)	(161.75)
As at 31 March 2020	-	133.43	1,300.38	22,160.93	129.74	162.26	140.73	182.31	24,209.80
Net block as at 31 March 2019	1,855.76	-	8,457.05	72,049.43	72.51	171.56	108.88	265.43	82,980.59
Net block as at 31 March 2020	1,855.76	586.64	9,132.59	69,345.03	54.28	152.77	71.56	477.38	81,676.00

# Includes a small portion of Freehold Land of the Company situated at Gurugram is provided on cancellable operating lease.

\* For Property, Plant and Equipment - charged as security - refer Note No. 17 &amp; 22

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

₹ In Lakhs

## NOTE-4 : CAPITAL WORK IN PROGRESS

	31-Mar-20	31-Mar-19
Capital Work in Progress*	14,312.10	5,121.60
	<b>14,312.10</b>	<b>5,121.60</b>

\* Including Pre-operative expenses ₹ 957.10 Lakhs ( As at March 31,2019 ₹ 143.15 Lakhs)

## Pre-operative expense pending allocation :

₹ In Lakhs

Nature of Expense	31-Mar-20	31-Mar-19
Opening Balance	143.15	93.10
Additions During the Year :		
Salary & Wages	97.56	93.98
Travelling & Conveyance	42.17	82.38
Other Miscellaneous Expenses	34.42	74.13
Interest Expenses	644.82	313.71
<b>Total</b>	<b>962.12</b>	<b>657.30</b>
Less : Capitalised during the year	(5.02)	(514.15)
Closing Balance	<b>957.10</b>	<b>143.15</b>

## NOTE-5 : INTANGIBLE ASSETS

₹ In Lakhs

	Technical Knowhow	Computer Software	Total
Gross Block			
As at 01 April 2018	647.61	169.40	817.01
Additions	-	53.27	53.27
Balance as at 31 March 2019	<b>647.61</b>	<b>222.67</b>	<b>870.28</b>
Additions	-	7.77	7.77
Balance as at 31 March 2020	<b>647.61</b>	<b>230.45</b>	<b>878.06</b>
Accumulated Amortisation			
As at 01 April 2018	414.23	107.77	522.00
Charge for the year	99.99	51.15	151.14
Balance as at 31 March 2019	<b>514.22</b>	<b>158.92</b>	<b>673.14</b>
Charge for the year	99.48	44.50	143.98
Balance as at 31 March 2020	<b>613.70</b>	<b>203.42</b>	<b>817.12</b>
Net book value as at 31 March 2019	133.39	63.75	197.14
Net book value as at 31 March 2020	<b>33.91</b>	<b>27.03</b>	<b>60.94</b>

## FINANCIAL ASSETS

₹ In Lakhs

NOTE 6 : INVESTMENTS	Units as at March 31,2020	Units as at March 31,2019	31-Mar-20	31-Mar-19
Investment in Equity Instruments				
Joint Venture (At cost)				
- Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in JBM Ogihara Die Tech Private Limited*	1,07,28,118	40,59,218	1,072.81	405.92
			<b>1,072.81</b>	<b>405.92</b>
"In Others"				
(in Equity Instruments at Fair Value through Other Comprehensive Income)				



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Unquoted (Fully paid up)					₹ In Lakhs
- Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Nagata India Private Limited	20,85,000	20,85,000	493.42	473.32	
			<b>493.42</b>	<b>473.32</b>	
Quoted (Fully paid up)					
- Equity Shares Face value of ₹ 5/- (P.Y ₹ 5/-) each in Maruti Suzuki India Limited	11,150	11,150	478.08	743.89	
- Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Haryana Financial Corporation	19,300	19,300	-	-	
- Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Canara Bank	31,790	31,790	28.74	92.59	
			<b>506.82</b>	<b>836.48</b>	
<b>Total Investment</b>			<b>2,073.05</b>	<b>1,715.72</b>	
Aggregate Market Value of Quoted Investments			506.82	836.48	
Aggregate amount of Quoted Investments (At Cost)			30.03	30.03	
Aggregate amount of Unquoted Investments			1,566.23	879.24	
Aggregate amount of impairment in value of Investment			-	-	

\*Disclosure U/S 186(4) of the companies Act 2013: During the year the company has invested ₹ 666.89 Lakhs (No. of Shares 66,68,900) in JBM Ogihara Die Tech Private Limited. The company is having 49% stake in the said company.

NOTE 7 : LOANS (Carried at Amortised Cost)			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>Unsecured, considered good</b>					
Security Deposits			361.59	202.45	
			<b>361.59</b>	<b>202.45</b>	

NOTE 8 : OTHER NON CURRENT ASSETS			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>Unsecured, considered good</b>					
Capital Advances			162.69	1,445.61	
Others			-	183.16	
Income Tax Refundable			3,430.03	2,255.77	
			<b>3,592.72</b>	<b>3,884.54</b>	

CURRENT ASSETS			₹ In Lakhs		
NOTE 9: INVENTORIES			31-Mar-20	31-Mar-19	
<b>(Carried at lower of cost and net realisable value)</b>					
Raw Materials			4,283.84	6,494.40	
Raw Materials in Transit			47.28	122.75	
Work In Progress			2,323.01	3,767.59	
Finished Goods			893.30	1,018.60	
Inventory-Dies			2,480.39	3,210.48	
Stores & Spares			2,110.36	2,107.40	
Scrap			119.63	200.31	
			<b>12,257.81</b>	<b>16,921.53</b>	

- Inventories have been secured against certain bank borrowings of the Company as at 31 March 2020 (Refer Note No. 22)  
- The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 130621.57 Lakhs (P.Y ₹ 158465.14 Lakhs)  
- The mode of valuation of inventories has been stated in Note No. 2.12 of Accounting Policy

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## FINANCIAL ASSETS (Carried at Amortised Cost, unless stated otherwise)

NOTE 10 : TRADE RECEIVABLES			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>(Unsecured, considered good)</b>					
- Unsecured, considered good			5,191.87	7,415.33	
			<b>5,191.87</b>	<b>7,415.33</b>	

- Trade receivables have been given as collateral towards borrowings of the Company (refer Note No. 22).  
- Includes Amount due from Related Parties (Refer Note No. 46)  
- Includes ₹ Nil (P.Y ₹ 258.38 Lakhs) debts due from Private Company in which Director is a Director or Member

NOTE 11 : CASH AND CASH EQUIVALENTS			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>(a) Balances with Banks</b>					
- In Current Account			146.15	88.86	
<b>(b) Cash in hand</b>					
			5.37	2.59	
			<b>151.52</b>	<b>91.45</b>	

NOTE 12 : BANK BALANCES OTHER THAN ABOVE			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>(Unsecured, considered good)</b>					
- In Unclaimed Dividend Account			41.80	40.86	
			<b>41.80</b>	<b>40.86</b>	

NOTE 13 : OTHER FINANCIAL ASSETS			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>(Unsecured, considered good)</b>					
<b>Carried at Amortised Cost</b>					
Advances to Employees			95.25	83.05	
Others			72.40	11.21	
<b>Carried at Fair Value through Profit and Loss</b>					
Hedging Gain Recoverable			74.84	-	
			<b>242.49</b>	<b>94.26</b>	

NOTE 14 : OTHER CURRENT ASSETS			31-Mar-20	31-Mar-19	₹ In Lakhs
<b>(Unsecured, considered good)</b>					
Prepaid Expenses			295.29	313.54	
Advances to Suppliers			369.02	538.10	
Balance with Statutory/Government Authorities			48.51	1,037.43	
			<b>712.82</b>	<b>1,889.07</b>	

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 15 : EQUITY SHARE CAPITAL	No. of Shares as on 31st Mar 2020	No. of Shares as on 31st Mar 2019	31-Mar-20	31-Mar-19
<b>Authorised</b>				
Equity Shares of ₹ 5/- (P.Y ₹ 5/-) each	5,40,00,000	5,40,00,000	2,700.00	2,700.00
Preference Shares of ₹ 10/- (P.Y ₹ 10/-) each	30,00,000	30,00,000	300.00	300.00
			<b>3000.00</b>	<b>3000.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 5/- (P.Y ₹ 5/-) each	2,16,50,000	2,16,50,000	1,082.50	1,082.50
			<b>1,082.50</b>	<b>1,082.50</b>
<b>Reconciliation of the number of Equity Shares outstanding</b>				
<b>Particulars</b>	<b>31-Mar-20</b>		<b>31-Mar-19</b>	
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
Balance at the beginning of the year	21,650,000	1,082.50	21,650,000	1,082.50
Add/(Less): issued/(cancelled) during the year	-	-	-	-
Balance at the end of the year	<b>21,650,000</b>	<b>1,082.50</b>	<b>21,650,000</b>	<b>1,082.50</b>

**Rights, preferences and restrictions attached to shares**

The Company has one class of equity shares with a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. Each shareholder is having similar dividend rights for each share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of Shareholders holding more than 5% of the Equity Share Capital**

Refer Note No. 43

**NOTE 16. OTHER EQUITY**

₹ In Lakhs

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
As at April 01, 2018	2,516.75	31,152.06	1,273.10	34,941.91
Profit for the year	-	5,217.10	-	5,217.10
Remeasurement of defined benefit obligations (net of income tax)	-	18.72	-	18.72
Fair valuation of investments	-	-	(201.84)	(201.84)
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)
Corporate dividend tax	-	(111.25)	-	(111.25)
<b>As at March 31, 2019</b>	<b>2,516.75</b>	<b>35,735.39</b>	<b>1,071.26</b>	<b>39,323.40</b>
Profit for the year	-	2,802.00	-	2,802.00
Remeasurement of defined benefit obligations (net of income tax)	-	62.01	-	62.01
Fair valuation of investments	-	-	(309.56)	(309.56)
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)
Corporate dividend tax	-	(111.26)	-	(111.26)
<b>At March 31, 2020</b>	<b>2,516.75</b>	<b>37,946.89</b>	<b>761.70</b>	<b>41,225.34</b>

In respect of the year ended March 31, 2020, the Directors propose that a final dividend of 25% i.e ₹ 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 270.63 Lakhs.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

**NON CURRENT LIABILITIES****FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise)**

₹ In Lakhs

NOTE :17 BORROWINGS (Secured)	31-Mar-20	31-Mar-19
<b>A. Term Loans From Banks</b>		
-In Foreign Currency (Buyers Credit)*	-	4,044.16
-In Rupee		
- Term Loan *	32,302.38	28,255.83
- Vehicle Loans **	329.86	134.76
<b>B. Finance Lease Obligations</b>	594.65	-
	<b>33,226.89</b>	<b>32,434.75</b>
Less:- Current Maturities of Long Term Loans	(5178.75)	(5510.70)
Less:- Current Maturities of Finance Lease Obligation	(136.40)	-
<b>Total</b>	<b>27,911.74</b>	<b>26,924.05</b>

\*Term loan of ₹ 23856.54 Lakhs is secured by First Pari-Passu charge on the movable assets of the new plant set up at Vitthapur Gujarat.

\*\*Term loan of ₹ 562.50 Lakhs & ₹ 7883.34 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X & 1.30X respectively coverage of the term loan value.

\*\*Secured by hypothecation of respective vehicle financed.

**Terms of Repayment of Term Loans**

I IN FOREIGN CURRENCY					
S. No.	Amount (₹ In Lakhs)	Interest Rate Terms	No. of Equal Quarterly Instalments	Balance No. of Quarterly Instalment as on 31.03.2020	Balance No. of Quarterly Instalment as on 31.03.2019
1	-	6 Months USD LIBOR Linked rate	Bullet	Nil	Bullet
2	-	6 Months USD LIBOR Linked rate	Bullet	Nil	Bullet
<b>Total</b>					
II IN RUPEES					
S. No.	Amount (₹ In Lakhs)	Interest Rate Terms	No. of Equal Quarterly Instalments	Balance No. of Quarterly Instalment as on 31.03.2020	Balance No. of Quarterly Instalment as on 31.03.2019
1	250.00	MCLR Linked Rate	16 with 12 months moratorium	2	6
2	312.50	MCLR Linked Rate	16 with 12 months moratorium	5	10
3	2,333.33	MCLR Linked Rate	18 with 18 months moratorium	12	16
4	2,888.89	MCLR Linked Rate	18 with 18 months moratorium	13	17
5	3,782.81	MCLR Linked Rate	16 with 24 months moratorium	15	16
6	3,333.34	MCLR Linked Rate	18 with 6 months moratorium	12	16
7	1,700.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
8	1,649.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
9	901.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
10	2,850.00	MCLR Linked Rate	20 with 12 months moratorium	19	20
11	950.00	MCLR Linked Rate	20 with 12 months moratorium	19	20
12	1,511.11	MCLR Linked Rate	18 with 18 months moratorium	17	18
13	350.00	MCLR Linked Rate	18 with 18 months moratorium	18	18
14	4,000.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
15	1,000.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
16	2,500.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
17	1,990.40	MCLR Linked Rate	18 with 18 months moratorium	18	-
	<b>32,302.38</b>	<b>Total</b>			

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- III Vehicle Loans from banks are payable in 36 monthly equal installments respectively from the date of disbursements carrying interest rate @ 8.76% to 9.51% per annum.
- IV There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

	₹ In Lakhs	
<b>NOTE 18 : OTHER FINANCIAL LIABILITIES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Payable for Capital Goods	3,145.75	2,875.12
	<b>3,145.75</b>	<b>2,875.12</b>

	₹ In Lakhs	
<b>NOTE 19 : PROVISIONS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Provision for Employee Benefits</b>		
(a) Provision for Gratuity	542.90	538.49
(b) Provision for Leave Encashment and Compensated Absences	654.77	600.65
	<b>1,197.67</b>	<b>1,139.14</b>

	₹ In Lakhs	
<b>NOTE 20 : DEFERRED TAX LIABILITIES (Net)</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Major components of deferred tax arising on account of timing differences as at 31 March 2020 are:-		
<b>(i) Deferred Tax Liability</b>		
- Difference between book depreciation & depreciation under Income Tax Act 1961	11,009.61	9,424.14
	<b>11,009.61</b>	<b>9,424.14</b>
<b>(ii) Deferred Tax Assets</b>		
-Disallowance under Income Tax Act,1961	488.21	471.19
-Unabsorbed Depreciation	77.17	-
-MAT Credit Entitlement	3,039.59	2,246.39
	<b>3,604.97</b>	<b>2,717.58</b>
<b>(iii) Net Deferred Tax liability* (i-ii)</b>	<b>7,404.64</b>	<b>6,706.56</b>

	₹ In Lakhs		
<b>Reconciliation of Deferred Tax Liabilities (Net)</b>	<b>31-Mar-19</b>	<b>Movement during the year</b>	<b>31-Mar-20</b>
<b>Deferred Tax Liability:</b>			
Impact of difference between tax depreciation and depreciation charged for the financial reporting	9,424.14	1,585.47	11,009.61
<b>Total Deferred Tax Liabilities (A)</b>	<b>9,424.14</b>	<b>1,585.47</b>	<b>11,009.61</b>
<b>Deferred Tax Assets:</b>			
MAT Credit entitlement	2,246.39	793.20	3,039.59
Unabsorbed Depreciation	-	77.17	77.17
Disallowance under the Income Tax Act, 1961	471.19	17.02	488.21
<b>Total Deferred Tax Assets (B)</b>	<b>2,717.58</b>	<b>887.39</b>	<b>3,604.97</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>6,706.56</b>	<b>698.08</b>	<b>7,404.64</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs		
<b>Reconciliation of Deferred Tax Liabilities (Net)</b>	<b>31-Mar-18</b>	<b>Movement during the year</b>	<b>31-Mar-19</b>
<b>Deferred Tax Liability:</b>			
Impact of difference between tax depreciation and depreciation charged for the financial reporting	7,024.33	2,399.81	9,424.14
Claim under Sec 43B of Income Tax Act, 1961	1,094.71	(1,094.71)	-
<b>Total Deferred Tax Liabilities (A)</b>	<b>8,119.04</b>	<b>1,305.10</b>	<b>9,424.14</b>
<b>Deferred Tax Assets:</b>			
MAT Credit entitlement	2,231.08	15.31	2,246.39
Disallowance under the Income Tax Act, 1961	383.09	88.10	471.19
<b>Total Deferred Tax Assets (B)</b>	<b>2,614.17</b>	<b>103.41</b>	<b>2,717.58</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>5,504.87</b>	<b>1,201.69</b>	<b>6,706.56</b>

\* Deferred Tax Liability and Deferred tax Assets have been offset as they relate to same governing taxation laws.

	₹ In Lakhs	
<b>NOTE 21 : OTHER NON-CURRENT LIABILITIES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Advances From Customers	-	95.00
	<b>-</b>	<b>95.00</b>

## CURRENT LIABILITIES

	₹ In Lakhs	
<b>FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise)</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>NOTE 22 : BORROWINGS</b>		
<b>Secured*</b>		
<b>Loans Repayable on Demand From Banks</b>		
-Cash Credit	722.52	139.67
<b>Other Loans From Banks</b>		
-Working Capital Demand Loans & Others	10,546.75	7,800.00
	<b>11,269.27</b>	<b>7,939.67</b>

\* Secured by first charge on book debts, stock and other current assets of the Company ranking parri passu inter se between the Company's bankers and are further secured by second charge on movable Property, Plant and Equipment of the Company. There have been no breach of covenants mentioned in the loan agreements during the reporting period.

	₹ In Lakhs	
<b>NOTE 23 : TRADE PAYABLES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Total outstanding dues of micro enterprises and small enterprises	301.51	417.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,183.74	20,065.11
<b>(Refer Note No. 41)</b>	<b>16,485.25</b>	<b>20,482.68</b>

	₹ In Lakhs	
<b>NOTE 24 : OTHER FINANCIAL LIABILITIES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Current Maturities of Long Term Loans (Refer Note No.17)	5,178.75	5,510.70
Current Maturities of Finance Lease Obligation (Refer Note No.17)	136.40	-
Interest Accrued but not due on borrowings	283.61	287.83
Payable for Capital Goods	1,694.42	3,770.32
Employees' related Liabilities	232.92	822.33
Unclaimed Dividends	41.80	40.86
Accrual of Expenses	912.88	741.39
Others	28.79	32.18
	<b>8,509.57</b>	<b>11,205.61</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 25 : OTHER CURRENT LIABILITIES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Statutory Dues Payable	1,279.95	1,387.01
Advances from Customers	825.00	1,069.99
Other current liabilities (including advance from employees for vehicles)	138.57	114.55
	<b>2,243.52</b>	<b>2,571.55</b>

	₹ In Lakhs	
<b>NOTE 26 : PROVISIONS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Provision for Employee Benefits		
(a) Provision for Gratuity	90.47	95.99
(b) Provision for Leave Encashment and Compensated Absences	108.99	113.27
	<b>199.46</b>	<b>209.26</b>

	₹ In Lakhs	
<b>NOTE 27: REVENUE FROM OPERATIONS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Sale of products	1,55,775.51	1,86,633.38
Sale of services	1,026.23	1,032.82
Other operating revenue	9,050.27	11,569.49
Increase/(decrease) in scrap stock	(80.68)	164.53
	<b>1,65,771.34</b>	<b>1,99,400.22</b>

**Disaggregation of Revenue:** The Company is primarily engaged in the business of "manufacturing of components" for automobiles for Indian market. Hence there is only one business and geographical segment. The amounts receivables from customers become due after expiry of credit period which on an average is 30 days. There is no significant financing component in any transaction with the customers.

