



**JMT AUTO LIMITED**

**An Amtek Group Company**

**32nd ANNUAL REPORT**

***2018 - 2019***



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## **IMPORTANT COMMUNICATION TO MEMBERS**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on Monday, September 23, 2019 (9:00 a.m. IST) and will end on Wednesday, September 25, 2019 (5:00 p.m. IST).

Visit us at: [www.jmtauto.com](http://www.jmtauto.com)

email Id: [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com)



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Chairman & Independent Director

**Mr. Sanjay Chhabra**

CEO & Whole Time Director

**Mr. Sanjay Tiku**

Director

**Mr. John Ernest Flintham**

Director

**Mr. Gautam Malhotra**

Director

**Mr. Aditya Malhotra**

Independent Director

**Ms. Anuradha Kapur**

Company Secretary  
& Compliance Officer

**Ms. Mona K Bahadur**

Chief Financial Officer

**Mr. Sandeep Singh Surya**

Statutory Auditors

**M/s Raj Gupta & Company,  
Chartered Accountants  
New Delhi**

Bankers

**Axis Bank  
Bank of India  
IDBI Bank Limited  
State Bank of India**

Registrar & Share Transfer

**M/s C B Management Services (P) Ltd  
P- 22, Bondel Road, Kolkata- 700 019**

Registered Office

**3, LSC, Pamposh Enclave,  
Guru Nanak Market, Opp. LSC Market  
New Delhi – 110 048**

Corporate & Administrative Office

**C-19 & 20, NS – 29-34, D-8-12  
7th Phase, Industrial Area, Adityapur,  
Jamshedpur – 832 109**

Corporate Identification Number (CIN)

**L42274DL1997PLC270939**



## FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

| DESCRIPTION      | 2018-19* | 2017-18  | 2016-17  | 2015-16  | 2014-15  |
|------------------|----------|----------|----------|----------|----------|
| SALES & JOB WORK | 36005.10 | 34724.02 | 31416.34 | 33594.31 | 43008.32 |
| DEPRECIATION     | 2586.86  | 2858.19  | 2932.86  | 2758.23  | 2505.20  |
| FINANCE COST     | 1628.13  | 1900.77  | 2139.25  | 1922.89  | 1913.76  |
| EBIDTA           | 4105.19  | 4931.77  | 5648.52  | 5423.89  | 5599.58  |
| PBT              | (109.80) | 172.81   | 576.41   | 742.77   | 1180.62  |
| PAT              | (247.20) | 79.31    | 420.69   | 485.65   | 947.55   |
| DIVIDEND         | —        | —        | —        | —        | —        |
| DIVIDEND PAYOUT  | —        | —        | —        | —        | —        |

\*Standalone figures

(Rs. In Lakhs)

| DESCRIPTION        | As on<br>31.03.2019 | As on<br>31.03.2018 | As on<br>31.03.2017 | As on<br>31.03.2016 | As on<br>31.03.2015 |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Fixed Asset    | 12157.51            | 13,319.36           | 15510.58            | 17453.43            | 19730.94            |
| Share Capital      | 5038.32             | 5,038.32            | 5038.32             | 5038.32             | 5038.32             |
| Reserves & Surplus | 11692.69            | 12,003.35           | 11923.67            | 11537.97            | 11052.33            |
| Net worth          | 16731.01            | 17,041.67           | 16961.99            | 16576.29            | 16090.65            |
| Borrowings         | 13447.23            | 15,629.42           | 16725.06            | 16923.68            | 16376.59            |

## KEY INDICATORS

| DESCRIPTION          | As on<br>31.03.2019 | As on<br>31.03.2018 | As on<br>31.03.2017 | As on<br>31.03.2016 | As on<br>31.03.2015 |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| EPS                  | (0.06)              | 0.02                | 0.08*               | 0.19*               | 1.88                |
| Book Value per Share | 3.32                | 3.38                | 3.37*               | 6.58*               | 31.94               |
| Debt: Equity ratio   | 0.80:1              | 92:1                | 0.98:1              | 1.02:1              | 1.02:1              |
| Net Profit Margin %  | (0.69)              | 0.23                | 1.34                | 1.45                | 2.20                |



## NOTICE

Notice is hereby given that the **32nd Annual General Meeting** of JMT AUTO LIMITED will be held at Mapple Emerald, NH8, Rajokri, New Delhi-110038 on Thursday, the **26<sup>th</sup> day of September, 2019 at 12.30 P.M.** to transact the following business: -

### ORDINARY BUSINESS

#### Item No.1- ADOPTION OF ACCOUNTS

To consider and adopt :-

- (a) the audited Standalone financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019, and the reports of the Auditors thereon;

And in this regard pass the following resolution as Ordinary Resolutions:

- a) **“RESOLVED THAT** the audited Standalone financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
- b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

#### Item No. 2 – RE-APPOINTMENT OF GAUTAM MALHOTRA

To Appoint a Director in place of **Mr. Gautam Malhotra (DIN-00157488)**, who retires by rotation and being eligible offer himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Gautam Malhotra (DIN-00157488) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### Item No. 3 – RE-APPOINTMENT OF JOHN E FLINTHAM

To Appoint a Director in place of **Mr. John E Flintham (DIN-01463500)**, who retires by rotation and being eligible offer himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. John E Flintham (DIN-01463500), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS

#### Item No. 4 – RATIFICATION OF REMUNERATION OF THE COST AUDITORS

To ratify the remuneration of Cost Auditors and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 40,000/- (Rupees Forty Thousand only) plus out-of-pocket expenses payable to Yash Pal Sardana, Cost Accountants & Management Consultants (Membership No – 17996), Cost Auditor of the Company who is appointed by Board of Directors of the Company to conduct cost audit of all business of the Company for the financial year 2019-20.”

#### Item No. 5 – Related Party Transactions of the Company

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

**“RESOLVED THAT** pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors for entering into transaction/s of purchase/sale of goods / services, transfer, assign



or otherwise etc., whether material or otherwise, during the financial year 2019-20 commencing from April 1, 2019, of the Company with Amtek Auto Limited (which is under Corporate Insolvency Resolution Process), or any of the Subsidiaries, Joint Ventures, Associates or group Companies falling under Related Party, up to an estimated maximum annual value of Rs. 250 Crores (Rupees two Hundred and Fifty Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as maybe necessary, proper or expedient to give effect to this Resolution.”

**NOTES:**

1. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special business under Item Nos. 4 and 5 above, is annexed hereto. The relevant details of Directors seeking appointment/ re-appointment under Item Nos. 2 & 3 as required Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ‘SEBI Listing Regulations’ are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing the Proxy, in order to be effective, must be deposited at the Company’s Registered Office not less than **48 hours** before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Pursuant to 123 and 125 of the Companies Act, 2013, Unclaimed final dividend for the year 2012 onwards is due for transfer to Investors’ Education and Protection Fund (IEPF) established by Govt. of India. All Shareholders, whose dividend is unpaid for the year 2012-13 onwards, are requested to lodge their claim by submitting an application at the earliest date, with either of the following:
  - i. M/s C.B. Management Services Private Limited (RTA)  
P- 22, Bondel Road, Kolkata- 700 019
  - ii. The Company-Secretary,  
JMT AUTO Limited,  
Corporate and Administrative office,  
C-19-20, 7th Phase Industrial Area,  
Adityapur, Jamshedpur-832109

Kindly note that no claims will lie against the Company or the IEPF once the dividend amount is deposited in IEPF.

5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their Depository Participant only and not to the Company’s Registrars and Transfer Agents, M/s. C B Management Services (P) Ltd. Changes intimated to the Depository Participant will then be automatically reflected in the Company’s records which will help the Company and M/s. C B Management Services (P) Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. C B Management Services (P) Ltd.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 23, 2019 to September 26, 2019 (both days inclusive)** for the purpose of compliance with the annual closure of Books as per Companies Act, 2013.
7. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company’s Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.



8. In accordance with the Companies Act, 2013 read with the Rules and in support of the 'Green Initiative in Corporate Governance' the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with C B Management Services Pvt. Ltd., the Company's Registrars and Share Transfer Agents.
9. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to C B Management Services (P) Ltd. for consolidation into a single folio.
11. Members/ Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting.
12. Pursuant to Section 103 of Companies Act, 2013 at least 30 Members should be personally present to form quorum for meeting of the Company.
13. **Members desirous of asking any questions at the General Meeting are requested to send in their questions so as to reach the Company registered office at least 7 days before the General Meeting so that the same can be suitably replied to.**
14. Pursuant to Section 108 and other applicable rules & provisions issued in that behalf, your Company is offering e-Voting Facility for all shareholders of the Company. as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional. The members who wish to vote through physically in Meeting (instead of e- voting) can do the same.
15. The Voting through an electronic means will commence on **Monday, September 23, 2019 (9:00 a.m. IST) and will end on Wednesday, September 25, 2019 (5:00 p.m. IST)**. The members will not be able to cast their electronically beyond the date and time as aforesaid mentioned.

#### **E-Voting:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on Monday, September 23, 2019 (9:00 a.m. IST) and will end on Wednesday, September 25, 2019 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. September 19, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a Member, he shall not be allowed to change it subsequently.