	₹ In Lakhs	
<b>NOTE 28: OTHER INCOME</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Interest Income (calculated using the effective interest method)*	29.24	14.52
Dividend received on investments carried at fair value through Other Comprehensive Income	15.30	15.35
Profit on Disposal of Property, Plant and Equipment (Net)	42.84	-
Rent Income	28.92	28.92
Exchange Gain (Net)	-	183.60
Other Non Operating Income	53.55	54.80
	<b>169.85</b>	<b>297.19</b>

\* In relation to Financial Assets classified at Amortised Cost

	₹ In Lakhs	
<b>NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Work in Progress</b>		
Opening Stock	3,767.59	3,150.01
Less:- Closing Stock	2,323.01	3,767.59
	<b>1,444.58</b>	<b>(617.58)</b>
<b>Finished Goods</b>		
Opening Stock	1,018.60	883.50
Less:- Closing Stock	893.30	1,018.60
	<b>125.30</b>	<b>(135.10)</b>
<b>Total</b>	<b>1,569.89</b>	<b>(752.68)</b>
<b>(Increase)/Decrease in stocks of Finished Goods and work in progress</b>	<b>1,569.89</b>	<b>(752.68)</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 30: EMPLOYEE BENEFITS EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Salaries & Wages*	12,828.13	14,118.35
Contribution to Provident and other Funds	577.81	511.43
Staff Welfare	693.81	754.27
Group/Medicaid Insurance	107.99	113.46
	<b>14,207.74</b>	<b>15,497.51</b>

\* Includes Payment amounted ₹ 81.60 Lakhs (P.Y. ₹ 88.43 Lakhs) made on account of Corporate Social Responsibility under Apprenticeship Training scheme (ATs), under Corporate Social Responsibility (Refer Note-40)

	₹ In Lakhs	
<b>NOTE 31: FINANCE COST</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>(at effective interest rate)</b>		
Interest on Borrowings*	3,798.91	3,423.12
Interest on Others	0.29	2.80
Other Financial Charges	8.75	7.29
	<b>3,807.95</b>	<b>3,433.21</b>

\* In relation to Financial Liabilities classified at Amortised Cost  
The weighted average rate for capitalisation of Interest relating to general borrowings is approximately 8.35% (P.Y. 8.85%) for the year ended March 31st 2020

	₹ In Lakhs	
<b>NOTE 32 : DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Depreciation/Amortisation</b>		
Property, Plant and Equipment	6,108.04	5,997.52
<b>Amortisation</b>		
Intangible Assets	143.98	151.14
	<b>6,252.02</b>	<b>6,148.66</b>

	₹ In Lakhs	
<b>NOTE 33: OTHER EXPENSES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Stores Consumed	2,422.92	3,191.65
Power & Fuel	3,269.74	3,994.97
Royalty	360.30	404.80
Technical Services	53.36	9.05
Repair & Maintenance		
-Machinery	1,369.28	1,791.43
-Building	25.00	16.57
Rent (including land lease rent)	96.04	257.53
Rates & Taxes	18.50	96.49
Insurance	114.39	88.64
Loss on sale/Discarding of Fixed Assets	-	3.36
Corporate Social Responsibility Expenditure*	82.60	58.95
Exchange Fluctuation (net)	199.74	-
Freight & Forwarding Charges	1,169.07	1,323.49
Other Miscellaneous Expenses	1,474.29	1,747.32
	<b>10,655.24</b>	<b>12,984.25</b>

\* Refer Note No. 40

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 34 : INCOME TAX EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>(a) Income Tax expense recognised in Statement of Profit and Loss</b>		
Current tax In respect of the current year	747.14	1759.26
Deferred tax In respect of the current year	710.82	1191.64
Earlier Years	(46.08)	0.30
	<b>1,411.88</b>	<b>2951.20</b>
<b>(b) Income Tax on Other Comprehensive Income</b>		
<b>Deferred Tax Benefit</b>		
<b>Arising on income and expenses recognised in Other Comprehensive Income:</b>		
Remeasurement of Defined Benefit Obligations	33.31	10.06
Total income tax expense recognised in Other Comprehensive Income	33.31	10.06
	<b>1,445.19</b>	<b>2,961.26</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Profit before Income Tax</b>	<b>4,213.88</b>	<b>8,168.30</b>
At country's statutory income tax rate of 34.944% (31 March 2019: 34.944%)	1,472.50	2,854.33
Impact of changes in Tax rate	-	70.31
Adjustments in respect of taxes earlier years	(46.08)	0.30
Disallowances	49.34	44.71
Allowances	(30.57)	(8.39)
	<b>1,445.19</b>	<b>2,961.26</b>

	₹ In Lakhs	
<b>NOTE 35 : OTHER COMPREHNSIVE INCOME</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>(A) Items that will not be reclassified subsequently to profit or loss</b>		
- Re-measurement gains (losses) on defined benefit liability/asset	95.32	28.78
- Fair value changes on Investment	(309.56)	(201.84)
Income tax effect	(33.31)	(10.06)
<b>(B) Items that will be reclassified subsequently to profit or loss</b>		
	-	-
	<b>(247.55)</b>	<b>(183.12)</b>

## NOTE 36: EARNING PER SHARE

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

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

The following reflects the income and share data used in the basic and diluted EPS computations:

	₹ In Lakhs	
<b>Particulars</b>	<b>Year Ended 31 Mar 2020</b>	<b>Year Ended 31 Mar 2019</b>
<b>Profit After Tax</b>	<b>2,802.00</b>	<b>5,217.10</b>
<b>-Weighted Average Number of Equity Shares (Outstanding during the Year)</b>	<b>2,16,50,000</b>	<b>2,16,50,000</b>
<b>-Face Value of share (₹)</b>	<b>5.00</b>	<b>5.00</b>
Basic Earning per share (Amount in ₹)	12.94	24.10
Diluted Earning per share (Amount in ₹)	12.94	24.10

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 37: CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>A. Contingent liabilities</b>		
(Claims against the Company disputed and not acknowledged as debts)		
<b>Particulars</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
a. Income Tax Demands		
i. Cases decided in the company's favour by appellate authorities and for which the department has filled further appeals	564.50	818.33
ii. Cases pending before appellate authorities in respect of which the company has filled appeals #	10840.26	14.31
b. Central Excise	115.48	115.48
c. Service tax*	3.61	3.28

\* Against this amount of ₹ 1.42 lakhs has been deposited

# The Company has received a demand from Ld Assessing Officer for the block assessment done under section 153A / 143(3) of the Income Tax Act for the AY 2008-09 to 2018-19 amounting to ₹ 108.22 Crores. An appeal has been filed by the Company before the Honble Commissioner of Income Tax (A) for the same. The Company has been advised that the said demand is not tenable and likely to be deleted and no liability is envisaged against the Company. Accordingly no provision is considered necessary.

The Company has received a show Cause Notice from GST Department amounting to ₹ 4527.97 Lakhs on account of excise duty on Drawing/Design/Specifications received/developed by Maruti Suzuki India Ltd. The company has filed the detailed reply on dated 06.03.2020 and waiting for personal hearing from department. The company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such dispute.

It is not practicable for the company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

	₹ In Lakhs	
<b>B. Commitments</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances).</b>		
Property, Plant and Equipment	4,112.00	8,813.38

## C. Other Commitments

<b>Particulars</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Letter of Credit issued by banks	21.92	476.10

	₹ In Lakhs	
<b>NOTE 38: AUDITOR'S REMUNERATION (Excluding GST) :-</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Statutory Auditors</b>		
A) Statutory Audit Fees	16.50	16.50
B) Tax Audit Fees	5.25	5.25
C) Taxation Matters	-	-
D) Other Services	5.98	6.00
E) Reimbursement of Expenses	0.86	1.89

## NOTE 39: SEGMENT INFORMATION

The Company primarily operates in single segment i.e. manufacturing of components for Automobiles. Hence, no separate segment disclosures as per Ind AS 108 "Operating Segments" have been presented. The said treatment is in accordance with guidance principles enunciated in Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015

Revenue from transactions with a single external customer amounting to 10 percent or more of the Company's revenue is as follows:

	₹ In Lakhs	
<b>Particulars</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Customer 1 #	1,01,773.94	1,44,505.76
Customer 2 #	44,547.07	33,239.11

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE 40: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

In light of section 135 of the Companies act 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 164.20 Lakhs ( P.Y ₹ 147.38 Lakhs) for CSR activities carried out during the current year.

Particulars	₹ In Lakhs		
	31-Mar-20	31-Mar-19	
<b>(i) Gross amount required to be spent by the Company during the year</b>	164.20	147.38	
<b>(ii) Amount spent during the year ending on March 31, 2020:</b>	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Shree Madhav Jan Sewa Nyas	50.00	-	50.00
– Suman Nirmal Minda Charitable Trust	25.00	-	25.00
– Vichaar Foundation	4.25	-	4.25
– Payment Under Apprentice Act	81.60	-	81.60
– Others	3.35	-	3.35
<b>(ii) Amount spent during the year ending on March 31, 2019:</b>			
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Suman Nirmal Minda Charitable Trust	51.00	-	51.00
– Payment Under Apprentice Act	88.43	-	88.43
– Others	7.95	-	7.95

## NOTE 41 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (“MSMED ACT, 2006”) IS AS UNDER:

Particulars	₹ In Lakhs	
	31-Mar-20	31-Mar-19
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	301.51	417.57
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## NOTE 42 : COST OF MATERIALS CONSUMED HAS BEEN COMPUTED BY ADDING PURCHASE TO THE OPENING STOCK AND DEDUCTING CLOSING STOCK.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE 43 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES IN THE COMPANY

Name of Share Holders	31-Mar-20		31-Mar-19	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 5 each fully paid up				
Maruti Suzuki India Limited	63,40,000	29.28	63,40,000	29.28
ANS Holding Private Limited	20,29,000	9.37	20,29,000	9.37
Mr. Sanjay Singhal	19,00,400	8.78	19,00,400	8.78

## NOTE 44 : LEASES

## THE COMPANY AS LESSEE

The Company's leases primarily consists of leases for land. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term.

## (i) Amounts recognised in the Balance Sheet

The balance sheet shows the following amounts relating to the leases: ₹ In Lakhs

	31-Mar-20	31-Mar-19
<b>Right-of-use assets</b>		
Land	586.64	-
<b>Total</b>	<b>586.64</b>	<b>-</b>
Additions to the Right-of-use asset during the year were ₹ 690.91 Lakhs		

₹ In Lakhs

	31-Mar-20	31-Mar-19
<b>Maturity analysis of lease liabilities</b>		
<b>Lease liabilities (Discounted Cash Flow)</b>		
Current	136.40	-
Non-Current	458.24	-
<b>Total</b>	<b>594.65</b>	<b>-</b>

\* In the previous year, the Company had no lease contracts classified as 'finance leases' under Ind AS 17, Leases.

₹ In Lakhs

	31-Mar-20	31-Mar-19
<b>Maturity analysis – contractual undiscounted cash flows</b>		
Within one year	136.40	-
Later than one year but less than five years	480.91	-
Later than five years	176.07	-
<b>Total</b>	<b>793.39</b>	<b>-</b>

## (ii) Amounts recognised in the statement of profit and loss

₹ In Lakhs

The statement of profit and loss shows the following amounts relating to leases: 31-Mar-20 31-Mar-19

	31-Mar-20	31-Mar-19
<b>Depreciation charge of right-of use assets</b>		
Land	104.27	-
<b>Total</b>	<b>104.27</b>	<b>-</b>

Interest expense on lease liabilities (included in finance cost) 40.14 -

Expense relating to short term and low value leases (included in other expense) 96.04 -

**136.18** -

The total cash outflow for leases for the year ended 31 March, 2020 were ₹ 136.40 Lakhs



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## (iii) Extension and termination option

Extension and termination options are included in some of the leases executed by the company. These are used to maximise operational flexibility in terms of managing the assets used in company's operations. Generally, these options are exercisable mutually by both the lessor and the lessee.

(iv) There are no restrictions imposed by the lease agreements and there are no sub leases. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(v) Incremental borrowing rate of 8.5% p.a has been applied for measuring the lease liability at the date of initial application.

## The Company as a Lessor

The Company has given small portion of freehold land under cancellable operating lease arrangements. Lease rentals under operating leases are recognized on a straight line basis over the term of the lease. Rent income for operating leases for the year ended March 31, 2020 and March 31, 2019 was ₹ 28.92 Lakhs and ₹ 28.92 Lakhs respectively.

## NOTE 45 : EMPLOYMENT BENEFITS

## (A) DEFINED BENEFIT PLANS AS PER IND AS 19 EMPLOYEE BENEFITS:

**Gratuity:** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet.

These Plans typically expose the Company to actuarial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

**Investment Risk:** The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Interest Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Longevity risk :** The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

## Disclosure of Gratuity

₹ In Lakhs

(i) Amount recognised in the Statement of Profit and Loss is as under:		
Description	31-March-20	31-March-19
Current service cost	124.24	90.30
Interest cost	48.54	42.27
Past Service Cost	-	-
Actuarial loss/(gain) recognised during the year	-	-
Expected return on planned assets	-	-
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>172.78</b>	<b>132.57</b>
(ii) Amount recognised in Other Comprehensive Income is as under:		
Description	31-March-20	31-March-19
Actuarial loss/(gain) recognised during the year	(95.32)	(28.78)
<b>Amount recognised in the Other Comprehensive Income</b>	<b>(95.32)</b>	<b>(28.78)</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(iii) Movement in the Present value of Defined Benefit Obligation recognised in the Balance Sheet is as under:		
Description	31-March-20	31-March-19
Present value of defined benefit obligation as at the start of the year	907.55	797.65
Current service cost	124.24	90.30
Interest cost	69.65	63.23
Actuarial loss/(gain) recognised during the year	(94.22)	(25.51)
Benefits paid	(49.77)	(18.12)
Past Service Cost	-	-
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>957.45</b>	<b>907.55</b>

(iv) Movement in the Plan Assets recognised in the Balance Sheet is as under:		
Description	31-March-20	31-March-19
Fair Value of plan assets at beginning of year	273.06	266.96
Interest income plan assets	21.11	20.96
Actual company contributions	78.58	-
Actuarial gain/(loss) on plan assets	1.09	3.26
Benefits paid	(49.77)	(18.12)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>324.07</b>	<b>273.06</b>
The Scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the Fund is undertaken by the LIC.		

(v) Major Categories of Plan Assets:		
Asset Category	31-March-20	31-March-19
Insurer Managed Funds	100%	100%

(vi) Analysis of amounts recognised in Other Comprehensive Income at Period End:		
Description	31-March-20	31-March-19
Amount recognized in OCI, beginning of period	17.06	45.83
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(1.59)	6.89
Actuarial (gain)/loss on arising from experience adjustment	(92.63)	(32.40)
Return on plan assets (excluding interest)	(1.09)	(3.26)
<b>Total remeasurements recognized in OCI</b>	<b>(95.31)</b>	<b>(28.77)</b>
<b>Amount recognized in OCI, End of Period</b>	<b>(78.26)</b>	<b>17.06</b>

(vii) Reconciliation of Balance Sheet Amount		
Description	31-March-20	31-March-19
Balance Sheet (Asset)/Liability, beginning of period	634.48	530.68
Total charge/(credit) recognised in Profit and Loss	172.78	132.58
Total remeasurements recognised in Other Comprehensive Income	(95.31)	(28.78)
Actual company contribution	(78.58)	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>633.37</b>	<b>634.48</b>

(viii) Current / Non-Current Bifurcation		
Description	31-March-20	31-March-19
Current Benefit Obligation	90.47	95.99
Non - Current Benefit Obligation	542.90	538.49
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>633.37</b>	<b>634.48</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(ix) Actuarial assumptions	₹ In Lakhs	
Description	31-March-20	31-March-19
Discount rate	6.73%	7.73%
Future basic salary increase	"For First Year : 0% Thereafter : 6%"	6.00%
Expected rate of return on plan assets	6.73%	7.85%
Mortality	As per IALM 2012-14	As per IALM 2012-14
Employee turnover/withdrawal rate	8.00%	8.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(x) Defined Benefit Obligation by Participant Status	31-March-20	31-March-19
a. Actives	957.44	907.54
b. Vested Deferreds	-	-
c. Retirees	-	-
Total Defined Benefit Obligation	957.44	907.54
(xi) Sensitivity analysis for Gratuity Liability	31-March-20	31-March-19
Description	31-March-20	31-March-19
<b>Impact of the change in discount rate</b>		
- Impact due to increase of 1.00 %	(42.17)	(52.15)
- Impact due to decrease of 1.00 %	44.73	54.38
<b>Impact of the change in salary increase</b>		
- Impact due to increase of 1.00 %	43.40	50.02
- Impact due to decrease of 1.00 %	(41.03)	(40.82)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Company is expected to contribute ₹ 70.00 lakhs to Defined Benefit Plan Obligation Funds in next year

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(xii) Maturity profile of Defined Benefit Obligation	31-March-20	31-March-19
Description	31-March-20	31-March-19
Within next 12 months	141.28	142.51
Between 1-5 years	505.60	506.18
Between 5-10 years	472.56	476.94

**B OTHER LONG TERM BENEFITS AS PER IND AS 19 EMPLOYEE BENEFITS:****Leave Encashment and Compensated Absences (Unfunded)**

The leave obligations cover the Company's liability for sick and earned leaves.

(i) Amount recognised in the Statement of Profit and Loss is as under:	₹ In Lakhs	
Description	31-Mar-20	31-Mar-19
Current service cost	86.21	77.83
Interest cost	53.77	45.21
Remeasurements	107.81	208.97
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>247.80</b>	<b>332.01</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(ii) Movement in the liability recognised in the Balance Sheet is as under:	31-Mar-20	31-Mar-19
Description	31-Mar-20	31-Mar-19
Present value of defined benefit obligation as at the start of the year	704.42	576.27
Current service cost	86.21	77.83
Interest cost	53.77	45.21
Actuarial loss/(gain) recognised during the year	107.81	208.97
Benefits paid	(190.91)	(203.86)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>761.31</b>	<b>704.42</b>
₹ In Lakhs		
(iii) Current / Non-Current Bifurcation	31-Mar-20	31-Mar-19
Current Benefit Obligation	106.54	103.77
Non - Current Benefit Obligation	654.77	600.65
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>761.31</b>	<b>704.42</b>
(iv) Sensitivity analysis	31-Mar-20	31-Mar-19
Description	31-Mar-20	31-Mar-19
<b>Impact of the change in discount rate</b>		
- Impact due to increase of 1.00 %	(40.01)	(37.01)
- Impact due to decrease of 1.00 %	42.61	39.42
<b>Impact of the change in salary increase</b>		
- Impact due to increase of 1.00 %	32.10	29.69
- Impact due to decrease of 1.00 %	(30.77)	(28.47)
(v) Actuarial assumptions	31-Mar-20	31-Mar-19
Description	31-Mar-20	31-Mar-19
Discount rate	6.73%	7.73%
Future basic salary increase	"For First Year : 0% Thereafter : 6%"	6.00%
Expected rate of return on plan assets	N.A	N.A
Mortality	As per IALM 2012-14	As per IALM 2012-14
Employee turnover/withdrawal rate	8.00%	8.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(vi) Defined Benefit Obligation by Participant Status	31-Mar-20	31-Mar-19
a. Actives	761.31	704.42
b. Vested Deferreds	-	-
c. Retirees	-	-
Total Defined Benefit Obligation	761.31	704.42

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**C DEFINED CONTRIBUTION AND OTHER PLANS**

Contributions are made to the Provident Fund, Super Annuation Fund & Other Plans . The contributions are normally based upon a proportion of the employee's salary.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The Company has recognized the following amounts in the Statement of Profit and Loss :

Particulars	₹ In Lakhs	
	31-Mar-20	31-Mar-19
Employer contribution to Provident & Pension fund*	361.70	333.06
Employers Contribution to Superannuation Fund*	5.05	4.98
Employers contribution to Employee State insurance *	10.63	20.86
Punjab & Haryana Labour Welfare fund*	4.70	2.00

\*Included in Contribution to Provident and Other Funds Under Employee Benefit Expense (Refer Note No. 30)

### NOTE 46 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

<b>Joint Venture</b>	- JBM Ogihara Die Tech Private Limited
<b>Parties in respect of which the Company is an Associate</b>	- Maruti Suzuki India Limited
<b>Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence</b>	- JBM Industries Limited - Neel Metal Products limited - JBM Renewables Private Limited - Arka Overseas
<b>Enterprise over which key management personnel and their relative are able to exercise Control</b>	- ANS Holding Private Limited
<b>Other Entities (Fellow Subsidiary of Maruti Suzuki India Limited)</b>	- Suzuki Motor Gujarat Private Limited
<b>Key Management Personnel</b>	- Mr. S.K. Arya, Chairman and Managing Director - Mr. Anand Swaroop, President & CFO - Mr. Ravi Arora, Company Secretary
<b>Relative of Key Management Personnel</b>	- Mrs. Neelam Arya, Spouse of Mr. S.K Arya - Mr. Nishant Arya - S K Arya (HUF)
<b>Post Employment Benefit Plan of the Company</b>	- JBM Group Gratuity Trust

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	2019-20		2018-19		Parties in respect of which the Company is an Associate and Other Entities	Enterprise over which key management personnel & their relative are able to exercise significant influence & Gratuity Trust	Key Management Personnel and their relatives	Enterprise over which key management personnel & their relative are able to exercise Control	Total
	2019-20	2018-19	2019-20	2018-19					
<b>Purchase of Capital Goods</b>									
JBM Renewables Private Limited	-	-	-	292.32	-	-	-	-	292.32
Neel Metal Products Limited	-	-	-	2,816.78	-	-	-	-	2,816.78
JBM Industries Limited	-	-	-	16.58	-	-	-	-	16.58
<b>Total</b>	-	-	-	3,125.68	-	-	-	-	3,125.68
<b>Sale of Goods &amp; Services</b>									
Maruti Suzuki India Limited	-	-	-	-	-	-	-	-	101,773.94
Neel Metal Products Limited	-	-	-	3312.90	-	-	-	-	3312.90
Suzuki Motor Gujarat Private Limited	-	-	-	44,547.07	-	-	-	-	44,547.07
JBM Ogihara Die Tech Private Limited	1.76	-	-	-	-	-	-	-	1.76
JBM Industries Limited	-	-	-	6.30	-	-	-	-	6.30
<b>Total</b>	1.76	-	-	3319.20	-	-	-	-	149,641.96
<b>Sale of Capital goods</b>									
Neel Metal Products Limited	-	-	-	21.78	-	-	-	-	21.78
JBM Industries Limited	-	-	-	0.99	-	-	-	-	0.99
<b>Total</b>	-	-	-	22.77	-	-	-	-	22.77
<b>Other Income</b>									
Neel Metal Products limited	-	-	-	28.92	-	-	-	-	28.92
<b>Total</b>	-	-	-	28.92	-	-	-	-	28.92



Particulars	2019-20					2018-19					Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19		
	₹ In Lakhs											
	Parties in respect of which the Company is an Associate and Other Entities					Enterprise over which key management personnel & their relative are able to exercise influence & Gratuity Trust					Enterprise over which key management personnel & their relative are able to exercise Control	
<b>Purchase of Goods &amp; Services</b>												
Maruti Suzuki India Limited	-	-	16,289.58	26,077.02	-	-	-	-	-	-	16,289.58	26,077.02
Neel Metal products limited	-	-	-	-	49,864.48	62,978.26	-	-	-	-	49,864.48	62,978.26
Suzuki Motor Gujarat Private Limited	-	-	346.37	300.07	-	-	-	-	-	-	346.37	300.07
Arka Overseas	-	-	-	-	24.77	18.45	-	-	-	-	24.77	18.45
JBM Ogihara Die Tech Pvt Limited	2.83	-	-	-	-	-	-	-	-	-	-	2.83
JBM Industries limited	-	-	-	-	5,945.35	7,642.34	-	-	-	-	5,945.35	7,642.34
<b>Total</b>	<b>2.83</b>	<b>-</b>	<b>16,635.94</b>	<b>26,377.09</b>	<b>55,834.60</b>	<b>70,639.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,473.37</b>	<b>97,016.14</b>
<b>Others Expenses</b>												
Maruti Suzuki India Limited	-	-	398.90	1,163.73	-	-	-	-	-	-	398.90	1,163.73
Neel Metal Products limited	-	-	-	-	300.68	604.30	-	-	-	-	300.68	604.30
Suzuki Motor Gujarat Private Limited	-	-	1.70	96.59	-	-	-	-	-	-	1.70	96.59
JBM Industries limited	-	-	-	-	17.94	10.45	-	-	-	-	17.94	10.45
Mrs. Neelam Aya	-	-	-	-	-	-	16.20	16.20	-	-	16.20	16.20
<b>Total</b>	<b>-</b>	<b>-</b>	<b>400.60</b>	<b>1,260.32</b>	<b>318.61</b>	<b>614.75</b>	<b>16.20</b>	<b>16.20</b>	<b>-</b>	<b>-</b>	<b>735.41</b>	<b>1,891.27</b>
<b>Investment In Equity Shares</b>												
JBM Ogihara Die Tech Pvt Limited	666.89	405.92	-	-	-	-	-	-	-	-	666.89	405.92
<b>Total</b>	<b>666.89</b>	<b>405.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>666.89</b>	<b>405.92</b>
<b>Contribution to Gratuity Trust</b>												
JBM Group Gratuity Trust	-	-	-	-	78.58	-	-	-	-	-	78.58	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78.58</b>	<b>-</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	2019-20					2018-19					Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19		
	₹ In Lakhs											
	Parties in respect of which the Company is an Associate and Other Entities					Enterprise over which key management personnel & their relative are able to exercise influence & Gratuity Trust					Enterprise over which key management personnel & their relative are able to exercise Control	
<b>Remuneration paid to KMP's and their relatives</b>												
Mr. S.K.Arya	-	-	-	-	-	-	298.59	424.36	-	-	298.59	424.36
Mr. Anand Swaroop	-	-	-	-	-	-	122.19	139.80	-	-	122.19	139.80
Mr. Ravi Arora	-	-	-	-	-	-	36.12	30.13	-	-	36.12	30.13
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>456.90</b>	<b>594.29</b>	<b>-</b>	<b>-</b>	<b>456.90</b>	<b>594.29</b>
<b>Directors Sitting Fees</b>												
Mr. Nishant Aya	-	-	-	-	-	-	2.90	2.40	-	-	2.90	2.40
Maruti Suzuki India Ltd. (Mr. Rejiv Gandhi)	-	-	2.10	1.20	-	-	-	-	-	-	2.10	1.20
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.10</b>	<b>1.20</b>	<b>-</b>	<b>-</b>	<b>2.90</b>	<b>2.40</b>	<b>-</b>	<b>-</b>	<b>5.00</b>	<b>3.60</b>
<b>Amount Recoverable</b>												
<b>Trade &amp; Other Receivables</b>												
Maruti Suzuki India Limited	-	-	6,440.86	11,328.65	-	-	-	-	-	-	6,440.86	11,328.65
Neel Metal Products limited	-	-	-	-	2,856.54	3,534.25	-	-	-	-	2,856.54	3,534.25
JBM Industries limited	-	-	-	-	-	12.51	-	-	-	-	-	12.51
Suzuki Motor Gujarat Private Limited	-	-	3,554.82	3,956.73	-	-	-	-	-	-	3,554.82	3,956.73
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,995.68</b>	<b>15,285.38</b>	<b>2,856.54</b>	<b>3,546.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,852.21</b>	<b>18,832.14</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	2019-20		2018-19		2019-20		2018-19		2019-20		2018-19		2019-20		2018-19	
	Joint Venture	Parties in respect of which the Company is an Associate and Other Entities	Enterprise over which key management personnel & their relative are able to exercise influence & Gratuities Trust	Enterprise over which key management personnel & their relative are able to exercise influence & Gratuities Trust	Key Management personnel and their relatives	Enterprise over which key management personnel & their relative are able to exercise Control	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
Amount Payable																
Trade & Other Payables																
Maruti Suzuki India Limited	-	2,284.17	-	6,428.24	-	-	-	-	-	-	-	-	-	2,284.17	-	6,428.24
Mr. S.K Arya (Managerial Remuneration)	-	-	-	-	-	-	-	114.43	-	-	-	-	-	-	-	114.43
Arka Overseas	-	-	1.36	-	2.43	-	-	-	-	-	-	-	-	1.36	-	2.43
Mr Ravi Arora	-	-	-	-	-	-	-	1.68	-	-	-	-	-	-	-	1.68
Mr Anand Swaroop	-	-	-	-	-	-	-	1.39	-	-	-	-	-	-	-	1.39
Neel Metal Products Limited	-	-	-	-	9,343.63	12,950.73	-	-	-	-	-	-	-	9,343.63	12,950.73	
Suzuki Motor Gujarat Private Limited	-	5.86	-	5.64	-	-	-	-	-	-	-	-	-	5.86	5.64	
JBM Industries limited	-	-	901.64	1,813.96	-	-	-	-	-	-	-	-	-	901.64	1,813.96	
<b>Total</b>	-	<b>2,290.04</b>	<b>10,246.62</b>	<b>14,767.12</b>	-	<b>117.50</b>	-	-	-	-	-	-	-	<b>12,536.66</b>	<b>21,318.49</b>	
<b>Dividend Paid</b>																
Mr. S.K.Arya	-	-	-	-	4.43	4.43	-	-	-	-	-	-	-	4.43	4.43	
S K Arya (HUF)	-	-	-	-	0.72	0.72	-	-	-	-	-	-	-	0.72	0.72	
Mr. Nishant Arya	-	-	-	-	0.10	0.10	-	-	-	-	-	-	-	0.10	0.10	
Mrs. Neelam Arya	-	-	-	-	2.67	2.67	-	-	-	-	-	-	-	2.67	2.67	
Mr. Anand Swaroop	-	-	-	-	0.05	0.05	-	-	-	-	-	-	-	0.05	0.05	
ANS Holding Private Limited	-	-	-	-	-	-	-	-	-	50.72	50.72	-	-	50.72	50.72	
JBM Industries limited	-	-	15.40	15.40	-	-	-	-	-	-	-	-	-	15.40	15.40	
Maruti Suzuki India Limited	-	158.50	-	158.50	-	-	-	-	-	-	-	-	-	158.50	158.50	
<b>Total</b>	-	<b>158.50</b>	<b>15.40</b>	<b>15.40</b>	<b>7.97</b>	<b>7.97</b>	-	-	-	<b>50.72</b>	<b>50.72</b>	-	-	<b>232.59</b>	<b>232.59</b>	
<b>Dividend Received</b>																
Maruti Suzuki India Limited	-	8.92	-	8.92	-	-	-	-	-	-	-	-	-	8.92	8.92	
<b>Total</b>	-	<b>8.92</b>	-	<b>8.92</b>	-	-	-	-	-	-	-	-	-	<b>8.92</b>	<b>8.92</b>	

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Remuneration paid to KMP's and their relatives*</b>	<b>Mr. S.K. Arya</b>	<b>Mr. Anand Swaroop</b>	<b>Mr. Ravi Arora</b>			
<b>(a) short-term employee benefits;</b>	276.79	405.72	116.62	134.23	34.57	28.58
<b>(b) post-employment benefits;</b>	21.80	18.64	5.57	5.57	1.55	1.55
<b>Total</b>	<b>298.59</b>	<b>424.36</b>	<b>122.19</b>	<b>139.80</b>	<b>36.12</b>	<b>30.13</b>

\* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**Terms and conditions of transactions with Related Parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 47 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

"The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

**Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

**Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)**

The Company has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

**(i) Gratuity benefits**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 45.

### (ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### (iii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

### (iv) Estimates related to useful life of property plant and equipment and intangible assets :

Depreciation on property plant and equipment is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has re-estimated useful lives and residual values of all its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

### (v) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

### (vi) Contingent liabilities

The 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. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statement.

### (vii) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

## NOTE 48 : FINANCIAL INSTRUMENTS

### (A) Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, Loans and borrowings less cash and cash equivalents.

Particulars	₹ In Lakhs	
	31-Mar-20	31-Mar-19
Net debt	44,344.64	40,282.97
Total equity	42,307.84	40,405.90
Net debt to equity ratio	1.05	1.00

### (B) Fair Value Measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

**Level 1:** This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** This level 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).

**Level 3:** This level 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.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants.

The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

### Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

There are certain Company's financial assets which are measured at fair value at the end of each reporting period. There have been no transfer among levels during the period. Following table gives information about how the fair values of these financial assets are determined:

Financial Assets at fair value through OCI	₹ In Lakhs		
	Fair value as at 31-Mar-20		
	Level 1	Level 2	Level 3
Investments in equity instruments	506.82	493.42	-
Financial Assets at fair value through OCI	Fair value as at 31-Mar-19		
	Level 1	Level 2	Level 3
Investments in equity instruments	836.48	473.32	-
Financial Assets at fair value through Profit or loss	Fair value as at 31-Mar-20		
	Level 1	Level 2	Level 3
Hedging gain Recoverable	-	74.84	-



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at 31-Mar-2020		As at 31-Mar-2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Amortised Cost*</b>				
Loans	361.59	361.59	202.45	202.45
Trade Receivables	5,191.87	5,191.87	7,415.33	7,415.33
Cash and Cash Equivalents	151.52	151.52	91.45	91.45
Bank Balances other than Cash and Cash Equivalents	41.80	41.80	40.86	40.86
Other Financial Assets	167.66	167.66	94.26	94.26
<b>Total Financial Assets at Amortised Cost (a)</b>	<b>5,914.43</b>	<b>5,914.43</b>	<b>7,844.35</b>	<b>7,844.35</b>

\*Does not include investment in Joint venture which is carried at cost in accordance with Ind AS 27 "Separate Financial Statements".

Measured at Fair Value through Other Comprehensive Income				₹ In Lakhs
Investments	1,000.24	1,000.24	1,309.80	1,309.80
<b>Total Financial Assets at Fair Value through Other Comprehensive Income (b)</b>	<b>1,000.24</b>	<b>1,000.24</b>	<b>1,309.80</b>	<b>1,309.80</b>

Measured at Fair value through Profit and Loss				
Hedging Gain Recoverable	74.84	74.84	-	-
<b>Total Financial Assets at Fair Value through Profit and Loss (c)</b>	<b>74.84</b>	<b>74.84</b>	<b>-</b>	<b>-</b>
<b>Total Financial Assets (a+b+c)</b>	<b>6989.51</b>	<b>6989.51</b>	<b>9154.15</b>	<b>9154.15</b>

Financial Liabilities				
Measured at Amortised Cost				
Long-term Borrowings*	33,226.89	33,229.26	32,434.75	32,432.27
Payable for Capital Goods	3,145.75	3,145.75	2,875.12	2,875.12
Short-term Borrowings	11,269.27	11,269.27	7,939.67	7,939.67
Trade Payables	16,485.25	16,485.25	20,482.68	20,482.68
Other Financial Liabilities	3,194.42	3,194.42	5,694.91	5,694.91
<b>Total Financial Liabilities at Amortised Cost</b>	<b>67,321.58</b>	<b>67,323.95</b>	<b>69,427.13</b>	<b>69,424.65</b>
* including current maturities of long-term borrowings				
<b>Total Financial Liabilities</b>	<b>67,321.58</b>	<b>67,323.95</b>	<b>69,427.13</b>	<b>69,424.65</b>

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps are valued using valuation techniques which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk.

**(C) Financial Risk Management**

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

**C.1 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

**a) Foreign Currency Risk Management**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency Buyer's credit).

Foreign Currency Exposure that have been hedged by derivative Instrument are given below.

Liabilities/Assets	Foreign Currency (₹ In Lakhs)		INR Equivalent (₹ In Lakhs)	
	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
<b>Liabilities</b>				
USD	41.93	58.48	3,046.75	4,044.16

Foreign Currency Exposure that have not been hedged by derivative Instrument are given below.

Liabilities/Assets	Foreign Currency (₹ In Lakhs)		INR Equivalent (₹ In Lakhs)	
	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
<b>Liabilities</b>				
USD	42.66	48.26	3,228.38	3,357.93
JPY	195.60	83.81	136.14	52.31
EURO	-	-	-	-
<b>Assets</b>				
USD	0.001	-	0.08	-

The Company has taken cross currency interest rate swaps to hedge its foreign currency exposures in relation to Foreign Currency Buyer's credits availed by the Company. The Company had negotiated the terms of CCIRS to match the terms of the hedged exposure. Further, the Company has not entered into any derivative or hedging instruments in relation to its foreign currency exposures other than Foreign Currency Buyer's credits.

**Foreign currency sensitivity analysis**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

**Impact on Profit / (loss) for the year for a 5% change:**

Particulars	Increase		Decrease	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Payables</b>				
USD /INR	(161.42)	(167.90)	161.42	167.90
YEN/INR	(6.81)	(2.62)	6.81	2.62
<b>Particulars</b>				
<b>Receivables</b>				
USD /INR	(0.00)	-	0.00	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### b) Interest Rate Risk Management

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. In respect of the Foreign Currency Buyers Credits denominated in US Dollars (USD), the Company is having 6 months Libor linked rate. To mitigate the risk of any adverse interest rate movement, the Company has entered into Cross Currency Interest Rate Swaps (CCIRS) i.e. pay fixed receive variable rate of interest. In the event of any adverse movement of interest rates, the Company is required only to pay the fixed interest eventually thereby offsetting the interest loss from the CCIRS. Accordingly, no sensitivity analysis in respect of such loans is given.

#### Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Impact on Profit / (loss) for the year for a 50 basis point change:		
	Increase/decrease in basis points	Effect on profit before tax
<b>31-Mar-20</b>		
INR loans	+50	-217.86
INR loans	-50	217.86
<b>31-Mar-19</b>		
INR loans	+50	-180.98
INR loans	-50	180.98

### c) Security Price Risk

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI

#### Equity Price Sensitivity Analysis

The Sensitivity Analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

#### If the equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March 2020 would increase / decrease by ₹ 50.01 lakhs (for the year ended 31st March 2019: increase / decrease by ₹ 65.49 lakhs) as a result of the change in fair value of equity investment measured at FVTOCI

### C.2 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end

### C.3 Liquidity Risk Management

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term borrowings, short term borrowings and trade payables etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Year ended 31-Mar-20</b>				
Long Term Borrowings*	5178.75	26481.93	971.56	32,632.24
Finance Lease Obligations*	136.40	480.91	176.07	793.39
Short Term Borrowings	11,269.27	-	-	11,269.27
Payable for Capital Goods	-	3,145.75	-	3,145.75
Trade Payables	16,485.25	-	-	16,485.25
Other Financial Liabilities	3,194.42	-	-	3,194.42
	<b>36,264.09</b>	<b>30,108.60</b>	<b>1147.63</b>	<b>67,520.32</b>
<b>Year ended 31-Mar-19</b>				
Long Term Borrowings*	5,510.70	25,926.83	997.22	32,434.75
Short Term Borrowings	7,939.67	-	-	7,939.67
Payable for Capital Goods	-	2,875.12	-	2,875.12
Trade Payables	20,482.68	-	-	20,482.68
Other Financial Liabilities	5,694.91	-	-	5,694.91
	<b>39,627.96</b>	<b>28,801.95</b>	<b>997.22</b>	<b>69,427.13</b>

\* including current maturities of long-term borrowings

### NOTE 49 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

**NOTE 50 :** The remuneration paid / accrued by the Company to its Chairman and Managing Director for the year ended March 31, 2020 was paid as per Schedule V Part II Section II of the Companies Act, 2013 as the Profits for the year ended March 31, 2020 were inadequate. The amount paid is in excess of the amount as per section 197 of the Companies Act, 2013 but within the limits as approved by shareholders by way of special resolution passed in their meeting held on 04.09.2018 . To comply with the provisions of Schedule V Part II Section II, the Board as well as the Nomination and Remuneration Committee has approved the change of term from 5 years to 3 years, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### NOTE 51 : AMENDMENTS TO STANDARD THAT ARE NOT EFFECTIVE AND HAVE NOTE BEEN ADOPTED BY THE COMPANY

There is no such notification which would have been applicable from April 1, 2020.

As per our report of even date attached

#### For Sahni Natarajan and Bahl

Chartered Accountants  
Firm Registration No. - 002816N

#### S.K.Arya

Chairman & Managing Director  
DIN 00004626  
New Delhi

#### Nishant Arya

Director  
DIN 00004954  
New Delhi

#### Sudhir Chhabra

Partner  
M.No-083762

#### Anand Swaroop

President & CFO  
Gurugram (Haryana)

#### Sunil Dutt Agrawal

VP-Finance  
Gurugram (Haryana)

Place: New Delhi

Date : June 26, 2020

#### Ravi Arora

Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF JAY BHARAT MARUTI LIMITED

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **JAY BHARAT MARUTI LIMITED** ("the Company") and its Joint Venture which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to Consolidated Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 (the Ind AS) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its Joint Venture as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Company and its Joint Venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules 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 Consolidated 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 Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Leases</b></p> <p>Ind AS 116, Leases, is applicable from April 01, 2019 and introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability in their balance sheet in respect of contracts which qualify as a lease.</p> <p>Ind AS 116, Leases, involves certain key judgements with respect to identification of leases, determination whether there is reasonable certainty that an extension or termination option will be exercised, identification of appropriate discount rate using the interest rate implicit in the lease or lessee's incremental borrowing rate, as applicable, to calculate the lease obligation, measuring any impairment of the 'right of use asset', modification/termination to the leases etc.</p> <p>The Company has adopted Ind AS 116, Leases, with effect from April 01, 2019 using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability (Refer Note No. 2.3 of the Consolidated Ind AS Financial Statements).</p> <p>The assessment of the impact of transition to Ind AS 116 is significant to our audit as it involves selection of the transition option and identification and processing all relevant data associated with the leases which is complex. Significant judgement is required in the assumptions and estimates made in the measurement of the ROU asset and lease liability. Such assumptions and estimates include assessment of lease term including termination and renewal options, and determination of appropriate discount rates.</p> <p>Based on the above factors, the implementation of the new accounting standard on leases has been identified as a key audit matter.</p>	<p>Principal audit procedures performed:</p> <p>We have performed the following procedures:</p> <p>(i) Assessed the appropriateness of the accounting policy for leases as per relevant accounting standard with special reference to methodology of the selected transition approach to this standard.</p> <p>(ii) Evaluated and tested Company's internal control processes in relation to lease identification, assessment of the terms and conditions of lease contracts and the calculation of the related lease liability and ROU asset.</p> <p>(iii) Evaluated the reasonableness of Company's key judgements and estimates made in preparing the transition adjustments, specifically in relation to the lease term and discount rate.</p> <p>(iv) Testing the completeness and accuracy of underlying lease data and Ind AS 116 adjustments by checking its reconciliation with the number of operating lease contracts and relevant records of the Company.</p> <p>(v) Tested the accuracy and existence of the ROU asset and lease liability recognised on transition by examining the original lease agreements and re-performing the calculations after considering the impact of the variable lease payments, if any.</p> <p>(vi) Assessed the adequacy of the disclosures included in the Consolidated Ind AS Financial Statements.</p>



### Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report but does not include the Consolidated Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated 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 Consolidated 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 Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company including its Joint Venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and of its Joint Venture are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Company and of its Joint Venture are responsible for assessing the ability of the Company and of its Joint Venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its Joint Venture are also responsible for overseeing the financial reporting process of the Company and of its and Joint Venture.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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:

- Identify and assess the risks of material misstatement of the Consolidated 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and of its Joint Venture 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 Consolidated 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 and its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Company and of its Joint Venture to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction,

supervision and performance of the audit of the Ind AS Financial Statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the Independent Auditors.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and its Joint Venture, none of the directors of the Company and of its Joint Venture incorporated in India 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 of its Joint Venture and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and according to the best of our information and according to explanations given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director for the year ended March 31, 2020 was paid as per Schedule V Part II Section II of the Companies Act, 2013 as the Profits for the year ended March 31, 2020 were inadequate. The amount paid is in excess of the amount as per section 197 of the Companies Act, 2013 but within the limits as approved by shareholders by way of special resolution passed in their meeting held on 04.09.2018. To comply with the provisions of Schedule V Part II Section II, the Board as well as the Nomination and Remuneration Committee has approved the change of term from 5 years to 3 years, subject to approval of shareholders in the ensuing Annual General Meeting of the Company. No remuneration has been paid to any director in the Joint Venture 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and of its Joint Venture- Refer Note 37 of the Consolidated Ind AS Financial Statements.
  - ii. The Company and its Joint Venture Company did not have any material foreseeable losses on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Joint Venture Company incorporated in India during the year ended March 31, 2020.

**For Sahni Natarajan and Bahl**  
**Chartered Accountants**  
**Firm Registration No.: 002816N**

**Sd/-**  
**Sudhir Chhabra**  
**Partner**  
**Membership No. 083762**  
**UDIN: 20083762AAAAAS8586**

**Place: New Delhi**  
**Date: 26 June, 2020**

## ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON CONSOLIDATED IND AS FINANCIAL STATEMENTS OF JAY BHARAT MARUTI LIMITED

(This is the annexure referred to in Para 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **JAY BHARAT MARUTI LIMITED** (hereinafter referred to as "the Company"), and its Joint Venture Company, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Company and Joint Venture Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its Joint Venture Company, which are companies incorporated in India, 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 the 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 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Joint Venture Company, which are companies incorporated in India.

#### 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 and to the best of our information and according to the explanations given to us, the Company and Joint Venture Company, which are companies incorporated in India, have, 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 31st March, 2020, based on the internal control over financial reporting criteria established by the respective Companies 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.

**For Sahni Natarajan and Bahl  
Chartered Accountants  
Firm Registration No: 002816N**

**Sd/-  
Sudhir Chhabra  
Partner  
Membership No. 083762  
UDIN: 20083762AAAAAS8586**

**Place: New Delhi  
Date: 26 June, 2020**

CIN L29130DL1987PLC027342

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

₹ In Lakhs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	81,676.00	82,980.59
(b) Capital Work-in-Progress	4	14,312.10	5,121.60
(c) Intangible Assets	5	60.94	197.14
(d) Investments accounted for using equity method	6 (a)	1,081.45	393.85
(e) Financial Assets			
(i) Investments	6 (b)	1,000.24	1,309.80
(ii) Loans	7	361.59	202.45
(f) Other Non-Current Assets	8	3,592.72	3,884.54
		<b>1,02,085.04</b>	<b>94,089.97</b>
<b>2 Current Assets</b>			
(a) Inventories	9	12,257.81	16,921.53
(b) Financial Assets			
(i) Trade Receivables	10	5,191.87	7,415.33
(ii) Cash and Cash Equivalents	11	151.52	91.45
(iii) Bank Balances other than (ii) above	12	41.80	40.86
(iv) Other Financial Assets	13	242.49	94.26
(c) Other Current Assets	14	712.82	1,889.07
		<b>18,598.31</b>	<b>26,452.50</b>
<b>TOTAL</b>		<b>1,20,683.35</b>	<b>1,20,542.47</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	1,082.50	1,082.50
(b) Other Equity	16	41,233.98	39,311.33
		<b>42,316.48</b>	<b>40,393.83</b>
<b>Liabilities</b>			
<b>1 Non- Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	27,911.74	26,924.05
(ii) Other Financial Liabilities	18	3,145.75	2,875.12
(b) Provisions	19	1,197.67	1,139.14
(c) Deferred Tax Liabilities (Net)	20	7,404.64	6,706.56
(d) Other Non-Current Liabilities	21	-	95.00
		<b>39,659.80</b>	<b>37,739.87</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	11,269.27	7,939.67
(ii) Trade Payables	23		
Total outstanding dues of micro enterprises and small enterprises		301.51	417.57
Total outstanding dues of creditors other than micro enterprises and small enterprises		16,183.74	20,065.11

₹ In Lakhs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
(iii) Other Financial Liabilities	24	8,509.57	11,205.61
(b) Other Current Liabilities	25	2,243.52	2,571.55
(c) Provisions	26	199.46	209.26
		<b>38,707.07</b>	<b>42,408.78</b>
<b>TOTAL</b>		<b>1,20,683.35</b>	<b>1,20,542.47</b>

Significant Accounting Policies

2

The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**Chartered Accountants  
Firm Registration No. - 002816N**S.K.Arya**Chairman & Managing Director  
DIN 00004626  
New Delhi**Nishant Arya**Director  
DIN 00004954  
New Delhi**Sudhir Chhabra**Partner  
M.No-083762**Anand Swaroop**President & CFO  
Gurugram (Haryana)**Sunil Dutt Agrawal**VP-Finance  
Gurugram (Haryana)

Place: New Delhi

Date : June 26, 2020

**Ravi Arora**Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)



CIN L29130DL1987PLC027342

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2020	For the year ended Mar 31, 2019
I Revenue from Operations	27	1,65,771.34	1,99,400.22
II Other Income	28	169.85	297.19
III Total Income (I + II)		<b>1,65,941.19</b>	<b>1,99,697.41</b>
IV Expenses			
Cost of Materials Consumed		1,25,234.47	1,54,218.16
Changes in Inventories of Finished Goods and Work in Progress	29	1,569.89	(752.68)
Employee Benefits Expense	30	14,207.74	15,497.51
Finance Costs	31	3,807.95	3,433.21
Depreciation and Amortization Expense	32	6,252.02	6,148.66
Other Expenses	33	10,655.24	12,984.25
Total Expenses (IV)		<b>1,61,727.31</b>	<b>1,91,529.11</b>
V Profit before share of Joint Venture and tax (III-IV)		4,213.88	8,168.30
VI Add : Share of Profit/(Loss) of Joint Venture		26.31	(12.06)
VII Profit before tax (V+VI)		<b>4,240.19</b>	<b>8,156.24</b>
VIII Tax Expense:	34		
(1) Current Tax		747.14	1,759.26
(2) Deferred Tax		716.42	1,191.64
(3) Earlier Years Tax		(46.08)	0.30
		<b>1,417.48</b>	<b>2,951.20</b>
IX Profit after tax for the year (VII-VIII)		2,822.70	5,205.04
X Other Comprehensive Income	35		
(A) Items that will not be reclassified subsequently to profit or Loss			
- Remeasurement of the net defined benefit liability/asset		95.32	28.78
- Income tax effect		(33.31)	(10.06)
- Fair value changes on Investment		(309.56)	(201.84)
(B) Items that will be reclassified subsequently to profit or Loss		-	-
Total Other Comprehensive Income (A)+ (B)		<b>(247.55)</b>	<b>(183.12)</b>
XI Total Comprehensive Income ( IX+X)		<b>2,575.15</b>	<b>5021.92</b>
Profit for the year attributable to:			
Owners of the Company		2,822.70	5,205.04
Non Controlling Interest		-	-

**Other Comprehensive Income for the year attributable to:**

Owners of the Company	(247.55)	(183.12)
Non Controlling Interest	-	-

**Total Comprehensive Income for the year attributable to:**

Owners of the Company	2,575.15	5021.92
Non Controlling Interest	-	-

XII Earnings per equity share (Face Value of ₹ 5/- each) :	36	
(1) Basic	13.04	24.04
(2) Diluted	13.04	24.04

Significant Accounting Policies	2
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The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

CIN L29130DL1987PLC027342

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

A. Equity Share Capital						₹ In Lakhs
Particulars	Balance as at 01 April 2018	Change in equity share capital during the year	Balance at the end of 31 March 2019	Change in equity share capital during the year	Balance at the end of 31 March 2020	
Equity Share Capital	1,082.50	-	1,082.50	-	1,082.50	
B. Other Equity						₹ In Lakhs
Particulars	Reserves and Surplus		Other Comprehensive Income		Total	
	General Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income			
<b>Balance as at 1 April 2018</b>	<b>2,516.75</b>	<b>31,152.06</b>	<b>1,273.10</b>	<b>34,941.91</b>		
Profit for the year	-	5,205.04	-	5,205.04		
Remeasurement of defined benefit obligations (net of income tax)	-	18.72	-	18.72		
Fair valuation of investments	-	-	(201.84)	(201.84)		
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)		
Corporate dividend tax	-	(111.25)	-	(111.25)		
<b>Balance as at 31 March 2019</b>	<b>2,516.75</b>	<b>35,723.33</b>	<b>1,071.26</b>	<b>39,311.33</b>		
Profit for the year	-	2,822.70	-	2,822.70		
Remeasurement of defined benefit obligations (net of income tax)	-	62.01	-	62.01		
Fair valuation of investments	-	-	(309.56)	(309.56)		
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)		
Corporate dividend tax	-	(111.26)	-	(111.26)		
<b>Balance as at 31 March 2020</b>	<b>2,516.75</b>	<b>37,955.54</b>	<b>761.70</b>	<b>41,233.98</b>		

The accompanying notes are forming part of these financial statements

As per our report of even date attached

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)

CIN L29130DL1987PLC027342

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

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation		4,240.19		8,156.24
Adjustments for :				
Depreciation and amortisation	6,252.02		6,148.66	
Interest expense	3,807.95		3,433.21	
Interest income	(29.24)		(14.52)	
Dividend income	(15.30)		(15.35)	
Rental income	(28.92)		(28.92)	
Balances written back	(34.83)		(0.47)	
Unpaid exchange fluctuation	211.58		(177.76)	
Share in Profit/loss of Joint Venture	(26.31)		12.06	
Profit/Loss on sale of property, plant and equipment	(42.84)	10,094.11	3.36	9360.27
<b>Operating Profit before working Capital changes</b>		<b>14,334.30</b>		<b>17,516.51</b>
Adjustments for :				
Trade and other receivables	3,274.55		(2,967.10)	
Inventories	4,663.72		3,326.98	
Trade and other payables	(4,946.66)	2,991.61	(2,268.47)	(1,908.59)
<b>Cash generated from operating activities</b>		<b>17,325.91</b>		<b>15,607.92</b>
Direct taxes paid	(1,921.38)	(1,921.38)	(2,846.36)	(2,846.36)
<b>Net Cash from Operating Activities</b>		<b>15,404.53</b>		<b>12,761.56</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure on property, plant and equipment and intangible assets including capital advances	(13,893.40)		(19,186.29)	
Proceeds from sale of property, plant and equipment	103.11		30.47	
Purchase of Investments	(666.89)		(405.93)	
Rent received	28.92		28.92	
Interest received	29.24		14.52	
Dividend received	15.30		15.35	
<b>Net cash used in Investing Activity</b>		<b>(14,383.72)</b>		<b>(19,502.96)</b>
		<b>1,020.81</b>		<b>(6,741.40)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from long term borrowings	9,776.08		11,262.34	
Repayments of long term borrowings	(9,641.89)		(3,484.75)	
Short term borrowings(Net)	3,329.60		2,758.38	
Interest paid	(3,772.02)		(3,284.64)	
Dividend paid	(541.25)		(541.25)	
Corporate dividend tax	(111.26)		(111.25)	
<b>Net cash from/(used in) financing activities</b>		<b>(960.74)</b>		<b>6,598.84</b>
<b>Net increase/(decrease) in Cash and Cash equivalents</b>		<b>60.07</b>		<b>(142.57)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>91.45</b>		<b>234.02</b>
<b>Cash and Cash equivalents at the end of the year</b>		<b>151.52</b>		<b>91.45</b>

The accompanying notes are forming part of these financial statements.

CIN L29130DL1987PLC027342

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020****NOTES:**

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the IND AS-7 "Statement of Cash Flows".
2. During the year the Company spent ₹ 164.20 Lakhs (P.Y. ₹ 147.38 Lakhs) on CSR Expenses in accordance with the provisions of the Companies Act, 2013.
3. Cash and Cash Equivalents include Bank Balances and Cash in Hand (Refer Note No. 11)
4. Figures in bracket represents cash outflow.
5. IND AS 7 cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the requirement following disclosure is made:

₹ In Lakhs

	As at 01st April 2019	Recognised During the Year	Cash In- flows/ (outflows)	Acquisition/ Foreign Exchange Movement/ fair Value Changes	As at 31st March 2020
Borrowings- Non Current	32,434.75	-	270.59	(73.10)	32,632.24
Borrowings- Current	7,939.67	-	3,329.60	-	11,269.27
Lease liabilities	-	690.91	(136.40)	40.14	594.65

As per our report of even date attached.

**For Sahni Natarajan and Bahl**Chartered Accountants  
Firm Registration No. - 002816N**S.K.Arya**Chairman & Managing Director  
DIN 00004626  
New Delhi**Nishant Arya**Director  
DIN 00004954  
New Delhi**Sudhir Chhabra**Partner  
M.No-083762**Anand Swaroop**President & CFO  
Gurugram (Haryana)**Sunil Dutt Agrawal**VP-Finance  
Gurugram (Haryana)

Place: New Delhi

Date : June 26, 2020

**Ravi Arora**Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020****GENERAL INFORMATION**

Jay Bharat Maruti Limited (JBML) ("The Company") is a public limited company incorporated in India, listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is 601, Hemkunt Chambers, 89, Nehru Place, New Delhi, New Delhi-110019. The Company is a Associate of Maruti Suzuki India Limited. The principal activities of the Company are manufacturing of sheet metal components, rear axle, muffler assemblies, fuel neck and tools & dies for motor vehicles, components and spare parts.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorize for issue on 26-06-2020

**1. BASIS OF PREPARATION AND PRESENTATION****1.1. Statement of Compliance**

The Consolidated Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the companies Act, 2013 ("the Act") read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

**1.2. Basis of Preparation and Presentation**

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities

**1.3. Basis of Consolidated and Equity Accounting**

The Consolidated Financial Statements have been prepared in accordance with Ind AS 103-"Business Combinations", Ind AS 110 "Consolidated Financial Statements", Ind AS 111 "Joint Arrangements", Ind AS 112 "Disclosure of Interests in Other Entities", Ind AS 28 "Investments In Associates and Joint Ventures" and other accounting pronouncements of the Institute of Chartered Accountants of India.