The Company has appointed M/s S Khurana & Associates, Practicing Company Secretaries (CP No-13212) as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

#### **The instructions for shareholders voting electronically are as under:-**

- i) The voting period begins on Monday, September 23, 2019 (9:00 a.m. IST) and will end on Wednesday, September 25, 2019 (5:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 19, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)   |
|   | <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant <b>can enter in the PAN field 10 characters as First 2 alphabets of the first Holder's Name followed by 8 characters consisting of Folio Number prefix by '0' (or 8 characters from right of BO_ID). No special characters will be taken from the name and folio number.</b></li> <li>● In case the <b>folio</b> number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</li> </ul> |
| DOB   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.  |
| Dividend Bank Details   | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>   |

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Institutional Shareholders  
Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.





A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xx) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on September 19, 2019.
13. The Results of e-voting shall be declared on the date of the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.jmtauto.com](http://www.jmtauto.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

**By order of the Board of Directors**

**Place : New Delhi**  
**Date : 14.08.2019**

Sd/-  
**Mona K Bahadur**  
**Company Secretary & Compliance Officer**

### **Annexure to Notice**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 4 and 5 of the accompanying Notice dated 14<sup>th</sup> August, 2019.

##### **ITEM NO. 4**

As per Section 148 of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014, and other applicable provisions, if any the remuneration of the Cost Auditor needs to be ratified by the shareholders. Yash Pal Sardana, Cost Accountant & Management Consultant, was appointed as Cost Auditor of the company for the financial year 2019-20 at a remuneration of Rs. 40,000/- plus out of pocket expenses.

The proposed resolution is necessary to meet statutory obligation relating to appointment of Cost Auditor and is in the interest of the Company. Your Directors commend resolution at item No. 4 for your approval.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in the Resolution mentioned at item No. 4 of the notice.

##### **ITEM NO. 5**

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section require a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rule.

Further as required under Regulation 23(4) of SEBI (Listing obligations and disclosure requirements) Regulations 2015, all material related party transactions (other than as specified under regulation 23(4) of the SEBI Listing Regulations 2015 shall require approval of the shareholders through Ordinary Resolution. Accordingly, the approval of the shareholders by way of Ordinary Resolution is sought under Section 188 of the Companies Act, 2013, the Companies (meeting of



Board and its Powers) Rules, 2014 and Regulations 23(4) of the SEBI Listing Regulations 2015 to enable the Company to enter into related Party Transactions in one or more tranches.

The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

| Sr No | Name of the Company | Name of Interested Director                   | Transaction -Sale/Supply/Purchase/ Loan/Lease of Property etc |
|-------|---------------------|---|---|
| 1     | Amtek Auto Limited  | Company is Under Corporate Insolvency process | 250 Crores  |

**Terms and conditions:**

1. At market value for each such transaction in compliance with applicable laws including Domestic Transfer Pricing Guidelines.
2. Loans with a rate of interest not lower than the prevailing yield of one year, three-year, five-year or ten-year Government Security closest to the tenure of the Loan.

Members are informed that pursuant to second proviso of Section 188(1) of the Companies Act 2013, no member of the Company shall vote on any resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party. Further, as per its General Circular No. 30/2014 dated 17.07.2014, the Ministry of Corporate Affairs has clarified that the term 'Related Party' in the second proviso to Section 188(1) refers only to such Related Party as may be a Related Party in the context of the contract or arrangement for which the resolution is being passed.

**By order of the Board of Directors**

Place : New Delhi  
Date : 14.08.2019

Sd/-  
Mona K Bahadur  
Company Secretary & Compliance Officer

**Details of Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting  
(In pursuance of Regulation 36(3) of SEBI Listing Regulations)**

| Name of Director  | Gautam Malhotra                               | John E Flintham   |
|---|---|---|
| Date of Birth   | 03.03.1979                                    | 16.09.1952  |
| Date of Appointment   | 19.08.2013                                    | 19.08.2013  |
| Expertise in specific functional areas                                    | Significant experience in Marketing & Finance | Experience in fields of manufacturing in Automotive components and commercial sales.                                    |
| Qualifications  | B.Sc., MBA – Manchester, UK                   | Mechanical Engineer- Lincoln, UK  |
| Directorship held in other public companies (excluding foreign companies) | Amtek Laboratories Limited                    | Metalyst Forgings Limited<br>Castex Technologies Limited<br>Amtek Tekfor Automotive Limited<br>Amtek Powertrain Limited |
| Shareholdings in the Company  | NIL   | NIL   |



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting their 32nd Annual Report along with the Audited Results of the Company for the year ended 31st March, 2019.

### OPERATING AND FINANCIAL REVIEW

(Rs. in Lakhs)

| PARTICULARS  | Standalone               |                          | Consolidated             |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | Year ended<br>31.03.2019 | Year ended<br>31.03.2018 | Year ended<br>31.03.2019 | Year ended<br>31.03.2018 |
| Gross Turnover*  | 44,357.21                | 41,651.21                | 57,759.21                | 41,651.21                |
| Earnings before Interest,<br>Tax & Depreciation and<br>Amortization (EBITDA) | 4105.19                  | 4,931.77                 | 4,893.88                 | 4,931.77                 |
| Finance Cost   | 1628.13                  | 1900.77                  | 2900.56                  | 1900.77                  |
| Depreciation   | 2586.86                  | 2858.19                  | 3860.31                  | 2858.19                  |
| Tax Expenses   | 137.41                   | 93.51                    | (116.22)                 | 93.51                    |
| Net Profit After Tax   | (247.20)                 | 79.31                    | (1,750.77)               | 79.31                    |

\***Note:** Gross Turnover for the year ended 31.03.2019 includes GST amounting to Rs. 8,352.11 lacs. Gross Turnover for the year ended 31.03.2018 includes excise duty & GST amounting to Rs 707.47 lacs & Rs 6,219.72 lacs respectively.

### DIVIDEND

The Board has not recommended any dividend for the year ended 31st March 2019.

### COMPANY'S PERFORMANCE - STANDALONE

Revenue from operations for the financial year 2018-19 at Rs. 44,357.21 lacs has increased by 6.50% over last year (Rs. 41,651.21 lacs in 2017-18). Loss after tax (LAT) for the year is Rs. 247.20 lacs, recording further decline as compared to the PAT of Rs. 79.31 lacs in 2017-18.

Reserves and surplus of the Company has decreased from Rs. 12,003.35 lacs in the financial year 2017-18 to Rs. 11,692.69 lacs in 2018-19. The Company has a Net worth of Rs. 16,731.01 lacs as on 31<sup>st</sup> March, 2019 in comparison to Rs.17,041.67 lacs as on 31st March, 2018.

### CHANGES IN SHARE CAPITAL

During the Financial Year 2018-19, there has been no change in the share capital.

### DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Equity Shares with Differential Rights.

### DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any Sweat Equity Shares.

### STOCK EXCHANGE REQUIREMENTS

The Equity shares of the Company are being traded at **Bombay Stock Exchange**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai and at **National Stock Exchange of India Limited**, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai.



**CREDIT RATING**

In order to comply with BASEL – II Guidelines your Company has got the rating done by M/s ICRA LIMITED.

| CREDIT RATING AGENCY | LONG TERM/ MEDIUM TERM BANK FACILITIES | SHORT TERM BANK FACILITIES |
|----------------------|--|----------------------------|
| ICRA                 | [ICRA] D                               | [ICRA] D                   |

**DEPOSITS**

As in the previous year your Company has not accepted any Deposits from the Shareholders/Public during the year under review, within the meaning of Section 73 of the Companies Act, 2013 and any amendments thereon.

**ENVIRONMENT PROTECTION AND POLLUTION CONTROL**

Company is compliant with all the rules and regulations of the Jharkhand State Pollution Control Board and regularly monitors and keeps the effluents, emissions and waste disposals from the works well within the stipulated parameters as per the Environment Conservation & Pollution Control Laws.

The Company is of ISO 14001/2015, OHSAS 18001/2007 and ISO 45001/2018 certified and maintains its commitment towards according priority to Environment, Occupational Health and Safety as part of its work culture.

**DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Gautam Malhotra retires by rotation and being eligible offers himself for re-appointment at the ensuing annual general meeting.

Mr. John E Fintham also retires by rotation and being eligible offers himself for re-appointment at the ensuing annual general meeting.

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Sanjay Chhabra was appointed as independent director, for five years, at the 27<sup>th</sup> AGM of the Company held on September 27, 2014 and Ms. Anuradha Kapur was appointed as independent director, for five years, at the 30<sup>th</sup> AGM of the Company held on September 28, 2017. The terms and conditions of appointment of the independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

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

**NUMBER OF BOARD MEETINGS**

Four meetings of the board were held during the year 2018-19. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

**PERFORMANCE EVALUATION OF BOARD**

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The performance of the Independent Directors was evaluated by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.



In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2003 the Directors hereby confirm:

1. That in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure.
2. That the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profits for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2003 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.
5. That internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively.
6. That proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act and any amendments thereon has been disclosed in the Corporate Governance Report, which forms part of the Boards' Report.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

#### **AUDITORS**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Raj Gupta & Company, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 30<sup>th</sup> Annual General Meeting (AGM) of the Company held on September 28, 2017 till the conclusion of the 35<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment at every AGM. However, with the amendment of the Companies Act provisions related to ratification, the ratification of the appointment at every AGM is not required.

#### **MATERIAL CHANGES & COMMITMENTS**

Except, as disclosed elsewhere in the Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of report.

As required under Section 134(3) of the Companies Act, 2013, the Board of Directors informs the shareholders that during the period under review, no changes have occurred in the nature of the Company's business or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.



## **RISK MANAGEMENT**

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

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

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## **ENVIRONMENT, HEALTH AND SAFETY**

Company has made significant contribution towards conservation of energy. Innovation and technological up gradation of processes and methods have made significant impact in the overall consumption of natural resources, energy, fuel etc.

Company's management is consistently involved in promoting eco-friendly measures like planting of trees in and around the Work units, creating new gardens, Rain Water Harvesting, usage of transparent sheets for natural sunlight inside the plant, use of turbo ventilators for ventilation purpose and for minimizing the carbon footprints, use of propane gas in the heat treatment plants for reducing the carbon emissions, minimizing effluents through better monitoring and corrective measures, reduction of quantum of input material, whether it is steel, or usage of inert gases for welding through Value Analysis/Value Engineering activities.

All Statutory safety norms are diligently followed by the Company. Safety is accorded prime importance in the organization. Each Plant has Safety Committee to oversee the safety of the workforce through ensuring safe working conditions and well informed and duly trained workers. Safety audits and evacuation drills are conducted regularly and all staff members are encouraged to take part in the same and training for the awareness of the employees are conducted at regular intervals.

Company has a personal Accident Insurance Policy (group) for ensuring welfare and security to the employees and their families.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain high standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under SEBI Listing Regulations is attached to this Report.

## **ANNUAL RETURN EXTRACT**

As provided under Section 92(3) of the Act, the extract of annual return is given as **Annexure-I** in the prescribed Form MGT-9, which forms part of this report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

## **SUBSIDIARY AND ASSOCIATES**

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiary company. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the financial statement of the subsidiary and joint venture company in the prescribed **Form AOC-1** is annexed herewith as **Annexure-III** and forms part of the Annual Report which covers the financial position of subsidiary and associate company and hence not repeated here for the sake of brevity.



In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website, [www.jmtauto.com](http://www.jmtauto.com). These documents will also be available for inspection during business hours at our registered office in New Delhi.

#### **RELATED PARTY TRANSACTIONS**

None of the transactions with related parties falls under the scope of section 188(1) of the Act. All RPTs entered during the financial year by the Company are in ordinary course of business and on an arms' length basis. No material RPTs were entered during the financial year. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

- (a) The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report as **Annexure - IV**.
- (b) The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable as there are no employees falling in the category.

#### **SECRETARIAL AUDIT REPORT**

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as **Annexure-V** which forms part of this report.

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

The relevant data regarding the above is given in the **Annexure-VI** hereto and forms part of this report.

#### **MANAGEMENT DISCUSSION & ANALYSIS**

A detailed review of operations, performance and future outlook of the Company is given separately under the head "Management Discussion and Analysis Report" and forms a part of the Annual Report.

#### **DISCLOSURE REQUIREMENTS**

As per SEBI (LODR) Regulations, 2015, Corporate Governance report with Auditors' certificate thereon and management discussion and analysis and business responsibility report are attached, which form part of this report.

Details of the Familiarization Programme of the independent directors are available on the website of the Company (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

Policy on dealing with related party transactions is available on the website of the Company (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and SEBI (LODR) Regulations, 2015 (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

#### **ACKNOWLEDGEMENTS**

The Board of Directors place on record their gratitude for the co-operation, patronage and support received from Financial Institutions, Bankers, Government Bodies and employees at all levels.

Your directors also wish to acknowledge the contribution made by the employees at all levels and above all the trust and confidence reposed by the shareholders.

**By order of the Board of Directors**

Place : New Delhi  
Date : 14.08.2019

Sd/-  
**Sanjay Tikku**  
CEO & Whole Time Director  
DIN – 00300566



**ANNEXURE TO DIRECTORS' REPORT**

ANNEXURE-I

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2019**

**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:**

- i. CIN: L42274DL1997PLC270939
- ii. Registration Date: January 16, 1997
- iii. Name of the Company: JMT AUTO Limited
- iv. Category/Sub-category of the Company: Company Limited by Shares, Indian Non-Government Company
- v. Address of the Registered office & contact details:  
3, LSC, Pamposh Enclave, Guru Nanak Market,  
Opp LSC Market, New Delhi – 110 048  
Tel: 011-41649391  
Email: [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com)
- vi. Whether listed company: Yes, listed on Bombay Stock Exchange & National Stock Exchange of India
- vii. Name, Address & contact details of the Registrar & Transfer Agent, if any:  
C B Management Services Pvt. Limited  
P-22, Bondel Road, Kolkata – 700 019  
Tel: 033-40116722  
Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)

**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 & Description of main products /services           | NIC Code of the Product/ services | % to total turnover of the company |
|-------|---|-----------------------------------|------------------------------------|
| 1     | Motor Vehicle Part and accessory manufacturing Services | 9988813                           | 100%                               |

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

| S. NO | NAME & ADDRESS OF THE COMPANY   | CIN/GLN                   | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|---------------------------------|---------------------------|--------------------------------|------------------|--------------------|
| 1     | Amtek Auto Limited              | L27230HR1988PLC030333     | Holding                        | 66.77            | 2(46)              |
| 2     | Amtek Machining Systems Pte Ltd | Incorporated in Singapore | Subsidiary                     | 100              | 2(87)              |
| 3     | Amtek Riken Casting Pvt Ltd     | U35990DL2014PTC272515     | Joint Venture                  | 35               | 2(6)               |





**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of total Equity)**  
**i) CATEGORY-WISE SHAREHOLDING**

| Category of Shareholders                                  | No. of Shares held at the beginning of the year |              |                  |                   | No. of Shares held at the end of the year |              |                  |                   | % Change during the year |              |
|---|---|--------------|------------------|-------------------|---|--------------|------------------|-------------------|--------------------------|--------------|
|   | Demat   | Physical     | Total            | % of total shares | Demat                                     | Physical     | Total            | % of total shares | Increase                 | Decrease     |
| <b>A. Promoters</b>                                       |   |              |                  |                   |   |              |                  |                   |                          |              |
| <b>(1) Indian</b>   |   |              |                  |                   |   |              |                  |                   |                          |              |
| a) Individual/HUF   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| b) Central Govt. or State Govt.                           | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| c) Bodies Corporates                                      | 361412200                                       | 0            | 361412200        | 71.73             | 361412200                                 | 0            | 361412200        | 71.73             | 0                        | 0            |
| d) Banks/FI   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| e) Any Other  | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| <b>Sub-total (A)(1):-</b>                                 | <b>361412200</b>                                | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>361412200</b>                          | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>0</b>                 | <b>0</b>     |
| <b>(2) Foreign</b>  |   |              |                  |                   |   |              |                  |                   |                          |              |
| a) NRIs – Individuals                                     | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| b) Other – Individuals                                    | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| c) Bodies Corp.   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| d) Banks/FI   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| e) Any Other...   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| <b>Sub-total (A)(2)</b>                                   | <b>361412200</b>                                | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>361412200</b>                          | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>0</b>                 | <b>0</b>     |
| <b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>361412200</b>                                | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>361412200</b>                          | <b>0</b>     | <b>361412200</b> | <b>71.73</b>      | <b>0</b>                 | <b>0</b>     |
| <b>B. Public Shareholding</b>                             |   |              |                  |                   |   |              |                  |                   |                          |              |
| <b>1. Institutions</b>                                    |   |              |                  |                   |   |              |                  |                   |                          |              |
| a) Mutual Funds   | 0   | 28000        | 28000            | 0.006             | 0   | 28000        | 28000            | 0.006             | -                        | 0            |
| b) Banks / FI   | 0   | 0            | 0                | 0                 | 5550                                      | 0            | 5550             | 0.001             | 0.001                    | 0            |
| c) Central Govt   | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| d) State Govt.  | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| e) Venture Capital Funds                                  | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| f) Insurance Companies                                    | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| g) FIIs   | 36659326  | 0            | 36659326         | 7.276             | 36650178                                  | 0            | 36650178         | 7.274             | -                        | 0.002        |
| h) Foreign Venture Capital Funds                          | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| i) Others (specify)                                       | 0   | 0            | 0                | 0                 | 0   | 0            | 0                | 0                 | 0                        | 0            |
| <b>Sub-total (B)(1):-</b>                                 | <b>36659326</b>                                 | <b>28000</b> | <b>36687326</b>  | <b>7.282</b>      | <b>36655728</b>                           | <b>28000</b> | <b>36683728</b>  | <b>7.281</b>      | <b>-</b>                 | <b>0.001</b> |