The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Jay Bharat Maruti Limited i.e. year ended March 31, 2020.

The Consolidated Ind AS Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's Standalone Ind AS Financial Statements. Accounting policies of consolidated companies have been changed where necessary to ensure consistency with the policies adopted by the company.

The amounts shown in respect of Other Equity comprise the amount of the relevant reserves as per the Balance Sheet of the Parent Company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

**Joint Ventures**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method of accounting, after initially being recognized at cost in the consolidated balance sheet.

**Equity Method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable are recognized as a reduction in the carrying amount of the investments. When the Company's share of losses in equity accounted investments equals or exceeds its interests in the entity, including any other unsecured long term receivables, the company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealized gain on transactions between the company and its joint ventures are eliminated to the extent of the company interests in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments is tested for impairment.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Changes in Ownership Interests

When the Company ceases to equity account for an investment because of loss of control any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair values become the initial carrying amount for the purposes of subsequent accounting for the retained interest as an joint venture. In addition, any amount previously recognised in other comprehensive income in respect of that entity is accounted for as if the Company had directly disposed of related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If ownership interest in a joint venture is reduced but joint control is retained only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Particulars of Joint Venture consolidated

Name of the Company	Relationship	Country of Incorporation	% Holding as on 31 March 2020
JBM Ogihara Die Tech Private Limited	Joint Venture	India	49

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1. Use of Estimate

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

### 2.2. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

#### Sale of Products

Revenue is recognized for sale of products when the Company transfer control over such products to the customer which is generally on dispatch from the factory.

#### Sale of Services

Revenue from services are recognized as related services are performed.

#### Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

For all Financial instruments measured either at amortized 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 amortised cost of the financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

### 2.3. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on the date of initial application, using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability. Accordingly, comparatives for previous year ended March 31, 2019 have not been retrospectively adjusted.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### The Company as lessor

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company did not make any adjustments to the accounting for assets held as a lessor as a result of adopting the new lease standard.

### The Company as lessee (Till 31st March, 2019)

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company policy on borrowing costs.

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

### The Company as lessee (With effect from April 1, 2019)

The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognises a 'right-of-use' asset and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Right-of-use asset are measured at cost comprising the following:

- the amount of initial measurement of liability
- any lease payments made at or before the commencement date less the incentives received
- any initial direct costs, and
- restoration costs

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use asset are depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities measured at amortised cost include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the rate of interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in the similar economic environment with similar terms, security and conditions.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets. Variable lease payments are recognised in the statement of profit and loss in the period in which the condition that triggers those payments that occur.

### Lease liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option

## 2.4. Foreign Currencies

### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the company functional and presentation currency.

### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

## 2.5. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.6. Employee Benefits

### Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

### Post-employment obligations

### Defined benefit plans

The Company has defined benefit plans namely Gratuity Fund for employees. The Gratuity Fund is recognised by the income tax authorities and is administered through Trust set up by the LIC. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### Defined contribution plans

The Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund administered through Life Insurance Corporation of India. The Company's contributions are charged to revenue every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

### Termination Benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

## 2.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the income taxes are also recognised in Other Comprehensive Income or directly in Equity respectively.

### 2.8. Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

### Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option available in Ind AS 101

### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Property, plant and equipment	Useful lives based on technical evaluation
Plant & machinery	20 Years
Electric Installation	20 Years
Factory Building (Including Tube well)	28-29 Years
Office Building	60 Years
Vehicles	5 Years
Furniture & Fixtures	5 Years
Trolleys & Bins (Dies, Fixtures & Special Purpose Machine)	5 Years
Dies, Fixtures & Jigs	3-9 Years
Computers	3 Years
Office Equipment	5 Years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing ₹ 5000/- or less are depreciated in full in the year of purchase. Plant & Machinery and other assets the written down value of which at the beginning is the year is ₹ 5000/- or less and ₹ 1000/- or less respectively are depreciated at the rate of 100%.

Freehold land is not amortised.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

### 2.9. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

### Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an intangible asset at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option in Ind AS 101.

### Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows.

Residual Value is considered as Nil in the below cases:

Nature of Assets	Life
Technical knowhow	3 years
Computer software	3 years

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of an intangible asset 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.

### Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

### 2.10. Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

**Raw Material** is recorded at cost on a first-in, first-out (FIFO) basis;

**Stores & spares** are recorded at cost on a weighted average cost formula.

**Finished goods and work-in-process** are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

**By products and scrap** are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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

### 2.11. Provisions and contingencies

#### Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. 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 recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

### 2.12. 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 assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

#### (i). Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets

#### (ii). Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

#### (iii). Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in the Statement of Profit and Loss.

#### (iv). Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Re-measurement recognised in profit or loss.

#### (v). Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

#### (vi). Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet and forms part of financing activities in the Cash Flow Statement. Book overdrafts are shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the cash flow statement.

#### (vii). Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (viii). De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients
- The right to receive cash flows from the asset has expired.

### (ix). Foreign Exchange Gains and Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

### Financial liabilities and equity instruments

#### (x). Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### (xi). Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### (xii). Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through the Statement of Profit and Loss.

#### (xiii). Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

#### (xiv). Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

#### (xv). Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

#### (xvi). De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

#### (xvii). Derivative Financial Instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

#### (xviii). Offsetting Financial Instruments

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

### 2.13. 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 recognised in the Balance Sheet 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.

### 2.14. Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit 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, except where the result would be anti-dilutive.

### 2.15. Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lacs as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated

### 2.16. Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

### 2.17. Royalty

The Company pays/accrues for royalty in accordance with the relevant licence agreements.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE-3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Description	Freehold Land #	Leasehold Land (Right of use Asset)	Buildings	Plant and Equipment	Furniture & Fixtures	Office Equipment	Computers & Computer System	Vehicles	Total
<b>Gross Block*</b>									
<b>As at 01 April 2018</b>	<b>334.79</b>	<b>29.16</b>	<b>7,197.54</b>	<b>66,736.45</b>	<b>156.59</b>	<b>253.78</b>	<b>130.89</b>	<b>364.58</b>	<b>75,203.77</b>
Additions	1,520.97	-	2,192.19	22,152.99	19.84	38.19	78.14	83.53	26,085.85
Disposals	-	-	-	(45.48)	-	-	(0.04)	-	(45.52)
<b>As at 31 March 2019</b>	<b>1,855.76</b>	<b>29.16</b>	<b>9,389.73</b>	<b>88,843.96</b>	<b>176.43</b>	<b>291.97</b>	<b>209.00</b>	<b>448.11</b>	<b>1,01,244.10</b>
Additions	-	690.91	1,050.33	2,740.73	7.60	23.06	5.39	345.70	4,863.73
Disposals	-	-	(7.10)	(78.72)	-	-	(2.08)	(134.12)	(222.02)
<b>As at 31 March 2020</b>	<b>1,855.76</b>	<b>720.07</b>	<b>10,432.96</b>	<b>91,505.97</b>	<b>184.03</b>	<b>315.03</b>	<b>212.30</b>	<b>659.69</b>	<b>1,05,885.80</b>
<b>Accumulated Depreciation*</b>									
<b>As at 01 April 2018</b>	<b>-</b>	<b>29.16</b>	<b>633.46</b>	<b>11,293.85</b>	<b>70.96</b>	<b>80.39</b>	<b>59.32</b>	<b>110.55</b>	<b>12,277.69</b>
Charge for the year	-	-	299.22	5,512.39	32.96	40.02	40.79	72.13	5,997.52
Adjustments on disposals	-	-	-	(11.70)	-	-	-	-	(11.70)
<b>As at 31 March 2019</b>	<b>-</b>	<b>29.16</b>	<b>932.68</b>	<b>16,794.54</b>	<b>103.92</b>	<b>120.41</b>	<b>100.11</b>	<b>182.68</b>	<b>18,263.51</b>
Charge for the year	-	104.27	367.85	5,429.03	25.82	41.85	41.55	97.68	6,108.04
Adjustments on disposals	-	-	(0.15)	(62.64)	-	-	(0.92)	(98.04)	(161.75)
<b>As at 31 March 2020</b>	<b>-</b>	<b>133.43</b>	<b>1,300.38</b>	<b>22,160.93</b>	<b>129.74</b>	<b>162.26</b>	<b>140.73</b>	<b>182.31</b>	<b>24,209.80</b>
<b>Net block as at 31 March 2019</b>	<b>1,855.76</b>	<b>-</b>	<b>8,457.05</b>	<b>72,049.42</b>	<b>72.51</b>	<b>171.56</b>	<b>108.88</b>	<b>265.43</b>	<b>82,980.59</b>
<b>Net block as at 31 March 2020</b>	<b>1,855.76</b>	<b>586.64</b>	<b>9,132.59</b>	<b>69,345.03</b>	<b>54.28</b>	<b>152.77</b>	<b>71.56</b>	<b>477.38</b>	<b>81,676.00</b>

# Includes a small portion of Freehold Land of the Company situated at Gurugram is provided on cancellable operating lease.

\* For Property, Plant and Equipment charged as security - refer Note No. 17 &amp; 22

## NOTE-4 : CAPITAL WORK IN PROGRESS

₹ In Lakhs

	31-Mar-20	31-Mar-19
Capital Work in Progress*	14,312.10	5,121.60
	<b>14,312.10</b>	<b>5,121.60</b>

\* Including Pre-operative expenses ₹ 957.10 Lakhs (As at March 2019 ₹ 143.15 Lakhs)

## Pre-operative expense pending allocation :

Nature of Expense	31-Mar-20	31-Mar-19
Opening Balance	143.15	93.10
Additions During the Year :		
Salary & Wages	97.56	93.98
Travelling & Conveyance	42.17	82.38
Other Miscellaneous Expenses	34.42	74.13
Interest Expenses	644.82	313.71
<b>Total</b>	<b>962.12</b>	<b>657.30</b>
Less : Capitalised during the year	(5.02)	(514.15)
Closing Balance	<b>957.10</b>	<b>143.15</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE-5 : INTANGIBLE ASSETS

₹ In Lakhs

	Technical Knowhow	Computer Software	Total
<b>Gross Block</b>			
As at 01 April 2018	647.61	169.40	817.01
Additions	-	53.27	53.27
<b>Balance as at 31 March 2019</b>	<b>647.61</b>	<b>222.67</b>	<b>870.28</b>
Additions	-	7.77	7.77
<b>Balance as at 31 March 2020</b>	<b>647.61</b>	<b>230.45</b>	<b>878.06</b>
<b>Accumulated Amortisation</b>			
As at 01 April 2018	414.23	107.77	522.00
Charge for the year	99.99	51.15	151.14
<b>Balance as at 31 March 2019</b>	<b>514.22</b>	<b>158.92</b>	<b>673.14</b>
Charge for the year	99.48	44.50	143.98
<b>Balance as at 31 March 2020</b>	<b>613.70</b>	<b>203.42</b>	<b>817.12</b>
<b>Net book value as at 31 March 2019</b>	<b>133.39</b>	<b>63.75</b>	<b>197.14</b>
<b>Net book value as at 31 March 2020</b>	<b>33.91</b>	<b>27.03</b>	<b>60.94</b>

## NOTE 6(a) : INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

₹ In Lakhs

	Units as at March 31,2020	Units as at March 31,2019	31-Mar-20	31-Mar-19
<b>Joint Venture (at cost)</b>				
- Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in JBM Ogiha-ra Die Tech Private Limited*	1,07,28,118	40,59,218	1,081.45	393.85
			<b>1,081.45</b>	<b>393.85</b>

\* Disclosure u/s 186(4) of the Companies Act, 2013: During the year the Company has invested Rs. 666.89 Lakhs (No. of Shares: 66,68,900) in JBM Ogihara Die Tech Private Limited. The Company is having 49% stake the said company.

## FINANCIAL ASSETS

₹ In Lakhs

## NOTE 6(b) : INVESTMENTS

	Units as at March 31,2020	Units as at March 31,2019	31-Mar-20	31-Mar-19
<b>"In Others" (in Equity Instruments at Fair Value through Other Comprehensive Income)</b>				
<b>Unquoted (Fully paid up)</b>				
- Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in Nagata India Private Limited	20,85,000	20,85,000	493.42	473.32
			<b>493.42</b>	<b>473.32</b>
<b>Quoted (Fully paid up)</b>				
- Equity Shares Face value of ₹ 5/- (P.Y. ₹ 5/-) each in Maruti Suzuki India Limited	11,150	11,150	478.08	743.89
- Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in Haryana Financial Corporation	19,300	19,300	-	-
- Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in Canara Bank	31,790	31,790	28.74	92.59
			<b>506.82</b>	<b>836.48</b>
<b>Total Investment</b>			<b>1,000.24</b>	<b>1309.80</b>
Aggregate Market Value of Quoted Investments			506.82	836.48
Aggregate amount of Quoted Investments (At Cost)			30.03	30.03
Aggregate amount of Unquoted Investments			493.42	473.32
Aggregate amount of impairment in value of Investment			-	-



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 7 : LOANS</b>		
<b>(Carried at Amortised Cost)</b>		
<b>Unsecured, considered good</b>		
Security Deposits	361.59	202.45
	<b>361.59</b>	<b>202.45</b>

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 8 : OTHER NON CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	162.69	1,445.61
Others	-	183.16
Income Tax Refundable	3,430.03	2,255.77
	<b>3,592.72</b>	<b>3,884.54</b>

## CURRENT ASSETS

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 9: INVENTORIES</b>		
<b>(Carried at lower of cost and net realisable value)</b>		
Raw Materials	4,283.84	6,494.40
Raw Materials in Transit	47.28	122.75
Work In Progress	2,323.01	3,767.59
Finished Goods	893.30	1,018.60
Inventory-Dies	2,480.39	3,210.48
Stores & Spares	2,110.36	2,107.40
Scrap	119.63	200.31
	<b>12,257.81</b>	<b>16,921.53</b>

- Inventories have been secured against certain bank borrowings of the Company as at 31 March 2020 (Refer Note No. 22)
- The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 130621.57 Lakhs (P.Y ₹ 158465.14 Lakhs)
- The mode of valuation of inventories has been stated in Note No. 2.10 of Accounting Policy

## FINANCIAL ASSETS

(Carried at Amortised Cost, unless stated otherwise)

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 10 : TRADE RECEIVABLES</b>		
- Unsecured, considered good	5,191.87	7,415.33
	<b>5,191.87</b>	<b>7,415.33</b>

- Trade receivables have been given as collateral towards borrowings of the Company (refer Note No. 22).
- Includes Amount due from Related Parties (Refer Note No. 47)
- Includes ₹ Nil (P.Y ₹ 258.38 Lakhs) debts due from Private Company in which Director is a Director or Member

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 11 : CASH AND CASH EQUIVALENTS</b>		
<b>(a) Balances with Banks</b>		
- In Current Account	146.15	88.86
<b>(b) Cash in hand</b>	5.37	2.59
	<b>151.52</b>	<b>91.45</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 12 : BANK BALANCES OTHER THAN ABOVE</b>		
- In Unclaimed Dividend Account	41.80	40.86
	<b>41.80</b>	<b>40.86</b>

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 13 : OTHER FINANCIAL ASSETS</b>		
<b>(Unsecured, considered good)</b>		
<b>Carried at Amortised Cost</b>		
Advances to Employees	95.25	83.05
Others	72.40	11.21
<b>Carried at Fair Value through Profit and Loss</b>		
Hedging Gain Recoverable	74.84	-
	<b>242.49</b>	<b>94.26</b>

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 14 : OTHER CURRENT ASSETS</b>		
<b>(Unsecured, considered good)</b>		
Prepaid Expenses	295.29	313.54
Advances to Suppliers	369.02	538.10
Balance with Statutory/Government Authorities	48.51	1,037.43
	<b>712.82</b>	<b>1,889.07</b>

	₹ In Lakhs			
	No. of Shares as on 31st Mar 2020	No. of Shares as on 31st Mar 2019	31-Mar-20	31-Mar-19
<b>NOTE 15 : EQUITY SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of ₹ 5/- (P.Y. ₹ 5/-) each	5,40,00,000	5,40,00,000	2,700.00	2,700.00
Preference Shares of ₹ 10/- (P.Y. ₹ 10/-) each	30,00,000	30,00,000	300.00	300.00
			<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 5/- (P.Y. ₹ 5/-) each	2,16,50,000	2,16,50,000	1,082.50	1,082.50
			<b>1,082.50</b>	<b>1,082.50</b>

## Reconciliation of the number of Equity Shares outstanding

Particulars	31-Mar-20		31-Mar-19	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	2,16,50,000	1,082.50	2,16,50,000	1,082.50
Add/(Less): issued/(cancelled) during the year	-	-	-	-
Balance at the end of the year	<b>2,16,50,000</b>	<b>1,082.50</b>	<b>2,16,50,000</b>	<b>1,082.50</b>

## Rights, preferences and restrictions attached to shares

The Company has one class of equity shares with a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. Each shareholder is having similar dividend rights for each share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## Details of Shareholders holding more than 5% of the Equity Share Capital

Refer Note No. 44

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE 16. OTHER EQUITY

₹ In Lakhs

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
<b>As at April 01, 2018</b>	2,516.75	31,152.06	1,273.10	34,941.91
Profit for the year	-	5,205.04	-	5,205.04
Remeasurement of defined benefit obligations (net of income tax)	-	18.72	-	18.72
Fair valuation of investments	-	-	(201.84)	(201.84)
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)
Corporate dividend tax	-	(111.25)	-	(111.25)
<b>As at March 31, 2019</b>	<b>2,516.75</b>	<b>35,723.32</b>	<b>1,071.26</b>	<b>39,311.33</b>
Profit for the year	-	2,822.70	-	2,822.70
Remeasurement of defined benefit obligations (net of income tax)	-	62.01	-	62.01
Fair valuation of investments	-	-	(309.56)	(309.56)
Dividend distributed during the year (₹ 2.50 per share)	-	(541.25)	-	(541.25)
Corporate dividend tax	-	(111.26)	-	(111.26)
<b>At March 31, 2020</b>	<b>2,516.75</b>	<b>37,955.54</b>	<b>761.70</b>	<b>41,233.98</b>

In respect of the year ended March 31, 2020, the Directors propose that a final dividend of 25% i.e ₹ 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 270.63 Lakhs.

## NON CURRENT LIABILITIES

## FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise)

₹ In Lakhs

NOTE :17 BORROWINGS (Secured)	31-Mar-20	31-Mar-19
<b>A. Term Loans From Banks</b>		
-In Foreign Currency (Buyers Credit)*	-	4,044.16
-In Rupee		
- Term Loan *	32302.38	28,255.83
- Vehicle Loans **	329.86	134.76
<b>B. Finance Lease Obligation</b>	594.65	-
	33,226.89	32,434.75
Less:- Current Maturities of Long Term Loans	(5178.75)	(5,510.70)
Less:- Current Maturities of Finance Lease Obligation	(136.40)	-
<b>Total</b>	<b>27,911.74</b>	<b>26,924.05</b>

\*Term loan of ₹ 23856.54 Lakhs is secured by First Pari-Passu charge on the movable assets of the new plant set up at Vithlapur Gujarat.

\*\*Term loan of ₹ 562.50 Lakhs & ₹ 7883.34 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X & 1.30X respectively coverage of the term loan value.