|   |                  |                 |                  |              |                  |                 |                  |               |          |              |
|---|------------------|-----------------|------------------|--------------|------------------|-----------------|------------------|---------------|----------|--------------|
| <b>2. Non Institutions</b>  |                  |                 |                  |              |                  |                 |                  |               |          |              |
| a) Bodies Corp.   |                  |                 |                  |              |                  |                 |                  |               |          |              |
| i) Indian   | 14114812         | 340520          | 14455332         | 2.87         | 7797504          | 340520          | 8138024          | 1.62          | 0        | 1.25         |
| ii) Overseas  | 0                | 0               | 0                | 0            | 0                | 0               | 0                | 0             | 0        | 0            |
| b) Individuals  |                  |                 |                  |              |                  |                 |                  |               |          |              |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh          | 60230603         | 17663990        | 77894593         | 15.46        | 56721816         | 17252492        | 73974308         | 14.68         | 0        | 0.78         |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh | 7961830          | 0               | 7961830          | 1.58         | 15915919         | 0               | 15915919         | 3.16          | 1.58     | 0            |
| c) Others (specify)   |                  |                 |                  |              |                  |                 |                  |               |          |              |
| NRI   | 4376365          | 621000          | 4997365          | 0.992        | 4520553          | 621000          | 5141553          | 1.02          | 0.028    | 0            |
| Clearing Member   | 419494           | 4000            | 423494           | 0.084        | 2562408          | 4000            | 2566408          | 0.509         | 0.425    | 0            |
| <b>SUB-TOTAL (B)(2):</b>  | <b>87103104</b>  | <b>18629510</b> | <b>105732614</b> | <b>20.99</b> | <b>87518200</b>  | <b>18218012</b> | <b>105736212</b> | <b>20.987</b> | <b>0</b> | <b>0.003</b> |
| <b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>                              | <b>123762430</b> | <b>18657510</b> | <b>142419940</b> | <b>28.27</b> | <b>124173928</b> | <b>18246012</b> | <b>142419940</b> | <b>28.27</b>  | <b>0</b> | <b>0</b>     |
| C. Shares held by Custodian for GDRs & ADRs                                       | 0                | 0               | 0                | 0            | 0                | 0               | 0                | 0             | 0        | 0            |
| <b>Grand Total (A+B+C)</b>  | <b>485174630</b> | <b>18657510</b> | <b>503832140</b> | <b>100</b>   | <b>485586128</b> | <b>18246012</b> | <b>503832140</b> | <b>100</b>    | <b>0</b> | <b>0</b>     |

**(ii) SHAREHOLDING OF PROMOTERS**

| S.No. | Shareholder's Name        | Shareholding at the beginning of the year |                                  |  | Shareholding at the End of the year |                                 |   |
|-------|---------------------------|---|----------------------------------|--|-------------------------------------|---------------------------------|---|
|       |                           | No. of shares                             | % of total Shares of the company | % of Shars Pledgd/ encubered to total shares | No. of shares                       | % of total Shares of the compay | % of Shares Pledged/ encumbered to total shares |
| 1     | Amtek Auto Limited        | 336412200                                 | 66.77                            | 100%   | 336412200                           | 66.77                           | 66.77   |
| 2     | WLD Investments Pvt. Ltd. | 25000000                                  | 4.96                             | 100%   | 25000000                            | 4.96                            | 4.96  |
|       | <b>Total</b>              | <b>361412200</b>                          | <b>71.73</b>                     | <b>100%</b>                                  | <b>361412200</b>                    | <b>71.73</b>                    | <b>100%</b>                                     |



**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

| S.No  | Name of Promoters         | 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.  | Amtek Auto Limited        | 336412200                                 | 66.77%                           | 336412200                               | 66.77%                           |
| 2.  | WLD Investments Pvt. Ltd. | 2500000                                   | 4.96%                            | 2500000                                 | 4.96%                            |
|   |                           |   |                                  |   |                                  |
|   | <b>Total</b>              | <b>361412200</b>                          | <b>71.73%</b>                    | <b>361412200</b>                        | <b>71.73%</b>                    |
| <b>No change in the %age of Shareholding during the year.</b> |                           |   |                                  |   |                                  |

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS)**

| S.No | For Each of the Top Ten Shareholders  | Shareholding at the beginning of the year 01.04.2018 |                                  | Cumulative Shareholding at the end of the year 31.03.2019 |                                  |
|------|---------------------------------------|--|----------------------------------|---|----------------------------------|
|      |                                       | No. of shares  | % of total Shares of the company | No. of shares   | % of total Shares of the company |
| 1    | LTS INVESTMENT FUND LTD               | 28092267   | 5.58                             | 28092267  | 5.58                             |
| 2    | ELARA INDIA OPPORTUNITIES FUND LTD    | 7331838  | 1.46                             | 7331838   | 1.46                             |
| 3    | ASHOK MITTAL                          | 0  | 0                                | 3127652   | 0.62                             |
| 4    | AARKEN ADVISORS PVT. LTD.             | 2207270  | 0.44                             | 2207270   | 0.44                             |
| 5    | SIDDHARTH BASSI                       | 1068043  | 0.21                             | 1785896   | 0.35                             |
| 6    | ARUNIMA MITTAL                        | 0  | 0                                | 1632000   | 0.32                             |
| 7    | SUPREET RATNAKAR PRABHU               | 708000   | 0.14                             | 1488053   | 0.30                             |
| 8    | NIKHIL NANDA                          | 200000   | 0.04                             | 1412471   | 0.28                             |
| 9    | ANOOP JAIN                            | 856276   | 0.17                             | 1369256   | 0.27                             |
| 10   | EIGHT CAPITAL INDIA RECOVERY FUND Ltd | 1226073  | 0.24                             | 1226073   | 0.24                             |

The Shares of the company are frequently traded and hence date wise increase/decrease in shareholding is not indicated. The result in changes in the top 10 shareholders is due to trading in securities by the shareholders.



(v) SHAREHOLDING OF DIRECTORS & KMPS

| S.No | Director & Key Managerial Persons                            | Shareholding at the beginning of the year 01.04.2018 |                                  | Cumulative Shareholding during the year 31.03.2019 |                                  |
|------|--|--|----------------------------------|--|----------------------------------|
|      |  | No. of shares  | % of total Shares of the company | No. of shares                                      | % of total Shares of the company |
|      | None of the Directors or KMPS hold any shares of the Company | 0  | 0                                | 0  | 0                                |

V. INDEBTEDNESS

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

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 15,629.43                        | –               | –        | 15,629.43          |
| ii) Interest due but not paid                              | 37.04                            | –               | –        | 37.04              |
| iii) Interest accrued but not due                          | 1.51                             | –               | –        | 1.51               |
| <b>Total (i+ii+iii)</b>                                    | <b>15,667.98</b>                 | –               | –        | <b>15,667.98</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| Additions  | –                                | –               | –        | –                  |
| Reduction  | (2,188.38)                       | –               | –        | (2,188.38)         |
| <b>Net Change</b>  | <b>(2,188.38)</b>                | –               | –        | <b>(2,188.38)</b>  |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | 13,447.23                        | –               | –        | 13,447.23          |
| ii) Interest due but not paid                              | 32.37                            | –               | –        | 32.37              |
| iii) Interest accrued but not due                          | –                                | –               | –        | –                  |
| <b>Total (i+ii+iii)</b>                                    | <b>13,479.60</b>                 | –               | –        | <b>13,479.60</b>   |



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

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

| Sl. No | Particulars of Remuneration   | Name of MD/WTD/Manager               | Total Amount (In Lakhs) |
|--------|---|--------------------------------------|-------------------------|
|        |   | <b>Sanjay Tiku<br/>CEO &amp; WTD</b> |                         |
| 1      | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.  | 55.08                                | 55.08                   |
|        | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                        | 0.40                                 | 0.40                    |
|        | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961         | ...                                  | ...                     |
| 2      | Stock option  | ...                                  | ...                     |
| 3      | Sweat Equity  | ...                                  | ...                     |
| 4      | Commission  | ...                                  | ...                     |
|        | as % of profit  | ...                                  | ...                     |
|        | others (specify)  | ...                                  | ...                     |
| 5      | Others, please specify  | ...                                  | ...                     |
|        | <b>Total (A)</b>  | <b>55.48</b>                         | <b>55.48</b>            |
|        | <b>Ceiling as per the Appointment by Shareholders as per Sec 198 &amp; Schedule V</b> |                                      | <b>60.00</b>            |

**B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

| Sl. No | Particulars of Remuneration  | Key Managerial Personnel       |   |              |
|--------|--|--------------------------------|---|--------------|
|        |  | Mr. Sandeep Singh Surya<br>CFO | Ms. Mona K Bahadur<br>Company Secretary | Total        |
| 1      | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 20.85                          | 8.20                                    | 29.05        |
|        | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       | ...                            | ...                                     | ...          |
|        | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | ...                            | ...                                     | ...          |
| 2      | Stock Option   | ...                            | ...                                     | ...          |
| 3      | Sweat Equity   | ...                            | ...                                     | ...          |
| 4      | Commission as % of profit  | ...                            | ...                                     | ...          |
| 5      | Others, please specify   | ...                            | ...                                     | ...          |
|        | <b>Total</b>   | <b>20.85</b>                   | <b>8.20</b>                             | <b>29.05</b> |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

List of penalties, punishment or compounding of offences during the financial year ended 31<sup>st</sup> March, 2019:-

1. Penalty as per SEBI regulations u/s 33, for delay (11 days) in submission of financial results for the quarter ended 31<sup>st</sup> December, 2018 – penalty of INR 55,000/- plus GST paid to National Stock Exchange and BSE Limited.



## REPORT ON CSR ACTIVITIES

### 1. A brief outline of the Company's CSR Policy:

The Corporate Social Responsibility (CSR) Policy of the Amtek Group is aligned with its overall commitment to maintaining the highest standards of business performance. We recognize that our business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

Accordingly, the company has CSR Policy ("the Policy") duly approved by the Board of Directors with a view to provide a mechanism for meeting its social responsibility in an effective manner and to provide optimum benefits to various deserving sections of the society.

### 2. Composition of the CSR Committee:

The composition of the CSR Committee is as follows:

|                                     |   |          |
|-------------------------------------|---|----------|
| Mr. Gautam Malhotra (DIN: 00157488) | – | Chairman |
| Mr. Sanjay Tiku (DIN: 00300566)     | – | Member   |
| Mr. Sanjay Chhabra (DIN: 01237026)  | – | Member   |

### 3. Average net profit of the Company for the last three financial years:

| Financial Year            | Net Profit (In Lakhs) |
|---------------------------|-----------------------|
| 2015-16                   | 485.65                |
| 2016-17                   | 420.69                |
| 2017-18                   | 79.31                 |
| <b>Total</b>              | <b>985.65</b>         |
| <b>Average Net Profit</b> | <b>328.55</b>         |

### 4. Prescribed CSR Expenditure: 2% of Average Net Profit = Rs. 6.57 Lakhs

### 5. Manner in which amount spent during the Financial year is detailed below:

| S. No | 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 program was undertaken | Amount Outlay (budget) project or programs wise (Rs) | Amount spent on the projects or programs Subheads: (1) Direct Expenditure (2) Overheads (Rs) | Cumulative Expenditure upto the reporting period (Rs) | Amount Spent : Direct or through agency (Rs) |
|-------|------------------------------------|---|--|--|--|---|--|
| 1     | Tree Plantation                    | Ensuring environmental sustainability, ecological balance, protection of flora and fauna. | Adityapur, Jharkhand   | 20,000   | 20,000<br>05,000   | 25,000  | 25,000                                       |
| 2     | Contributed to Kerela Food Relief  | Disaster Management   | Kerela   | 1,00,000   | 1,00,000   | 1,00,000  | 1,00,000                                     |



|   |  |                     |                     |                 |                 |                 |                 |
|---|--|---------------------|---------------------|-----------------|-----------------|-----------------|-----------------|
| 3 | Infrastructure development of schools in local area. | Promoting Education | Adityapur Jharkhand | 5,00,000        | 50,000<br>5,000 | 55,000          | 55,000          |
|   | <b>Sub-total</b>                                     |                     |                     | <b>6,20,000</b> | <b>2,00,000</b> | <b>2,00,000</b> | <b>2,00,000</b> |
|   | <b>Overhead</b>                                      |                     |                     | <b>40,000</b>   | <b>10,000</b>   | <b>10,000</b>   | <b>10,000</b>   |
|   | <b>Total CSR</b>                                     |                     |                     | <b>6,60,000</b> | <b>2,10,000</b> | <b>2,10,000</b> | <b>2,10,000</b> |

6. As per the provisions of the Companies Act, 2013, the Company was required to spend Rs 6.60 Lacs on CSR activities during the financial year 2018-2019. Some amount remained unspent during the year. The Company, as per its CSR policy, is in the process of completing the projects undertaken and shall finish the work at the earliest.
7. Responsibility Statement by the CSR Committee:

We, hereby affirm that the CSR policy as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

**By order of the Board of Directors**

**Place: New Delhi**  
**Date : 14.08.2019**

Sd/-  
**Mona K Bahadur**  
**Company Secretary**



**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 or associate companies or joint ventures

**Part A : Subsidiaries**

1. Name of Parent Company - JMT AUTO Limited
2. Name of the subsidiary – Amtek Metallc System Pte. Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. April-March
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. - Euro 77.90
5. Share capital – 0.09
6. Reserves and surplus – (19,062)
7. Total assets – 9,423.85
8. Total Liabilities – 9,423.85
9. Investments - Nil
10. Turnover – 21,754.11
11. Profit before taxation – (1,260.75)
12. Provision for taxation – (253.63)
13. Profit after taxation – (1,007.12)
14. Proposed Dividend – NIL
15. Extent of shareholding (in percentage) – 100%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - NA
2. Names of subsidiaries which have been liquidated or sold during the year - NA





**Part B : Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of Associates or Joint Ventures  |  |
|---|--|
| <b>Joint Ventures</b>   | <b>Amtek Riken Casting Pvt Limited</b>                                     |
| <b>1. Latest audited Balance Sheet Date</b>   | 31 <sup>st</sup> March, 2018   |
| <b>2. Date on which the Associate or Joint Venture was associated or acquired</b>   | 20 <sup>th</sup> October, 2015   |
| <b>3. Shares of Associate or Joint Ventures held by the company on the year end</b> |  |
| No.   | 70,00,000 Shares   |
| Amount of Investment in Associates or Joint Venture                                 | 700 Lacs (INR)   |
| Extent of Holding (in percentage)   | 35%  |
| <b>4. Description of how there is significant influence</b>                         | There is significant influence due to percentage (%) of the share capital. |
| <b>5. Reason why the associate/joint venture is not consolidated</b>                | NA   |
| <b>6. Networth attributable to shareholding as per latest audited Balance Sheet</b> | 650.56 Lacs (INR)  |
| <b>7. Profit or Loss for the year</b>   |  |
| i. Considered in Consolidation  | 3.95 Lacs (INR)  |
| ii. Not Considered in Consolidation   | 7.34 Lacs (INR)  |

- Names of associates or joint ventures which are yet to commence operations. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

Sd/-  
**Sandeep Singh Surya**  
Chief Financial Officer

Sd/-  
**Mona K Bahadur**  
Company Secretary

Sd/-  
**Gautam Malhotra**  
Director  
DIN - 00157488

Sd/-  
**Sanjay Tiku**  
Director  
DIN - 00300566

New Delhi, 14.08.2019



Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Associates/ Joint Venture.

(Rupees in Lacs)

| Name of the entity in the                                       | Net Assets, i.e., total assets minus total liabilities |                                 |                  | Share in profit or loss             |                   |
|---|--|---------------------------------|------------------|-------------------------------------|-------------------|
|   | Reporting Currency                                     | As % of consolidated net assets | Amount           | As % of consolidated profit or loss | Amount            |
| <b>Parent</b><br>JMT Auto Ltd                                   | INR  | 92.74%                          | 16731.00         | 23.65%                              | (310.66)          |
| <b>Subsidiaries Overseas</b><br>Amtek Mettalic Systems Pte Ltd. | Euro   | 7.20%                           | 1298.29          | 76.66%                              | (1,007.12)        |
| <b>Associate</b><br>Amtek Riken Casting Private Limited         | INR  | 3.61%                           | 650.56           | (0.30%)                             | 3.95              |
| Consolidation Adjustments                                       |  | (3.55%)                         | (639.57)         |                                     |                   |
| <b>Total</b>  |  | <b>100.00%</b>                  | <b>18,040.28</b> | <b>100.00%</b>                      | <b>(1,313.83)</b> |

Sd/-  
**Sandeep Singh Surya**  
Chief Financial Officer

Sd/-  
**Mona K Bahadur**  
Company Secretary

Sd/-  
**Gautam Malhotra**  
Director  
DIN - 00157488

Sd/-  
**Sanjay Tiku**  
Director  
DIN - 00300566

New Delhi, 14.08.2019



**ANNEXURE -IV**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Directors            | Ratio to median remuneration |
|----------------------|------------------------------|
| Sanjay Chhabra       | –                            |
| Sanjay Tiku          | 1 : 228                      |
| John Ernest Flintham | –                            |
| Gautam Malhotra      | –                            |
| Aditya Malhotra      | –                            |
| Anuradha Kapur       | –                            |

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase in remuneration in the Financial Year |
|---|--|
| Sanjay Chhabra  | Nil  |
| Sanjay Tiku   | Nil  |
| John Ernest Flintham  | Nil  |
| Gautam Malhotra   | Nil  |
| Aditya Malhotra   | Nil  |
| Anuradha Kapur  | Nil  |
| Mona K Bahadur  | Nil  |
| Sandeep Singh Surya   | Nil  |

- c. The percentage increase in the median remuneration of employees in the financial year: Nil
- d. The number of permanent employees on the rolls of Company: 606
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL
- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms remuneration is as per the remuneration policy of the Company.