\*\*Secured by hypothecation of respective vehicle financed.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## Terms of Repayment of Term Loans

I In Foreign Currency					
S. No.	Amount (₹ In Lakhs)	Interest Rate Terms	No. of Equal Quarterly Instalments	Balance No. of Quarterly Instalment as on 31.03.2020	Balance No. of Quarterly Instalment as on 31.03.2019
1	-	6 Months USD LIBOR Linked rate	Bullet	Nil	Bullet
2	-	6 Months USD LIBOR Linked rate	Bullet	Nil	Bullet
	-	<b>Total</b>			
II In Rupees					
S. No.	Amount (₹ In Lakhs)	Interest Rate Terms	No. of Equal Quarterly Instalments	Balance No. of Quarterly Instalment as on 31.03.2020	Balance No. of Quarterly Instalment as on 31.03.2019
1	250.00	MCLR Linked Rate	16 with 12 months moratorium	2	6
2	312.50	MCLR Linked Rate	16 with 12 months moratorium	5	10
3	2,333.33	MCLR Linked Rate	18 with 18 months moratorium	12	16
4	2,888.89	MCLR Linked Rate	18 with 18 months moratorium	13	17
5	3,782.81	MCLR Linked Rate	16 with 24 months moratorium	15	16
6	3,333.34	MCLR Linked Rate	18 with 6 months moratorium	12	16
7	1,700.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
8	1,649.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
9	901.00	MCLR Linked Rate	20 with 6 months moratorium	17	20
10	2,850.00	MCLR Linked Rate	20 with 12 months moratorium	19	20
11	950.00	MCLR Linked Rate	20 with 12 months moratorium	19	20
12	1,511.11	MCLR Linked Rate	18 with 18 months moratorium	17	18
13	350.00	MCLR Linked Rate	18 with 18 months moratorium	18	18
14	4,000.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
15	1,000.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
16	2,500.00	MCLR Linked Rate	20 with 12 months moratorium	20	-
17	1,990.40	MCLR Linked Rate	18 with 18 months moratorium	18	-
	<b>32,302.38</b>	<b>Total</b>			

III Vehicle Loans from banks are payable in 36 monthly equal installments respectively from the date of disbursements carrying interest rate @ 8.76% to 9.51% per annum.

IV There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

₹ In Lakhs

NOTE 18 : OTHER FINANCIAL LIABILITIES	31-Mar-20	31-Mar-19
Payable for Capital Goods	3,145.75	2,875.12
	<b>3,145.75</b>	<b>2,875.12</b>

₹ In Lakhs

NOTE 19 : PROVISIONS	31-Mar-20	31-Mar-19
<b>Provision for Employee Benefits</b>		
(a) Provision for Gratuity	542.90	538.49
(b) Provision for Leave Encashment and Compensated Absences	654.77	600.65
	<b>1,197.67</b>	<b>1,139.14</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 20 : DEFERRED TAX LIABILITIES (Net)</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Major components of deferred tax arising on account of timing differences as at 31 March 2020 are:-		
<b>(i) Deferred Tax Liability</b>		
- Difference between book depreciation and depreciation under Income Tax Act, 1961	11,009.61	9,424.14
	<b>11,009.61</b>	<b>9,424.14</b>
<b>(ii) Deferred Tax Assets</b>		
-Disallowance under Income Tax Act,1961	488.21	471.19
-Unabsorbed Depreciation	77.17	-
-MAT Credit Entitlement	3,039.59	2,246.39
	<b>3,604.97</b>	<b>2,717.58</b>
<b>(iii) Net Deferred Tax liability* (i-ii)</b>	<b>7,404.64</b>	<b>6,706.56</b>

	₹ In Lakhs		
<b>Reconciliation of Deferred Tax Liabilities (Net)</b>	<b>31-Mar-19</b>	<b>Movement during the year</b>	<b>31-Mar-20</b>
<b>Deferred Tax Liability:</b>			
Impact of difference between tax depreciation and depreciation charged for the financial reporting	9,424.14	1,585.47	11,009.61
<b>Total Deferred Tax Liabilities (A)</b>	<b>9,424.14</b>	<b>1,585.47</b>	<b>11,009.61</b>
<b>Deferred Tax Assets:</b>			
MAT Credit entitlement	2,246.39	793.20	3,039.59
Unabsorbed Depreciation	-	77.17	77.17
Disallowance under the Income Tax Act, 1961	471.19	17.02	488.21
<b>Total Deferred Tax Assets (B)</b>	<b>2,717.58</b>	<b>887.39</b>	<b>3,604.97</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>6,706.56</b>	<b>698.08</b>	<b>7,404.64</b>

	₹ In Lakhs		
<b>Reconciliation of Deferred Tax Liabilities (Net)</b>	<b>31-Mar-18</b>	<b>Movement during the year</b>	<b>31-Mar-19</b>
<b>Deferred Tax Liability:</b>			
Impact of difference between tax depreciation and depreciation charged for the financial reporting	7,024.33	2,399.81	9,424.14
Claim under Sec 43B of Income Tax Act, 1961	1,094.71	(1,094.71)	-
<b>Total Deferred Tax Liabilities (A)</b>	<b>8,119.04</b>	<b>1,305.10</b>	<b>9,424.14</b>
<b>Deferred Tax Assets:</b>			
MAT Credit entitlement	2,231.08	15.31	2,246.39
Disallowance under the Income Tax Act, 1961	383.09	88.10	471.19
<b>Total Deferred Tax Assets (B)</b>	<b>2,614.17</b>	<b>103.41</b>	<b>2,717.58</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>5,504.87</b>	<b>1,201.69</b>	<b>6,706.56</b>

\* Deferred Tax Liability and Deferred tax Assets have been offset as they relate to same governing taxation laws.

	₹ In Lakhs	
<b>NOTE 21 : OTHER NON-CURRENT LIABILITIES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Advances From Customers	-	95.00
	-	<b>95.00</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## CURRENT LIABILITIES

## FINANCIAL LIABILITIES

(Carried at Amortised Cost, unless stated otherwise)

	₹ In Lakhs	
<b>NOTE 22 : BORROWINGS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Secured*</b>		
<b>Loans Repayable on Demand From Banks</b>		
-Cash Credit	722.52	139.67
<b>Other Loans From Banks</b>		
-Working Capital Demand Loans & Others	10,546.75	7,800.00
	<b>11,269.27</b>	<b>7,939.67</b>

\* Secured by first charge on book debts, stock and other current assets of the Company ranking parri passu inter se between the Company's bankers and are further secured by second charge on movable Property, Plant and Equipment of the Company. There have been no breach of covenants mentioned in the loan agreements during the reporting period.

## NOTE 23 : TRADE PAYABLES

	₹ In Lakhs	
	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Total outstanding dues of micro enterprises and small enterprises	301.51	417.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,183.74	20,065.11
<b>(Refer Note No. 42)</b>	<b>16,485.25</b>	<b>20,482.68</b>

## NOTE 24 : OTHER FINANCIAL LIABILITIES

	₹ In Lakhs	
	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Current Maturities of Long Term Loans (Refer Note No.17)	5,178.75	5,510.70
Current Maturities of Finance Lease Obligation (Refer Note No.17)	136.40	-
Interest Accrued but not due on borrowings	283.61	287.83
Payable for Capital Goods	1,694.42	3,770.32
Employees' related Liabilities	232.92	822.33
Unclaimed Dividends	41.80	40.86
Accrual of Expenses	912.88	741.39
Others	28.79	32.18
	<b>8,509.57</b>	<b>11,205.61</b>

## NOTE 25 : OTHER CURRENT LIABILITIES

	₹ In Lakhs	
	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Statutory Dues Payable	1,279.95	1,387.01
Advances from Customers	825.00	1,069.99
Other current liabilities (including advance from employees for vehicles)	138.57	114.55
	<b>2,243.52</b>	<b>2,571.55</b>

## NOTE 26 : PROVISIONS

	₹ In Lakhs	
	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Provision for Employee Benefits		
(a) Provision for Gratuity	90.47	95.99
(b) Provision for Leave Encashment and Compensated Absences	108.99	113.27
	<b>199.46</b>	<b>209.26</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 27: REVENUE FROM OPERATIONS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Sale of products	1,55,775.51	1,86,633.38
Sale of services	1,026.23	1,032.82
Other operating revenue	9,050.27	11,569.49
Increase/(decrease) in scrap stock	(80.68)	164.53
	<b>1,65,771.34</b>	<b>1,99,400.22</b>

**Disaggregation of Revenue:** The Company is primarily engaged in the business of "manufacturing of components" for automobiles for Indian market. Hence there is only one business and geographical segment.

The amounts receivables from customers become due after expiry of credit period which on an average is 30 days.

There is no significant financing component in any transaction with the customers.

	₹ In Lakhs	
<b>NOTE 28: OTHER INCOME</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Interest Income (calculated using the effective interest method)*	29.24	14.52
Dividend received on investments carried at fair value through Other Comprehensive Income	15.30	15.35
Profit on Disposal of Property, Plant and Equipment (Net)	42.84	-
Rent Income	28.92	28.92
Exchange Gain (Net)	-	183.60
Other Non Operating Income	53.55	54.80
	<b>169.85</b>	<b>297.19</b>

\* In relation to Financial Assets classified at Amortised Cost

	₹ In Lakhs	
<b>NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Work in Progress</b>		
Opening Stock	3,767.59	3,150.01
Less:- Closing Stock	2,323.01	3,767.59
	1,444.58	(617.58)
<b>Finished Goods</b>		
Opening Stock	1,018.60	883.50
Less:- Closing Stock	893.30	1,018.60
	125.30	(135.10)
<b>Total</b>	<b>1,569.89</b>	<b>(752.68)</b>
<b>(Increase)/Decrease in stocks of Finished Goods and work in progress</b>	<b>1,569.89</b>	<b>(752.68)</b>

	₹ In Lakhs	
<b>NOTE 30: EMPLOYEE BENEFITS EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Salaries & Wages*	12,828.13	14,118.35
Contribution to Provident and other Funds	577.81	511.43
Staff Welfare	693.81	754.27
Group/Mediclaim Insurance	107.99	113.46
	<b>14,207.74</b>	<b>15,497.51</b>

\* Includes Payment amounted ₹ 81.60 Lakhs (₹ 88.43 Lakhs) made on account of Corporate Social Responsibility under Apprenticeship Training scheme (ATs), under Corporate Social Responsibility (Refer Note-40)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	₹ In Lakhs	
<b>NOTE 31: FINANCE COST</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>(at effective interest rate)</b>		
Interest on Borrowings*	3,798.91	3,423.12
Interest on Others	0.29	2.80
Other Financial Charges	8.75	7.29
	<b>3,807.95</b>	<b>3,433.21</b>

\* In relation to Financial Liabilities classified at Amortised Cost

The weighted average rate for capitalisation of Interest relating to general borrowings is approximately 8.35% (P.Y. 8.85%) for the year ended March 31st 2020

<b>NOTE 32 : DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Depreciation/Amortisation</b>		
Property, Plant and Equipment	6,108.04	5,997.52
<b>Amortisation</b>		
Intangible Assets	143.98	151.14
	<b>6,252.02</b>	<b>6,148.66</b>

<b>NOTE 33: OTHER EXPENSES</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Stores Consumed	2,422.92	3,191.65
Power & Fuel	3,269.74	3,994.97
Royalty	360.30	404.80
Technical Services	53.36	9.05
Repair & Maintenance		
-Machinery	1,369.28	1,791.43
-Building	25.00	16.57
Rent (including land lease rent)	96.04	257.53
Rates & Taxes	18.50	96.49
Insurance	114.39	88.64
Loss on sale/Discarding of Fixed Assets	-	3.36
Corporate Social Responsibility Expenditure*	82.60	58.95
Exchange Fluctuation (net)	199.74	-
Freight & Forwarding Charges	1,169.07	1,323.49
Other Miscellaneous Expenses	1,474.29	1,747.32
	<b>10,655.24</b>	<b>12,984.25</b>

\* Refer Note No. 40

<b>NOTE 34 : INCOME TAX EXPENSE</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>(a) Income Tax expense recognised in Statement of Profit and Loss</b>		
Current tax In respect of the current year	747.14	1,759.26
Deferred tax In respect of the current year	716.42	1,191.64
Earlier Years	(46.08)	0.30
	<b>1,417.48</b>	<b>2,951.20</b>

**(b) Income Tax on Other Comprehensive Income**

<b>Deferred Tax Benefit</b>		
<b>Arising on income and expenses recognised in Other Comprehensive Income:</b>		
Remeasurement of Defined Benefit Obligations	33.31	10.06
Total income tax expense recognised in Other Comprehensive Income	33.31	10.06
	<b>1,450.79</b>	<b>2,961.26</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>Profit before Income Tax</b>	4240.19	8156.24
At country's statutory income tax rate of 34.944% (31 March 2019: 34.944%)	1481.69	2850.12
Impact of change in Tax Rate	-	70.31
Due to different tax rate of Joint Venture Company	(2.57)	4.22
Adjustments in respect of taxes earlier years	(46.08)	0.30
Disallowances	49.66	44.71
Allowances	(31.90)	(8.39)
	<b>1,450.79</b>	<b>2,961.26</b>

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>NOTE 35 : OTHER COMPREHENSIVE INCOME</b>		
<b>(A) Items that will not be reclassified subsequently to profit or loss</b>		
- Re-measurement gains (losses) on defined benefit liability/asset	95.32	28.78
- Fair value changes on Investment	(309.56)	(201.84)
Income tax effect	(33.31)	(10.06)
<b>(B) Items that will be reclassified subsequently to profit or loss</b>	-	-
<b>Total</b>	<b>(247.55)</b>	<b>(183.12)</b>

## NOTE 36: EARNING PER SHARE

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

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

The following reflects the income and share data used in the basic and diluted EPS computations:

	₹ In Lakhs	
Particulars	Year Ended 31 Mar 2020	Year Ended 31 Mar 2019
<b>Profit After Tax</b>	2,822.70	5,205.04
<b>-Weighted Average Number of Equity Shares</b>		
<b>(Outstanding during the Year)</b>	2,16,50,000	21,650,000
<b>-Face Value of share (₹)</b>	5.00	5.00
Basic Earning per share (Amount in ₹)	13.04	24.04
Diluted Earning per share (Amount in ₹)	13.04	24.04

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE 37: CONTINGENT LIABILITIES AND COMMITMENTS

## A. Contingent Liabilities

		₹ In Lakhs	
(Claims against the Company disputed and not acknowledged as debts)		31-Mar-20	31-Mar-19
Particulars			
a. Income Tax Demands			
i. Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals		564.50	818.33
ii. Cases pending before Appellate authorities in respect of which the Company has filed appeals #		10840.26	14.31
b. Central Excise		115.48	115.48
c. Service tax*		3.61	3.28

\* Against this amount of ₹ 1.42 lakhs has been deposited

# The Company has received a demand from Ld Assessing Officer for the block assessment done under section 153A / 143(3) of the Income Tax Act for the AY 2008-09 to 2018-19 amounting to ₹ 108.22 Crores. An appeal has been filed by the Company before the Honble Commissioner of Income Tax (A) for the same. The Company has been advised that the said demand is not tenable and likely to be deleted and no liability is envisaged against the Company. Accordingly no provision is considered necessary.

The Company has received a show Cause Notice from GST Department amounting to ₹ 4527.97 Lakhs on account of excise duty on Drawing/Design/Specifications received/developed by Maruti Suzuki India Ltd. The Company has filed the detailed reply on dated 06.03.2020 and waiting for personal hearing from department. The company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such dispute.

It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

		₹ In Lakhs	
<b>B. Commitments</b>		31-Mar-20	31-Mar-19
<b>Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances).</b>			
Property, Plant and Equipment		4,112.00	8,813.38
Property, Plant and Equipment (Related to JV JBM Ogihara Die Tech Private Limited)		73.02	572.59
<b>C. Other Commitments</b>		₹ In Lakhs	
Particulars		31-Mar-20	31-Mar-19
Letter of Credit issued by banks		21.92	476.10

## NOTE 38: AUDITOR'S REMUNERATION (Excluding GST)

		₹ In Lakhs	
<b>Statutory Auditors</b>		31-Mar-20	31-Mar-19
A) Statutory Audit Fees		16.50	16.50
B) Tax Audit Fees		5.25	5.25
C) Taxation Matters		-	-
D) Other Services		5.98	6.00
E) Reimbursement of Expenses		0.86	1.89

## NOTE 39: SEGMENT INFORMATION

The Company primarily operates in single segment i.e. manufacturing of components for Automobiles. Hence, no separate segment disclosures as per Ind AS 108 "Operating Segments" have been presented. The said treatment is in accordance with guidance principles enunciated in Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015

Revenue from transactions with a single external customer amounting to 10 percent or more of the Company's revenue is as follows:

		₹ In Lakhs	
Particulars		31-Mar-20	31-Mar-19
Customer 1 #		1,01,773.94	1,44,505.76
Customer 2 #		44,547.07	33,239.11

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE 40: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

In light of section 135 of the Companies act 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 164.20 Lakhs ( P.Y. ₹ 147.38 Lakhs) for CSR activities carried out during the current year.

Particulars	₹ In Lakhs		
	31-Mar-20		31-Mar-19
(i) Gross amount required to be spent by the Company during the year		164.20	147.38
<b>(ii) Amount spent during the year ending on March 31, 2020:</b>	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
- Shree Madhav Jan Sewa Nyas	50.00	-	50.00
- Suman Nirmal Minda Charitable Trust	25.00	-	25.00
- Vichaar Foundation	4.25	-	4.25
- Payment Under Apprentice Act	81.60	-	81.60
- Others	3.35	-	3.35
<b>(iii) Amount spent during the year ending on March 31, 2019:</b>	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
- Suman Nirmal Minda Charitable Trust	51.00	-	51.00
- Payment Under Apprentice Act	88.43	-	88.43
- Others	7.95	-	7.95

## NOTE 41 : A) DETAILS OF GROUP COMPANIES

S.No	Name of the company	Relationship	Country of Incorporation	Percentage of ownership	
				As at 31.03.2020	As at 31.03.2019
1	JBM Ogihara Die Tech Private Limited (w.e.f 07.09.2018)	Joint Venture	India	49.00%	49.00%

Note : Joint Venture is consolidated as per the Equity Method.

## B) SUMMARISED FINANCIAL INFORMATION OF JOINT VENTURE

The table below provides summarised financial information (based on separate financial statement) for those Joint Venture .