Form No. MR-3  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
JMT AUTO Limited  
3, LSC Pamposh Enclave,  
Guru Nanak Market, Opp LSC Market  
New Delhi-110 048

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JMT AUTO Limited (hereinafter called the Company). 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 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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 the Company for the year ended 31st March, 2019 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 - **Not applicable as the Company has not granted any Stock Options to its employees during the year under review;**
  - (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. - **Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review;**



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted its equity shares from any stock exchange during the year under review;**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back any of its securities during the year under review;**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

**I hereby report that** during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and Circulars/guidelines issued thereunder, except in respect of matters specified below:-

| Sr No | Compliance Requirement (Regulations/ Circulars/guidelines/clauses)                      | Deviations         | Observations/Remarks of the Practicing Secretary  |
|-------|---|--------------------|---|
| 1     | Regulation 13(3) -Investor Complaint for Quarter ended 31 <sup>st</sup> March, 2019     | Delayed Submission | Statement of Investor Complaints was submitted on April 23 <sup>rd</sup> , 2019 with a delay of 2 (Two) days.       |
| 2     | Regulation 33(3)(a) -Financial Result for Quarter ended 31 <sup>st</sup> December, 2018 | Delayed Submission | The Un-audited Financial Result were submitted on February 25 <sup>th</sup> , 2019 with a delay of 11(Eleven) days. |
| 3     | Regulation 13(3) -Investor Complaint for Quarter ended 31 <sup>st</sup> September, 2018 | Delayed Submission | Statement of Investor Complaints was submitted on October 24 <sup>th</sup> , 2018 with a delay of 3 (Three) days.   |
| 4     | Regulation 13(3) -Investor Complaint for Quarter ended 30 <sup>th</sup> June, 2018      | Delayed Submission | Statement of Investor Complaints was submitted on July 26 <sup>th</sup> , 2018 with a delay of 5 (Five) days.       |

- b) The following are the details of actions taken against the listed entity/ its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and Circulars/guidelines issued thereunder:

| Sr No | Action taken by | Details of violation   | Details of action taken eg. Fines, warning letter, debarment etc. | Observations/Remarks of the Practicing Secretary, if any   |
|-------|-----------------|--|---|--|
| 1     | Stock Exchange  | Regulation 33(3)(a) – Financial Result for Quarter ended 31 <sup>st</sup> December, 2018 | Penalty imposed   | The penalty has been paid by the Company for late submission of Financial Result for the Qtr ended 31 <sup>st</sup> December, 2018 |

**I further report that** having regard to compliance system prevailing in the Company and on examination of the relevant documents and records In pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- i) The Factories Act, 1948 and the Factories rules
- ii) The Petroleum Act, 1934 and rules made thereunder



- iii) The Environment Protection Act, 1986 and the rules made thereunder
- iv) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made thereunder
- v) The Air (Prevention and Control of Pollution) Act, 1974 and the rules made thereunder

**I further report that** the compliance of the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1, 2015.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India & The BSE Limited

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

**I further report that:**

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

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

Majority decision is 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.

**Place: New Delhi**  
**Date : 30.04.2019**

**Name of Auditor: Rahul Kumar**  
**Membership No. : 13975**  
**COP No: 17874**



**ANNEXURE - VI**

**INFORMATION UNDER (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS' RULES), 1988 AND FORMING PART OF THE DIRECTORS' REPORT.**

**CONSERVATION OF ENERGY**

Company continues to take measures towards conservation of energy through optimum utilization of energy and other resources. Utilization of energy intensive machines, procurement of energy efficient technologies etc is done as part of energy conservation measures. Company has been consistent in its efforts to conserve energy and natural resources and reduce consumption of Power, Fuel, Oil, Water and other energy sources by following strict adherence to:

1. Power saving processes and methods
2. Innovation and up-gradation of technology.
3. Installation of Auto Power Cut-Off for electrical energy consumption.
4. Energy saving in utility by proper machine planning.
5. Emphasis on non-conventional energy sources.
6. Proper training to the employees and workforce to ensure minimum wastage of energy and natural resources.

**FORM A**

**(A) Power and Fuel Consumption**

| 1 | Electricity                     |                       | Current Year | Previous Year |
|---|---------------------------------|-----------------------|--------------|---------------|
|   | Purchase units (KWH)            | (Fig. In Lakhs)       | 573.03       | 553.92        |
|   | Total Amount (Rs.)              | (Fig. In Lakhs)       | 3,307.92     | 3,228.52      |
|   | Average Cost per Unit           | (Rs.)                 | 5.77         | 5.83          |
| 2 | (a) Furnace Oil                 |                       | Current Year | Previous Year |
|   | Quantity (Litre)                | (Fig. In Lakhs)       | 11.97        | 11.29         |
|   | Total Cost (Rs.)                | (Fig. In Lakhs)       | 437.14       | 301.62        |
|   | Average Cost per Litre          | (Rs.)                 | 36.56        | 26.71         |
|   | (b) Propane Gas                 |                       | Current Year | Previous Year |
|   | Quantity (K.G.)                 | (Fig. In Lakhs)       | 11.82        | 13.82         |
|   | Total Cost (Rs.)                | (Fig. In Lakhs)       | 537.11       | 574.95        |
|   | Average Cost per K.G.           | (Rs.)                 | 45.45        | 41.60         |
|   | c) Others / Internal Generation |                       | Current Year | Previous Year |
|   | Quantity (K.G.)                 | (KWH) (Fig. In Lakhs) | 3.72         | 3.52          |
|   | Units/Litre of Diesel Oil       | (KWH)                 | 3.82         | 3.74          |
|   | Average Cost per unit.          | (Rs.)                 | 17.67        | 15.34         |

**(B) Consumption per unit of total production:**

|  | Product     |         | Current Year | Previous Year |
|--|-------------|---------|--------------|---------------|
|  | Electricity | (KWH)   | 4.44         | 4.38          |
|  | Furnace Oil | (Litre) | 0.09         | 0.09          |
|  | Propane Gas | (K.G.)  | 0.09         | 0.11          |



**FFORM B**

**I. Research and Development:**

- 2 nos. of PIT type furnace thoroughly modified - brick lining, changing retorts etc.
- Modification of another 2 nos. of PIT type furnace done.
- One Digital Rockwell cum Rockwell superficial Hardness Tester and one Brinell hardness Tester of 3000 kg load installed & work started.
- 2 nos. unused BOFCO furnace reconditioned thoroughly and production started.
- One Rotary hearth furnace and one tempering furnace we brought from DWD, repaired thoroughly at JMT and started Timken production.
- In house R.A.Shaft project initiated along with hardened-tempered and induction hardening and further production increased.
- One ultrasonic flaw detector procured for Rear Axle Shaft project.

**II. Benefits derived as a result of the above R&D :**

Increase in productivity.

Quality improvement & also reduced cycle times.

Delay in quenching during unloading avoided and consistency of surface hardness attained.

**III. Future plan for action:**

- Modification of 2 nos. of Bofco furnaces.
- Modification of 2 nos. of PIT type furnaces.
- One Sub-zero treatment furnace along with liquid nitrogen facilities is in the line for Metallurgical quality improvement (to reduce retained austenite from 40 % to 15-20 %).
- In house ten tank Phosphating line for Halliburton to be installed and work is going on.
- Modification of 2 nos. of PIT type furnace is going on.
- Plans to install one set of Rockwell cum Rockwell superficial Hardness Tester for increased productivity.

**IV. Expenditure on R & D:**

|  |  |
|--|--|
| a. Capital   | The development work is carried on by the concerned departments continuously. No separate record of the expenditure incurred on R & D. |
| b. Recurring   |  |
| c. Total   |  |
| d. Total R & D Expenditure as a percentage of total turnovers. |  |





**TECHONOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

**1. Efforts in brief made towards Technology Absorption, Adaptation and Innovation**

JMT continuously strives to meet international standards of precision through improvisation of existing processes, innovation and adaptation of new technologies and methods. The product quality has improved significantly due to better utilization of machines, improvised processes and enhanced precision.

Proportionately the Power and fuel consumption has been reduced by such in house improvisations and by optimizing the production capacity. Incessant efforts have been made towards reduction of wastage and rejections.

**2. Benefits derived as a result of the above efforts:**

Significant reduction in consumption of raw material and energy.

Operational efficiency has increased leading to reduced time-loss and rejections.

**3. Imported Technology:**

- a. Technology Imported : Nil
- b. Year of Import : NA
- c. Has the technology been fully absorbed : NA

**(C)** Sales comprises of F.O.B. value of export (including Deemed Export NIL (previous year Rs.218.43 Lakhs). During the year 2017-18, total F.O.B Value of export was Rs. 6,877.53 Lakhs (previous year Rs. 8,420.59 Lakhs).

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

1. Activities relating to Exports, initiatives to increase exports, Development of new Export Markets for Products and Services and Export plans:

The Company has taken initiative to export in the Global market and its product has been well accepted.

2. Total Foreign Exchange used and earned:

**(Rupees in lakhs)**

|                                   | Current Year | Previous Year |
|-----------------------------------|--------------|---------------|
| a. Earning (FOB Value of Export): | 6877.53      | 8,202.16      |
| b. Expenditure:                   | 5.71         | 1.96          |

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 14.08.2019

Sd/-  
**Sanjay Tikku**  
CEO & Whole Time Director  
DIN – 0030056



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2018-19

The Company has been following High standards of Corporate Governance Principles, Policies and Practices over the years.