Particulars	₹ In Lakhs	
	Joint venture	
	JBM Ogihara Die Tech Private Limited	
	31st March 2020	31st March 2019
<b>Current Assets</b>		
- Cash and Cash Equivalents	37.40	8.67
- Other Assets	989.57	155.87
<b>Total Current Assets (A)</b>	<b>1,026.97</b>	<b>164.54</b>
<b>Total Non - Current Assets (B)</b>	<b>3,221.60</b>	<b>1,218.16</b>
<b>Current Liabilities</b>		
- Financial Liabilities (Excluding Trade and other payables and Provisions)	72.90	571.40
- Other Liabilities	483.66	7.48
<b>Total Current Liabilities ( C)</b>	<b>556.56</b>	<b>578.88</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	₹ In Lakhs	
	Joint venture	
	JBM Ogihara Die Tech Private Limited	
	31st March 2020	31st March 2019
<b>Non-Current Liabilities</b>		
- Financial Liabilities (Excluding Trade and other payables and Provisions)	1,466.65	-
- Other Liabilities	18.28	-
<b>Total Non-Current Liabilities (D)</b>	<b>1,484.93</b>	<b>-</b>
<b>Net Assets (A+B-C-D)</b>	<b>2,207.08</b>	<b>803.82</b>

## C) RECONCILIATION TO CARRYING AMOUNTS

Particulars	₹ In Lakhs	
	Joint Venture	
	JBM Ogihara Die Tech Private Limited	
	31st March 2020	31st March 2019
<b>Opening Net Assets</b>	<b>803.82</b>	<b>-</b>
<b>Equity share capital issued during the year</b>	<b>1,361.00</b>	<b>828.41</b>
Profit / (Loss) for the year	42.26	(24.59)
Previous year adjustment	-	-
Other Comprehensive Income	-	-
Closing Net Assets	2,207.08	803.82
<b>Total</b>	<b>2,207.08</b>	<b>803.82</b>
Company's Share in %	49.00%	49.00%
Company's Share in ₹	1,081.45	393.85
<b>Carrying Amount of Investment</b>	<b>1,081.45</b>	<b>393.85</b>

## D) SUMMARISED STATEMENT OF PROFIT AND LOSS

Particulars	₹ In Lakhs	
	Joint venture	
	JBM Ogihara Die Tech Private Limited	
	31st March 2020	31st March 2019
<b>Revenue (Gross)</b>	<b>1,390.77</b>	<b>-</b>
Interest Income	1.42	-
Depreciation and Amortisation	102.81	-
Interest expense	13.26	-
<b>Profit or loss from continuing operations</b>	<b>53.70</b>	<b>(24.59)</b>
Income tax expense	11.44	-
Other comprehensive income	-	-
<b>Total Comprehensive income</b>	<b>42.26</b>	<b>(24.59)</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

₹ In Lakhs

**NOTE 42 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER**

Particulars	31-Mar-20	31-Mar-19
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	301.51	417.57
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**NOTE 43 : COST OF MATERIALS CONSUMED HAS BEEN COMPUTED BY ADDING PURCHASE TO THE OPENING STOCK AND DEDUCTING CLOSING STOCK.****NOTE 44 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES IN THE COMPANY**

Name of share holders	31-Mar-20		31-Mar-19	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of ₹ 5 each fully paid up</b>				
Maruti Suzuki India Limited	63,40,000	29.28	63,40,000	29.28
ANS Holding Private Limited	20,29,000	9.37	20,29,000	9.37
Mr. Sanjay Singhal	19,00,400	8.78	19,00,400	8.78

**NOTE 45 : LEASES****THE COMPANY AS LESSEE**

The Company's leases primarily consists of leases for land. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term.

**(i) Amounts recognised in the Balance Sheet**

The balance sheet shows the following amounts relating to the leases:

	₹ In Lakhs	
	31-Mar-20	31-Mar-19
<b>Right-of-use assets</b>		
Land	586.64	-
<b>Total</b>	<b>586.64</b>	<b>-</b>

Additions to the Right-of-use asset during the year were ₹ 690.91 Lakhs

	31-Mar-20	31-Mar-19
<b>Maturity analysis of lease liabilities</b>		
Lease liabilities (Discounted Cash Flow)		
Current	136.40	-
Non-Current	458.24	-
<b>Total</b>	<b>594.65</b>	<b>-</b>

\* In the previous year, the Company had no lease contracts classified as 'finance leases' under Ind AS 17, Leases.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

₹ In Lakhs

Maturity analysis – contractual undiscounted cash flows	31-Mar-20	31-Mar-19
Within one year	136.40	-
Later than one year but less than five years	480.91	-
Later than five years	176.07	-
	<b>793.39</b>	<b>-</b>

**(ii) Amounts recognised in the statement of profit and loss**

The statement of profit and loss shows the following amounts relating to leases:	31-Mar-20	31-Mar-19
<b>Depreciation charge of right-of use assets</b>		
Land	104.27	-
<b>Total</b>	<b>104.27</b>	<b>-</b>
<b>Interest expense on lease liabilities (included in finance cost)</b>	<b>40.14</b>	<b>-</b>
<b>Expense relating to short term and low value leases (included in other expense)</b>	<b>96.04</b>	<b>-</b>
	<b>136.18</b>	<b>-</b>

The total cash outflow for leases for the year ended 31 March, 2020 were ₹ 136.40 Lakhs

**(iii) Extension and termination option**

Extension and termination options are included in some of the leases executed by the company. These are used to maximise operational flexibility in terms of managing the assets used in company's operations. Generally, these options are exercisable mutually by both the lessor and the lessee.

(iv) There are no restrictions imposed by the lease agreements and there are no sub leases. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(v) Incremental borrowing rate of 8.5% p.a has been applied for measuring the lease liability at the date of initial application.

**The Company as a Lessor**

The Company has given small portion of freehold land under cancellable operating lease arrangements. Lease rentals under operating leases are recognized on a straight line basis over the term of the lease. Rent income for operating leases for the year ended March 31, 2020 and March 31, 2019 was ₹ 28.92 Lakhs and ₹ 28.92 Lakhs respectively.

**NOTE 46 : EMPLOYMENT BENEFITS****(A) DEFINED BENEFIT PLANS AS PER IND AS 19 EMPLOYEE BENEFITS:**

**Gratuity:** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet.

These Plans typically expose the Company to actuarial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

**Investment Risk:** The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Interest Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Longevity risk :** The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Disclosure of Gratuity			
₹ In Lakhs			
<b>(i) Amount recognised in the Statement of Profit and Loss is as under</b>			
Description	31-March-20	31-March-19	
Current service cost	124.24	90.30	
Interest cost	48.54	42.27	
Past Service Cost	-	-	
Actuarial loss/(gain) recognised during the year	-	-	
Expected return on planned assets	-	-	
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>172.78</b>	<b>132.57</b>	
<b>(ii) Amount recognised in Other Comprehensive Income is as under</b>			
Description	31-March-20	31-March-19	
Actuarial loss/(gain) recognised during the year	(95.32)	(28.78)	
<b>Amount recognised in the Other Comprehensive Income</b>	<b>(95.32)</b>	<b>(28.78)</b>	
<b>(iii) Movement in the Present value of Defined Benefit Obligation recognised in the Balance Sheet is as under:</b>			
Description	31-March-20	31-Mar-19	
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>907.55</b>	<b>797.65</b>	
Current service cost	124.24	90.30	
Interest cost	69.65	63.23	
Actuarial loss/(gain) recognised during the year	(94.22)	(25.51)	
Benefits paid	(49.77)	(18.12)	
Past Service Cost	-	-	
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>957.45</b>	<b>907.55</b>	
<b>(iv) Movement in the Plan Assets recognised in the Balance Sheet is as under:</b>			
Description	31-March-20	31-March-19	
<b>Fair Value of plan assets at beginning of year</b>	<b>273.06</b>	<b>266.96</b>	
Interest income plan assets	21.11	20.96	
Actual company contributions	78.58	-	
Actuarial gain/(loss) on plan assets	1.09	3.26	
Benefits paid	(49.77)	(18.12)	
<b>Fair Value of Plan Assets at the end of the year</b>	<b>324.07</b>	<b>273.06</b>	
The Scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the Fund is undertaken by the LIC.			
<b>(v) Major Categories of Plan Assets:</b>			
Asset Category	31-March-20	31-March-19	
Insurer Managed Funds	100%	100%	

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

<b>(vi) Analysis of amounts recognised in Other Comprehensive Income at Period End:</b>			
₹ In Lakhs			
Description	31-March-20	31-March-19	
<b>Amount recognized in OCI, beginning of period</b>	<b>17.06</b>	<b>45.83</b>	
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	
Actuarial (gain)/loss on arising from change in financial assumption	(1.59)	6.89	
Actuarial (gain)/loss on arising from experience adjustment	(92.63)	(32.40)	
Return on plan assets (excluding interest)	(1.09)	(3.26)	
Total remeasurements recognized in OCI	(95.31)	(28.77)	
<b>Amount recognized in OCI, End of Period</b>	<b>(78.26)</b>	<b>17.06</b>	
<b>(vii) Reconciliation of Balance Sheet Amount</b>			
Description	31-March-20	31-March-19	
<b>Balance Sheet (Asset)/Liability, beginning of period</b>	<b>634.48</b>	<b>530.68</b>	
Total charge/(credit) recognised in Profit and Loss	172.78	132.58	
Total remeasurements recognised in Other Comprehensive Income	(95.31)	(28.78)	
Actual company contribution	(78.58)	-	
Balance Sheet (Asset)/Liability, End of Period	633.37	634.48	
<b>(viii) Current / Non-Current Bifurcation</b>			
Description	31-March-20	31-March-19	
Current Benefit Obligation	90.47	95.99	
Non - Current Benefit Obligation	542.90	538.49	
(Asset)/Liability Recognised in the Balance Sheet	633.37	634.48	
<b>(ix) Actuarial Assumptions</b>			
Description	31-March-20	31-March-19	
Discount rate	6.73%	7.73%	
Future basic salary increase	"For First Year : 0% Thereafter : 6%"	6.00%	
Expected rate of return on plan assets	6.73%	7.85%	
Mortality	As per IALM 2012-14	As per IALM 2012-14	
Employee turnover/withdrawal rate	8.00%	8.00%	
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.			
<b>(x) Defined Benefit Obligation by Participant Status</b>			
Description	31-Mar-20	31-Mar-19	
a) Actives	957.44	907.54	
b) Vested Deferreds	-	-	
c) Retirees	-	-	
<b>Total Defined Benefit Obligation</b>	<b>957.44</b>	<b>907.54</b>	
<b>(xi) Sensitivity analysis for Gratuity Liability</b>			
Description	31-Mar-20	31-Mar-19	
<b>Impact of the change in discount rate</b>			
- Impact due to increase of 1.00 %	(42.17)	(52.15)	
- Impact due to decrease of 1.00 %	44.73	54.38	
<b>Impact of the change in salary increase</b>			
- Impact due to increase of 1.00 %	43.40	50.02	
- Impact due to decrease of 1.00 %	(41.03)	(40.82)	

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Company is expected to contribute ₹ 70.00 lakhs to Defined Benefit Plan Obligation Funds in next year

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

<b>(xii) Maturity profile of Defined Benefit Obligation</b>		₹ In Lakhs	
Description	31-Mar-20	31-Mar-19	
Within next 12 months	141.28	142.51	
Between 1-5 years	505.60	506.18	
Between 5-10 years	472.56	476.94	

**B) OTHER LONG TERM BENEFITS AS PER IND AS 19 EMPLOYEE BENEFITS:****Leave Encashment and Compensated Absences (Unfunded)**

The leave obligations cover the Company's liability for sick and earned leaves.

		₹ In Lakhs	
<b>(i) Amount recognised in the Statement of Profit and Loss is as under:</b>			
Description	31-Mar-20	31-Mar-19	
Current service cost	86.21	77.83	
Interest cost	53.77	45.21	
Remeasurements	107.81	208.97	
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>247.80</b>	<b>332.01</b>	
<b>(ii) Movement in the liability recognised in the Balance Sheet is as under:</b>			
Description	31-Mar-20	31-Mar-19	
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>704.42</b>	<b>576.27</b>	
Current service cost	86.21	77.83	
Interest cost	53.77	45.21	
Actuarial loss/(gain) recognised during the year	107.81	208.97	
Benefits paid	(190.91)	(203.86)	
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>761.31</b>	<b>704.42</b>	
<b>(iii) Current / Non-Current Bifurcation</b>			
Current Benefit Obligation	106.54	103.77	
Non - Current Benefit Obligation	654.77	600.65	
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>761.31</b>	<b>704.42</b>	
<b>(iv) Sensitivity analysis</b>			
Description	31-Mar-20	31-Mar-19	
<b>Impact of the change in discount rate</b>			
- Impact due to increase of 1.00 %	(40.01)	(37.01)	
- Impact due to decrease of 1.00 %	42.61	39.42	
<b>Impact of the change in salary increase</b>			
- Impact due to increase of 1.00 %	32.10	29.69	
- Impact due to decrease of 1.00 %	(30.77)	(28.47)	
<b>(v) Actuarial assumptions</b>			
Description	31-Mar-20	31-Mar-19	
Discount rate	6.73%	7.73%	

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Future basic salary increase	"For First Year : 0% Thereafter : 6%"	6.00%
Expected rate of return on plan assets	N.A	N.A
Mortality	As per IALM 2012-14	As per IALM 2012-14
Employee turnover/withdrawal rate	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

<b>(vi) Defined Benefit Obligation by Participant Status</b>		31-Mar-20	31-Mar-19
a. Actives		761.31	704.42
b. Vested Deferreds		-	-
c. Retirees		-	-
<b>Total Defined Benefit Obligation</b>		<b>761.31</b>	<b>704.42</b>

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**(C) DEFINED CONTRIBUTION AND OTHER PLANS**

Contributions are made to the Provident Fund, Super Annuation Fund & Other Plans. The contributions are normally based upon a proportion of the employee's salary.

The Company has recognized the following amounts in the Statement of Profit and Loss :

Particulars	31-Mar-20	31-Mar-19
Employer contribution to Provident & Pension fund*	361.70	333.06
Employers Contribution to Superannuation Fund*	5.05	4.98
Employers contribution to Employee State insurance *	10.63	20.86
Punjab & Haryana Labour Welfare fund*	4.70	2.00

\* Included in Contribution to Provident and Other Funds Under Employee Benefit Expense (Refer Note No. 30)

**NOTE 47 : RELATED PARTY DISCLOSURES :**

The list of related parties as identified by the management is as under:

<b>Joint Venture</b>	- JBM Ogihara Die Tech Private Limited
<b>Parties in respect of which the Company is an Associate</b>	- Maruti Suzuki India Limited
<b>Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence</b>	- JBM Industries Limited - Neel Metal Products limited - JBM Renewables Private Limited - Arka Overseas
<b>Enterprise over which key management personnel and their relative are able to exercise Control</b>	- ANS Holding Private Limited
<b>Other Entities (Fellow Subsidiary of Maruti Suzuki India Limited)</b>	- Suzuki Motor Gujarat Private Limited
<b>Key Management Personnel</b>	- Mr. S.K. Arya, Chairman & Managing Director - Mr. Anand Swaroop, President & CFO - Mr. Ravi Arora, Company Secretary
<b>Relative of Key Management Personnel</b>	- Mrs. Neelam Arya, Spouse of Mr. S.K Arya - Mr. Nishant Arya - S K Arya (HUF)
<b>Post Employment Benefit Plan of the Company</b>	- JBM Group Gratuity Trust







## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Remuneration paid to KMP's and their relatives*</b>	<b>Mr. S.K. Arya</b>		<b>Mr. Anand Swaroop</b>		<b>Mr. Ravi Arora</b>	
<b>(a) short-term employee benefits;</b>	276.79	405.72	116.62	134.23	34.57	28.58
<b>(b) post-employment benefits;</b>	21.80	18.64	5.57	5.57	1.55	1.55
<b>Total</b>	<b>298.59</b>	<b>424.36</b>	<b>122.19</b>	<b>139.80</b>	<b>36.12</b>	<b>30.13</b>

\* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**Terms and conditions of transactions with Related Parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**NOTE 48 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

**Judgments**

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

**Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)**

The Company has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

**(i) Gratuity benefits**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 46.

**(ii) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(iii) Impairment of financial assets**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history and other factors at the end of each reporting period.

**(iv) Estimates related to useful life of property plant and equipment and intangible assets :**

Depreciation on property plant and equipment and Intangible Assets is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013. The management has re-estimated useful lives and residual values of all its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

**(v) Impairment of Assets**

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

**(vi) Contingent liabilities**

The 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 Group. The Group evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Group take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Group provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statement.

**(vii) Taxes**

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

**NOTE 49 : FINANCIAL INSTRUMENTS****(A) Capital Management**

The Group manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options

The management of the Group reviews the capital structure of the Group on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, Loans and borrowings less cash and cash equivalents.



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Particulars	₹ In Lakhs	
	31-Mar-20	31-Mar-19
Net debt	44,344.64	40,282.97
Total equity	42,316.48	40,393.83
<b>Net debt to equity ratio</b>	<b>1.05</b>	<b>1.00</b>

**(B) Fair Value Measurements**

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

**Level 1:** This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** This level 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).

**Level 3:** This level 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.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis:

There are certain Group's financial assets which are measured at fair value at the end of each reporting period. There have been no transfer among levels during the period. Following table gives information about how the fair values of these financial assets are determined:

Financial Assets at fair value through OCI	₹ In Lakhs		
	Fair value as at 31-Mar-20		
	Level 1	Level 2	Level 3
Investments in equity instruments	506.82	493.42	-
Financial Assets at fair value through OCI	Fair value as at 31-Mar-19		
	Level 1	Level 2	Level 3
Investments in equity instruments	836.48	473.32	-
Financial Assets at fair value through Profit or loss	Fair value as at 31-Mar-20		
	Level 1	Level 2	Level 3
Hedging gain recoverable		74.84	

Particulars	As at 31-Mar-2020		As at 31-Mar-2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Amortised Cost*</b>				
Loans	361.59	361.59	202.45	202.45
Trade Receivables	5,191.87	5,191.87	7,415.33	7,415.33
Cash and Cash Equivalents	151.52	151.52	91.45	91.45
Bank Balances other than Cash and Cash Equivalents	41.80	41.80	40.86	40.86
Other Financial Assets	167.66	167.66	94.26	94.26
<b>Total Financial Assets at Amortised Cost (a)</b>	<b>5,914.43</b>	<b>5,914.43</b>	<b>7,844.35</b>	<b>7,844.35</b>

\*Does not include investment in Joint venture which is accounted for as per equity method

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at 31-Mar-2020		As at 31-Mar-2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Measured at Fair Value through Other Comprehensive Income</b>				
Investments	1,000.24	1,000.24	1,309.80	1,309.80
<b>Total Financial Assets at Fair Value 'through Other Comprehensive Income (b)</b>	<b>1,000.24</b>	<b>1,000.24</b>	<b>1,309.80</b>	<b>1,309.80</b>
<b>Measured at Fair Value through Profit and Loss</b>				
Hedging Gain Recoverable	74.84	74.84	-	-
<b>Total Financial Assets at Fair Value 'through Profit and Loss (c)</b>	<b>74.84</b>	<b>74.84</b>	<b>-</b>	<b>-</b>
<b>Total Financial Assets (a+b+c)</b>	<b>6,989.51</b>	<b>6,989.51</b>	<b>9,154.15</b>	<b>9,154.15</b>

Financial Liabilities	₹ In Lakhs			
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Measured at Amortised Cost</b>				
Long-term Borrowings*	33,226.89	33,229.26	32,434.75	32,432.27
Payable for Capital Goods	3,145.75	3,145.75	2,875.12	2,875.12
Short-term Borrowings	11,269.27	11,269.27	7,939.67	7,939.67
Trade Payables	16,485.25	16,485.25	20,482.68	20,482.68
Other Financial Liabilities	3,194.42	3,194.42	5,694.91	5,694.91
<b>Total Financial Liabilities at Amortised Cost</b>	<b>67,321.58</b>	<b>67,323.95</b>	<b>69,427.13</b>	<b>69,424.65</b>

\* including current maturities of long-term borrowings

<b>Total Financial Liabilities</b>	<b>67,321.58</b>	<b>67,323.95</b>	<b>69,427.13</b>	<b>69,424.65</b>
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The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps are valued using valuation techniques which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk.

**(C) Financial Risk Management**

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

**C.1 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## a) Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency Buyer's credit).

Foreign Currency Exposure that have been hedged by derivative Instrument are given below.