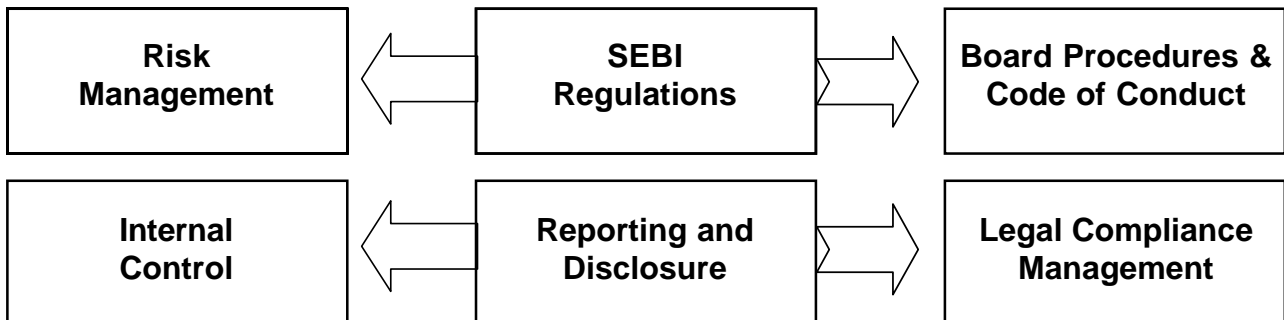
### I. JMT'S GOVERNANCE POLICY:

The company's philosophy on corporate governance is marked by the following fundamental principles:

- Ethical and Disciplined Corporate Behavior.
- Independent and Considered Judgment.
- Parity between Accountability and Responsibility.
- Transparency and effective and Adequate disclosures.

The company believes that all its operations and actions must serve the underlying goal of enhancing overall enterprise value and safeguarding the shareholders' trust. In our commitment to practice sound governance principles, we are guided by the following core principles:-

1. Code of Conduct and Ethics for Directors and Senior Management
2. Improving Quality and Frequency of Information Flow to the Board, Audit Committee to enable them to discharge their functions effectively.
3. A Sound System of Risk Management and Internal Control
4. Transparency and Accountability.
5. Compliance with all Rules and Regulations.
6. Sound policy on prevention of Insider Trading.
7. Develop processes for various disclosure and reporting requirements.



In view of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company continuously strives to follow the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company.

### I. BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Company is committed to best governance practices in the Company to ensure sustainability and long term value. The Board plays a major role in overseeing how the management serves the short term and long term interests of shareholders and other stakeholders. The Board, along with its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

- a. As on March 31, 2019, the Company has six directors. Of the six directors, five (i.e. 83.33%) are non-executive directors which includes three (i.e. 50%) independent directors. The composition of the board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors.



- c. Independent directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as required by SEBI Regulations and Section 149 of the Companies Act, 2013.
- d. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2019 are given herein below.
- e. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.
- f. During the year 2018-19, separate meeting of the Independent Directors was held on 14<sup>th</sup> February, 2019.
- g. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.
- h. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

**BOARD COMPOSITION**

The Company's policy is to maintain an optimum combination of Executive & Non-executive directors and in conformity with SEBI Listing Regulations.

The Composition of the Board as on March 31, 2019 was as under:

| Promoter        | Executive   | Non-Executive        | Independent    |
|-----------------|-------------|----------------------|----------------|
| Aditya Malhotra | Sanjay Tiku | John Ernest Flintham | Anuradha Kapur |
| Gautam Malhotra |             |                      | Sanjay Chhabra |

**BOARD MEETINGS HELD**

The Company's Corporate Governance Policy requires the Board to meet at least four times in a year. The Board met 4 (four times) on the following dates during the Financial Year 2018-19.

|                     |                     |
|---------------------|---------------------|
| 30th May, 2018,     | 13th August, 2018   |
| 13th November, 2018 | 25th February, 2019 |

The intervening period between two Board meetings was well within the maximum time gap of four months prescribed under SEBI Listing Regulations. The necessary quorum was present for all the meetings.

A separate meeting of the independent Directors was held on 14th February, 2019.

**BOARD AGENDA AND INFORMATION GIVEN TO THE BOARD**

The annual calendar of meetings is agreed upon at the beginning of each year. Meetings are governed by a structured agenda. The Board members in consultation with the chairman may bring up any matter for the consideration of the Board. All major issues included in the agenda are backed by comprehensive background information to enable the Board to take informed decisions.

The notices for the Board Meetings are communicated to the Directors well in advance. Additional meetings of the Board are held when deemed necessary. Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committee(s). However, in case of business exigencies or urgencies, few resolutions are passed by way of circulation and if required same is supported by an audio call to explain the rationale.

The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The recommendations of the Committees are placed before the Board for necessary approvals.

The information as enumerated in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is made available to the Board of Directors for discussions and considerations.



Composition of the Board of Directors of the Company and Directorship(s) in other Companies, Committee Membership(s)/Chairmanship(s) as on March 31, 2019, and number of meetings held during their tenure and attended by them etc. are given as under:

| Name of the Director | Designation         | Status & Category          | Board Meetings 2017-18 |          | Attendance at last AGM | No. of Directorship in Public Company |
|----------------------|---------------------|----------------------------|------------------------|----------|------------------------|---------------------------------------|
|                      |                     |                            | Held                   | Attended |                        |                                       |
| Sanjay Chhabra       | Chairman            | Independent, Non-Executive | 04                     | 04       | Yes                    | 4                                     |
| Sanjay Tiku          | Whole-Time Director | Executive                  | 04                     | 04       | Yes                    | 3                                     |
| Aditya Malhotra      | Director            | Non-Executive              | 04                     | 02       | No                     | 2                                     |
| Gautam Malhotra      | Director            | Non-Executive              | 04                     | 04       | No                     | 1                                     |
| John Ernest Flintham | Director            | Non-Executive              | 04                     | 04       | No                     | 3                                     |
| Anuradha Kapur       | Director            | Independent, Non-Executive | 04                     | 04       | No                     | 6                                     |

Notes:

- None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the SEBI Listing Regulations, 2015
- Video / tele-conferencing facilities were facilitated to Directors travelling in India or abroad for participation in the meeting on requirement basis.

#### **BOARD INDEPENDENCE**

Based on confirmations/disclosure received from the Directors 3 out of 6 Directors on Board are Independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Directors hold any shares or convertible instruments in the Company

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year 2018-19, a separate meeting of the Independent Directors was held on 14<sup>th</sup> February, 2019 to discuss inter alia:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- The performance of the Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **Board Familiarization and Induction Program**

The Company has adopted a well-structured induction policy for orientation and training of the Non-Executive Directors to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates. The induction programme includes one-to-one interactive sessions with the Executive Directors, Senior Management including the Business CEOs and also includes visit to Company and its subsidiaries plant sites and locations.



### III. COMMITTEES OF THE BOARD

In accordance with SEBI Listing Regulations, the Board of Directors has constituted the following committees of the Board. The Board determines the terms of reference of the Board Committees from time to time. The respective Committee Chairman convenes meetings of the Board Committees. Minutes of the Committee meetings are placed before the Board for perusal and noting. The quorum for meetings of all the Committees is either two members or one-third of the members of the Committees, whichever is higher. Each committee has the authority to engage outside experts, advisers and counsel to the extent it considers appropriate to assist it in its work.

#### AUDIT COMMITTEE

The role of the Audit Committee has been strengthened and all major changes in financial policies are reviewed or approved by this Committee.

#### COMPOSITION

The audit committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges read with Section 177 of the Act, comprising the following directors:

1. Mr. Sanjay Chhabra – Non-Executive Independent Director – Chairman
2. Ms. Anuradha Kapur–Non-Exec Independent Director
3. Mr. Gautam Malhotra – Non-Executive Director

All the members of the Audit Committee are financially literate. Mr. Sanjay Chhabra, Non-Executive Independent Director of the Company is the Chairman of the Audit Committee is a Financial Expert. The Finance Head attends the meeting of Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The committee also invites Senior Accounts Managers, as it consider appropriate to be present at the meeting of the committee. The terms of reference of Audit Committee are quite comprehensive and include all that is mandated under clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The Chairman of the erstwhile Audit Committee was present at the last Annual General Meeting to answer shareholders queries.

Consequent to the resignation of Ankita Wadhawan on 14, September 2017, another Independent Director, Ms. Anuradha Kapur was appointed as the member in her place

#### TERMS OF REFERENCE

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the 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
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;



8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To mandatorily review the following information:
  - i. Management discussion and analysis of financial condition and results of operations;
  - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - iv. Internal audit reports relating to internal control weaknesses; and
  - v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
22. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the audit committee.

#### **AUDIT COMMITTEE MEETINGS AND ATTENDANCE**

The Audit Committee met 5 (five times) on the following dates during the Financial Year 2017-18.

|                     |                     |
|---------------------|---------------------|
| 30th May, 2018      | 13th August, 2018   |
| 13th November, 2018 | 25th February, 2019 |

The Attendance of each member of the committee is given below.

| <b>Members</b>      | <b>Category of Director</b>        | <b>No. of Meetings Attended</b> |
|---------------------|------------------------------------|---------------------------------|
| Mr. Sanjay Chhabra  | Non-Executive Independent Director | <b>04</b>                       |
| Ms. Anuradha Kapur  | Non-Executive Independent Director | <b>04</b>                       |
| Mr. Gautam Malhotra | Non-Executive Director             | <b>04</b>                       |



Apart from the members of the Committee, the Audit Committee meetings were attended by the CFO & Senior Manager, Finance. Company Secretary attended the meetings as the Secretary to the Committee.

#### **NOMINATION & REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges read with Section 177 of the Act, comprising the following directors:

1. Ms. Anuradha Kapur – Non-Executive Independent Director – Chairperson
2. Mr. Sanjay Chhabra – Non-Executive Independent Director
3. Mr. Aditya Malhotra – Non-Executive Director
4. Mr. Gautam Malhotra – Non-Executive Director

#### **TERMS OF REFERENCE**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. 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 their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- v. Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors;
- vi. Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.