Liabilities/Assets	Foreign Currency (In Lakhs)		INR Equivalent (In Lakhs)	
	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
<b>Liabilities</b>				
USD	41.93	58.48	3,046.75	4,044.16

Foreign Currency Exposure that have not been hedged by derivative Instrument are given below.

Liabilities/Assets	Foreign Currency (In Lakhs)		INR Equivalent (In Lakhs)	
	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
<b>Liabilities</b>				
USD	42.66	48.26	3,228.38	3,357.93
JPY	195.60	83.81	136.14	52.31
EURO	-	-	-	-
<b>Assets</b>				
USD	0.001	-	0.08	-

The Group has taken cross currency interest rate swaps to hedge its foreign currency exposures in relation to Foreign Currency Buyer's credits availed by the Group. The Group had negotiated the terms of CCIRS to match the terms of the hedged exposure. Further, the Group has not entered into any derivative or hedging instruments in relation to its foreign currency exposures other than Foreign Currency Buyer's credits.

## Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

## Impact on Profit / (loss) for the year for a 5% change:

Particulars	Increase		Decrease	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Payables</b>				
USD /INR	(161.42)	(167.90)	161.42	167.90
YEN/INR	(6.81)	(2.62)	6.81	2.62
<b>Particulars</b>				
<b>Receivables</b>				
USD /INR	(0.00)	-	0.00	-
YEN/INR	-	-	-	-

## b) Interest Rate Risk Management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. In respect of the Foreign Currency Buyers Credits denominated in US Dollars (USD), the Group is having 6 months Libor linked rate. To mitigate the risk of any adverse interest rate movement, the Group has entered into Cross Currency Interest Rate Swaps (CCIRS) i.e. pay fixed receive variable rate of interest. In the event of any adverse movement of interest rates, the Group is required only to pay the fixed interest eventually thereby offsetting the interest loss from the CCIRS. Accordingly, no sensitivity analysis in respect of such loans is given.

## Interest Rate Sensitivity Analysis

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

## Impact on Profit / (loss) for the year for a 50 basis point change:

	Increase/decrease in basis points	Effect on profit before tax
<b>31-Mar-20</b>		
INR loans	+50	-217.86
INR loans	-50	217.86
<b>31-Mar-19</b>		
INR loans	+50	-180.98
INR loans	-50	180.98

## c) Security Price Risk

The Group is exposed to equity price risks arising from equity investments held by the Group and classified in the balance sheet as fair value through OCI

## Equity Price Sensitivity Analysis

The Sensitivity Analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

## If the equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March 2020 would increase / decrease by ₹ 50.01 lakhs (for the year ended 31st March 2019: increase / decrease by ₹ 65.49 lakhs) as a result of the change in fair value of equity investment measured at FVTOCI

## C.2 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

## C.3 Liquidity Risk Management

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of long term borrowings, short term borrowings and trade payables etc. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	₹ In Lakhs			
Year ended 31-Mar-20	Less than 1 year	1 to 5 years	> 5 years	Total
Long Term Borrowings*	5,178.75	26,481.93	971.56	32,632.24
Finance Lease Obligations*	136.40	480.91	176.07	793.39
Short Term Borrowings	11,269.27	-	-	11,269.27
Payable for Capital Goods	-	3,145.75	-	3,145.75
Trade Payables	16,485.25	-	-	16,485.25
Other Financial Liabilities	3,194.42	-	-	3,194.42
	<b>36,264.09</b>	<b>30,108.60</b>	<b>1147.63</b>	<b>67,520.31</b>
<b>Year ended 31-Mar-19</b>				

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Long Term Borrowings*	5,510.70	25,926.83	997.22	32,434.75
Short Term Borrowings	7,939.67	-	-	7,939.67
Payable for Capital Goods	-	2,875.12	-	2,875.12
Trade Payables	20,482.68	-	-	20,482.68
Other Financial Liabilities	5,694.91	-	-	5,694.91
	<b>39,627.96</b>	<b>28,801.95</b>	<b>997.22</b>	<b>69,427.13</b>

\* including current maturities of long-term borrowings

## NOTE 50: EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

**NOTE 51:** The remuneration paid / accrued by the Company to its Chairman and Managing Director for the year ended March 31, 2020 was paid as per Schedule V Part II Section II of the Companies Act, 2013 as the Profits for the year ended March 31, 2020 were inadequate. The amount paid is in excess of the amount as per section 197 of the Companies Act, 2013 but within the limits as approved by shareholders by way of special resolution passed in their meeting held on 04.09.2018. To comply with the provisions of Schedule V Part II Section II, the Board as well as the Nomination and Remuneration Committee has approved the change of term from 5 years to 3 years, subject to approval of shareholders in the ensuing Annual General Meeting of the Company

## NOTE 52 : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013, OF ENTERPRISES CONSOLIDATED AS JOINT VENTURES.

Name of the entity in the group	Net Assets i.e. Total Assets minus total liabilities		Share in Profit/( loss)		Share in other comprehensive income		Share in total comprehensive income	
	Year Ended 31st March 2020		Year Ended 31st March 2020		Year Ended 31st March 2020		Year Ended 31st March 2020	
	As % of consolidated net assets	"Amount (In lakhs)"	As % of consolidated profit and loss	"Amount (In lakhs)"	As % of consolidated other comprehensive income	"Amount (In lakhs)"	As % of consolidated Total comprehensive income	"Amount (In lakhs)"
<b>Company</b>								
Jay Bharat Maruti Limited	97.51	42,307.84	99.27	2,802.00	100.00	(247.55)	99.20	2,554.45
<b>Joint Ventures (Investment as per equity method)</b>								
JBM Ogihara	2.49	1,081.45	0.73	20.70	-	0	0.80	20.70
Die Tech Private Limited								
<b>Total</b>	<b>100.00</b>	<b>43,389.29</b>	<b>100.00</b>	<b>2,822.70</b>	<b>100.00</b>	<b>(247.55)</b>	<b>100.00</b>	<b>2,575.15</b>
<b>Adjustments arising out of consideration</b>		<b>1,072.81</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>Total</b>		<b>42,316.48</b>		<b>2,822.70</b>		<b>(247.55)</b>		<b>2,575.15</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Name of the entity in the group	Net Assets i.e. Total Assets minus total liabilities		Share in Profit/( loss)		Share in other comprehensive income		Share in total comprehensive income	
	Year Ended 31st March 2019		Year Ended 31st March 2019		Year Ended 31st March 2019		Year Ended 31st March 2019	
	As % of consolidated net assets	Amount (In lakhs)	As % of consolidated profit and loss	Amount (In lakhs)	As % of consolidated other comprehensive income	Amount (In lakhs)	As % of consolidated Total comprehensive income	Amount (In lakhs)
<b>Company</b>								
Jay Bharat Maruti Limited	99.03	40,405.90	100.23	5,217.10	100.00	(183.12)	100.24	5,033.98
<b>Joint Ventures (Investment as per equity method)</b>								
JBM Ogihara	0.97	393.85	(0.23)	(12.06)	-	-	(0.24)	(12.06)
Die Tech Private Limited								
<b>Total</b>	<b>100.00</b>	<b>40,799.75</b>	<b>100.00</b>	<b>5,205.04</b>	<b>100.00</b>	<b>-183.12</b>	<b>100.00</b>	<b>5,021.92</b>
Adjustments arising out of consideration		405.92		-		-		-
<b>Total</b>		<b>40,393.84</b>		<b>5,205.04</b>		<b>(183.12)</b>		<b>5,021.92</b>

## NOTE 53 : AMENDMENTS TO STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE COMPANY

There is no such notification which would have been applicable from April 1, 2020.

As per our report of even date attached.

**For Sahni Natarajan and Bahl**  
Chartered Accountants  
Firm Registration No. - 002816N

**S.K.Arya**  
Chairman & Managing Director  
DIN 00004626  
New Delhi

**Nishant Arya**  
Director  
DIN 00004954  
New Delhi

**Sudhir Chhabra**  
Partner  
M.No-083762

**Anand Swaroop**  
President & CFO  
Gurugram (Haryana)

**Sunil Dutt Agrawal**  
VP-Finance  
Gurugram (Haryana)

Place: New Delhi  
Date : June 26, 2020

**Ravi Arora**  
Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)



**FORM NO. AOC.1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries/Associate Company/Joint Ventures****Part "A": Subsidiaries** : Not Applicable**Part "B": Joint Ventures and Associates****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Particulars	Joint Venture
	JBM Ogihara Die Tech Private Limited
<b>1. Latest Audited Balance Sheet</b>	31.03.2020
<b>2. Shares of Associate/Joint Ventures held by the Company on the year end</b>	
a) No. of shares	1,07,28,118
b) Amount of Investment in Joint venture & Associate	1,072.81
c) Extent of holding %	49.00%
<b>3. Description how there is Significant Influence</b>	Note-1
<b>4. Reason why the Associate/Joint Venture is not consolidated</b>	NA
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	1,081.47
<b>6. Profit / Loss for the year*</b>	
a) Considered in Consolidation	20.70
b) Not considered in Consolidation	-

**1. There are no Associates/joint ventures which are yet to commence operations.****2. There are no associates/joint ventures which have been liquidated or sold during the year.**

Note 1 : The Company has Power to Participate in the financial and/or operating policy decision but does not have control or joint control over those policies

**\* Based on total comprehensive income**For and on behalf of the Board of Directors of **JAY BHARAT MARUTI LIMITED****S.K.Arya**Chairman & Managing Director  
DIN 00004626  
New Delhi**Nishant Arya**Director  
DIN 00004954  
New Delhi**Ravi Arora**Company Secretary & Compliance Officer  
M No. 37075  
Gurugram (Haryana)**Anand Swaroop**President & CFO  
Gurugram (Haryana)**Sunil Dutt Agrawal**VP-Finance  
Gurugram (Haryana)Place: New Delhi  
Date : June 26, 2020**सीआईएन: L29130DL1987PLC027342**

31 मार्च, 2020 की स्थिति अनुसार एकल तुलन पत्र

रु लाख में

विवरण	टिप्पणी सं.	31 मार्च, 2020 को	31 मार्च, 2019 को
<b>परिसंपत्तियां</b>			
<b>1 गैर चालू परिसंपत्तियां</b>			
(क) संपत्ति, संयंत्र और उपकरण	3	81,676.00	82,980.59
(ख) प्रगति अधीन पूंजीगत कार्य	4	14,312.10	5,121.60
(ग) अमूर्त परिसंपत्तियां	5	60.94	197.14
(घ) वित्तीय परिसंपत्तियां			
(i) निवेश	6	2,073.05	1,715.72
(ii) ऋण	7	361.59	202.45
(ड) अन्य गैर चालू परिसंपत्तियां	8	3,592.72	3,884.54
		1,02,076.40	94,102.04
<b>2 चालू परिसंपत्तियां</b>			
(क) इन्वेंटरीज	9	12,257.81	16,921.53
(ख) वित्तीय परिसंपत्तियां			
(i) व्यापार प्राप्तियां	10	5,191.87	7,415.33
(ii) नकदी और नकदी समकक्ष	11	151.52	91.45
(iii) उपर्युक्त पपद्धके अलावा बैंक में बाकी	12	41.80	40.86
(iv) अन्य वित्तीय परिसंपत्तियां	13	242.49	94.26
(ग) अन्य चालू परिसंपत्तियां	14	712.82	1,889.07
		18,598.31	26,452.50
<b>कुल</b>		<b>1,20,674.71</b>	<b>120,554.54</b>
<b>इक्विटी और देयताएं</b>			
<b>इक्विटी</b>			
(क) इक्विटी शेयर पूंजी	15	1,082.50	1,082.50
(ख) अन्य इक्विटी	16	41,225.34	39,323.40
		42,307.84	40,405.90
<b>देनदारियां</b>			
<b>1 गैर चालू देयताएं</b>			
(क) वित्तीय देयताएं			
(i) ऋण	17	27,911.74	26,924.05
(ii) अन्य वित्तीय देयताएं	18	3,145.75	2,875.12
(ख) प्रावधान	19	1,197.67	1,139.14
(ग) आस्थगित कर देयताएं (निवल)	20	7,404.64	6,706.56
(घ) अन्य गैर चालू देयताएं	21	-	95.00
		39,659.80	37,739.87

2 चालू देयताएं			
(क) वित्तीय देयताएं			
(i) उधार	22	11,269.27	7,939.67
(ii) व्यापार देयताएं	23		
सूक्ष्म उद्यमों और लघु उद्यमों को कुल बकाया देनदारियां		301.51	417.57
सूक्ष्म उद्यमियों और लघु उद्यमियों के अलावा क्रेडिटर्स को कुल बकाया देय		16,183.74	20,065.11
(iii) अन्य वित्तीय देनदारियां	24	8,509.57	11,205.61
(ख) अन्य चालू देनदारियां	25	2,243.52	2,571.55
(ग) प्राक्धान	26	199.46	209.26
		38,707.07	42,408.77
<b>कुल</b>		<b>1,20,674.71</b>	<b>120,554.54</b>
महत्वपूर्ण लेखांकन नीतियां	2		

संलग्न टिप्पणियां इन वित्तीय विवरणों का हिस्सा हैं

हमारी संलग्न सम तिथि की रिपोर्ट के अनुसार

श्री साहनी नटराजन एंड बहल  
चार्टर्ड एकाउण्टेंट्स  
फार्म रजिस्ट्रेशन नं.-002816एन

एस.के.आर्य  
अध्यक्ष एवं प्रबंध निदेशक  
डीआईएन 00004626  
नई दिल्ली

निशांत आर्य  
निदेशक  
डीआईएन 00004954  
नई दिल्ली

सुधीर छाबड़ा  
पार्टनर  
सदस्यता सं.-083762

आनंद स्वरूप  
अध्यक्ष एवं सीएफओ  
गुरुग्राम (हरियाणा)

सुनील दत्त अग्रवाल  
उपाध्यक्ष-वित्त  
गुरुग्राम (हरियाणा)

स्थान : नई दिल्ली  
दिनांक : जून 26, 2020

रवि अरोड़ा  
कम्पनी सचिव और अनुपालन अधिकारी  
सदस्यता सं. 37075  
गुरुग्राम (हरियाणा)

## सीआईएन: L29130DL1987PLC027342

31 मार्च, 2020 को समाप्त वर्ष के लिये लाभ और हानि का एकल विवरण

रु लाख में

विवरण	टिप्पणी सं.	31 मार्च, 2020 को समाप्त वर्ष के लिये	31 मार्च, 2019 को समाप्त वर्ष के लिये
I प्रचालनों से आय	27	1,65,771.34	199,400.22
II अन्य आय	28	169.85	297.19
III कुल आय (I+II)		1,65,941.19	199,697.41
IV व्यय			
उपभोग की गई सामग्रियों की लागत		1,25,234.47	154,218.16
तैयार वस्तुओं की इन्वेंटरीज में बदलाव तथा प्रगति अधीन कार्य	29	1,569.89	(752.68)
कर्मचारी लाभ व्यय	30	14,207.74	15,497.51
वित्त लागतें	31	3,807.95	3,433.21
मूल्यह्रास और परिशोधन व्यय	32	6,252.02	6,148.66
अन्य व्यय	33	10,655.24	12,984.25
<b>कुल व्यय (IV)</b>		<b>1,61,727.31</b>	<b>191,529.11</b>
V कर पूर्व लाभ (III-IV)		4,213.88	8,168.30
VI कर व्यय:	34		
(1) चालू कर		747.14	1,759.26
(2) आस्थगित कर		710.82	1,191.64
(3) पूर्ववर्ती वर्षों के कर		(46.08)	0.30
		1,411.88	2,951.20
VII वर्ष के लिये कर पश्चात लाभ (V-VI)		2,802.00	5,217.10
VIII अन्य समग्र आय	35		
(क) मर्दे, जिन्हें बाद में लाभ या हानि के तौर पर वर्गीकृत नहीं किया जायेगा			
- निवल परिभाषित लाभ देयता/परिसंपत्ति का आकलन		95.32	28.78
- आयकर प्रभाव		(33.31)	(10.06)
- निवेश पर उचित मूल्य परिवर्तन		(309.56)	(201.84)
(ख) मर्दे, जिन्हें लाभ या हानि के लिये बाद में पुन:वर्गीकृत किया जायेगा		-	-
<b>कुल अन्य समग्र आय (क)+(ख)</b>		<b>(247.55)</b>	<b>(183.12)</b>
IX कुल समग्र आय (VII+VIII)		2,554.45	5,033.98
X प्रति इक्विटी शेयर आय (प्रत्येक 5/- रु का अंकित मूल्य):	36		
(1) बेसिक		12.94	24.10
(2) डाइल्यूटिड		12.94	24.10
<b>महत्वपूर्ण लेखांकन नीतियां</b>	<b>2</b>		

संलग्न टिप्पणियां इन वित्तीय विवरणों का हिस्सा हैं

हमारी संलग्न सम तिथि की रिपोर्ट के अनुसार

श्री साहनी नटराजन एंड बहल  
चार्टर्ड एकाउण्टेंट्स  
फार्म रजिस्ट्रेशन नं.-002816एन

एस.के.आर्य  
अध्यक्ष एवं प्रबंध निदेशक  
डीआईएन 00004626  
नई दिल्ली

निशांत आर्य  
निदेशक  
डीआईएन 00004954  
नई दिल्ली

सुधीर छाबड़ा  
पार्टनर  
सदस्यता सं.-083762

आनंद स्वरूप  
अध्यक्ष एवं सीएफओ  
गुरुग्राम (हरियाणा)

सुनील दत्त अग्रवाल  
उपाध्यक्ष-वित्त  
गुरुग्राम (हरियाणा)

स्थान : नई दिल्ली  
दिनांक : जून 26, 2020

रवि अरोड़ा  
कम्पनी सचिव और अनुपालन अधिकारी  
सदस्यता सं. 37075  
गुरुग्राम (हरियाणा)







Our milestones are touchstones

## REGISTERED OFFICE

### **Jay Bharat Maruti Limited**

601, Hemkunt Chambers,  
89, Nehru Place, New Delhi-110019.

Ph. : 91-11-26427104-6

Fax : 91-11-26427100

email : [corp.communications@jbmgroupp.com](mailto:corp.communications@jbmgroupp.com)

[www.jbmgroupp.com](http://www.jbmgroupp.com)

## CORPORATE OFFICE

### **Jay Bharat Maruti Limited**

Plot No. 9, Institutional Area,  
Sector - 44, Gurgaon-122003, Haryana

Ph. : 91-124-4674500-550

Fax : 91-124-4674599

## WORKS

### **Jay Bharat Maruti Limited (J1)**

Plot No. 5, Maruti Joint Venture Complex,  
Gurgaon-122015, Haryana

### **Jay Bharat Maruti Limited (J2)**

Sector 36, Mohammadpur Jharsa,  
Near Khandsa Village,  
Gurgaon-122015, Haryana

### **Jay Bharat Maruti Limited (J3)**

Plot No. 15 & 22, Sector-3A,  
Maruti Supplier Park, IMT Manesar,  
Gurgaon-122015, Haryana

### **Jay Bharat Maruti Limited (J4)**

Plot No. 322, Sector-3, Phase-II,  
Bawal-123501 (Haryana)

### **Jay Bharat Maruti Limited (J5)**

Survey No.62, Paiki, 6 & 7,  
GIDC Extension Road, Village,  
Vithlapur, Taluka Mandal,  
District Ahmedabad, Gujarat-382130