#### **MEETINGS AND ATTENDANCE**

One meeting of the Nomination & Remuneration Committee was held during the year on 14.02.2019. The Attendance of each member of the committee is given below.

| Members             | Category of Director               | No. of Meetings Attended |
|---------------------|------------------------------------|--------------------------|
| Ms. Anuradha Kapur  | Non-Executive Independent Director | 01                       |
| Mr. Sanjay Chhabra  | Non-Executive Independent Director | 01                       |
| Mr. Aditya Malhotra | Non-Executive Director             | 01                       |
| Mr. Gautam Malhotra | Non-Executive Director             | 01                       |

#### **REMUNERATION TO DIRECTORS**

##### **DETAILS OF REMUNERATION PAID TO ALL DIRECTORS IN THE FINANCIAL YEAR 2018-19**

| DIRECTOR                                    | SITTING FEES (Rs.) | SALARY & PERQUISITES (Rs.) | TOTAL (Rs.)      |
|---|--------------------|----------------------------|------------------|
| Mr. Sanjay Tiku, Whole time Director        | N.A                | 55,48,000                  | 55,48,000        |
| Mr. Aditya Malhotra, Non-Executive Director | NIL                | NIL                        | NIL              |
| Mr. Gautam Malhotra, Non-Executive Director | NIL                | NIL                        | NIL              |
| Mr. John E Flintham, Non-Executive Director | NIL                | NIL                        | NIL              |
| Mr. Sanjay Chhabra, Independent Director    | 1,00,000           | NIL                        | 1,00,000         |
| Ms. Anuradha Kapur, Independent Director    | 1,00,000           | NIL                        | 1,00,000         |
| <b>GRAND TOTAL</b>                          | <b>2,00,000</b>    | <b>55,48,000</b>           | <b>57,48,000</b> |

There are no stock options available /issued to any of the Promoter-Directors of the Company and this does not form a part of their contract with the Company. The erstwhile Non-Executive Independent Directors of the Company namely Sanjay Chhabra, Anuradha Kapur held NIL shares of the company as on 31.03.2019.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises of:

1. Mr. Aditya Malhotra – Non-Executive Director- Chairman
2. Mr. Sanjay Tiku – Executive Director
3. Mr. Sanjay Chhabra – Independent Director
4. Ms. Mona K Bahadur – Company Secretary

Mr. Aditya Malhotra, Non-Executive Director of the company is the Chairman of the Committee. The Committee inter alia approves issue of duplicate certificates and oversees and reviews all matters connected with the transfer of securities of the Company. The Committee also looks into redressal of shareholders' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading Regulations), 1992. The Board has delegated the power of approving transfer of securities to the Managing Director and the Company Secretary.

#### **COMPLIANCE OFFICER**

During the financial year 2018-2019, Ms. Mona K Bahadur was the Compliance Officer for complying with the requirements of the Companies Act, 2013, SEBI (Prohibition of Insider trading) Regulations, 1992 and SEBI Listing Regulations.

#### **STATUS OF COMPLAINTS FOR THE PERIOD 2018-2019**

|    |   |     |
|----|---|-----|
| 1. | Number of complaints received from the investors comprising of Non-receipt of Dividend Warrants, Non-Receipt of Securities sent for transfer/transmission. Complaints received from SEBI etc. | NIL |
| 2. | Number of General Queries/Change of Address/ Dividend Related Queries/ Share Certificate related queries etc  | 28  |
| 3. | Number of complaints/queries resolved   | 28  |
| 4. | Number of complaints not resolved to the satisfaction of the investors as 31st March, 2019  | Nil |
| 5. | Complaints Pending as at 31st March, 2019   | Nil |
| 6. | Number of share transfer pending for approval as at 31st March, 2019  | Nil |

During the year ended 31st March, 2019, the Stakeholders Relationship Committee held 5 (Five) meetings on May 30, 2018, August 13, 2018, October 4, 2018, December 12, 2018, February 2, 2019, and the transfers and other requests of the security holders were duly discussed and approved by the members of the committee.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company's Corporate Social Responsibility (CSR) Committee comprises three (3) members including one (1) Independent Director, one (1) Non-executive and (1) Executive Director. The broad terms of reference of the CSR Committee are as follows:

To formulate and recommend to the Board the CSR Policy and activities to be undertaken by the Company in this regard and to monitor the same from time to time;

Recommending the amount of expenditure to be incurred on CSR activities of the Company;

Reviewing the performance of the Company in the area of CSR;

Guidance on the impact of business activities on environment and society; and

Monitoring the implementation of the CSR projects or activities undertaken by the Company.





**GENERAL BODY MEETINGS**

Location, date and time of the Annual General Meetings held during the preceding 3 financial years and the Special Resolutions passed thereat are as follows:-

| YEAR    | DATE       | LOCATION   | Special Resolutions Passed |
|---------|------------|--|----------------------------|
| 2015-16 | 29.09.2016 | Mapple Exotica, Chhatarpur, Mandir Road, Satbari, New Delhi-110074 | None                       |
| 2016-17 | 30.09.2017 | Mapple Emerald, NH 8, Rajokri New Delhi-110038                     | None                       |
| 2017-18 | 27.09.2018 | Mapple Emerald, NH 8, Rajokri New Delhi-110038                     | None                       |

**POSTAL BALLOT**

There was no Postal Ballot held during the year 2018-19. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

**MEANS OF COMMUNICATION**

One of the most important components of Corporate Governance is to communicate with the shareholders through effective means. Being a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, the Company, sends Annual Reports, Intimation for dividend payment, Notices related to General Meetings and Postal Ballot by email to those shareholders whose email ids are registered with the Company. They are also sent in hard copies to those shareholders whose email ids are not registered.

The Company publishes, the financial results in two widely circulated newspapers from New Delhi, namely:

**English Newspaper:** Financial Express.

**Hindi Newspaper:** Jansatta

Up-to-date financial results, annual reports, shareholding patterns, official news releases, policies and other general information about the Company are available on the Company's website [www.jmtauto.com](http://www.jmtauto.com)

**GENERAL SHAREHOLDERS' INFORMATION**

|   |  |
|---|--|
| (i) AGM date, Time and Venue  | Thursday, the <b>26<sup>th</sup> September, 2019</b> at <b>12.30 P.M.</b> at Mapple Emerald, NH-8, Rajokri, New Delhi-110038   |
| (ii) As required under clause 49IV(G), particulars of Directors seeking appointment/ reappointment are annexed to the notice of the Annual General Meeting to be held on Thursday, the <b>26<sup>th</sup> September, 2019</b>           |  |
| (iii) Financial Year  | The Financial year of the company is from April 1 to March 31, each year.  |
| (iv) <b>Key Financial Reporting Dates for the year 2019-20</b><br>1. For the quarter ending June 30, 2019<br>2. For the quarter ending Sept 30, 2019<br>3. For the quarter ending Dec 31, 2019<br>4. For the year ending March 31, 2020 | On or before 14.08.2019<br>On or before 14.11.2019<br>On or before 14.02.2020<br>On or before 30.05.2020   |
| (v) Date of Book Closure  | <i>The Share Transfer Books and the Register of Members shall remain closed from 23.09.2019 to 26.09.2019 (both days inclusive). Notice to this effect has been sent to all Stock Exchanges where the shares of the company are listed as per the Listing Regulations.</i> |



**LISTING ON STOCK EXCHANGE**

|   |  |
|---|--|
| <b>A. Bombay Stock Exchange Limited</b><br>Phiroze Jeejeebhoy Towers<br>Dalal street, Mumbai 400001 | <b>B. National Stock Exchange of India Ltd.</b><br>Exchange Plaza, Bandra-Kurla Complex<br>Bandra East Mumbai-400051 |
| Scrip Code  | BSE : JMT Auto –513691<br>NSE: JMTAUTO LIMITED Series : EQ   |
| International Security Identification No. (ISIN)  | INE 988E01028  |

The listing fees for the year 2019 -20 have been paid to the above Stock Exchanges in time as per the Listing Agreement.

The Company has paid custodial fees for the year 2019-2020 to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the basis of number of beneficial accounts maintained by them as on 31st March, 2019.

**CREDIT RATING**

| CREDIT RATING AGENCY | LONG TERM/ MEDIUM TERM BANK FACILITIES | SHORT TERM BANK FACILITIES |
|----------------------|--|----------------------------|
| ICRA                 | [ICRA] D                               | [ICRA] D                   |

**MARKET INFORMATION:**

**BOMBAY STOCK EXCHANGE LIMITED**

High, Low (based on closing prices) and average volume and average number of trades during each month in last financial year 2018-19.

| MONTH           | Bombay Stock Exchange |           |                         | National Stock Exchange |           |                         |
|-----------------|-----------------------|-----------|-------------------------|-------------------------|-----------|-------------------------|
|                 | HIGH (Rs.)            | LOW (Rs.) | VOLUME OF SHARES TRADED | HIGH (Rs.)              | LOW (Rs.) | VOLUME OF SHARES TRADED |
| APRIL, 2018     | 5.30                  | 3.85      | 12,70,929               | 5.30                    | 3.90      | 50,32,857               |
| MAY, 2018       | 4.33                  | 3.50      | 10,32,291               | 4.35                    | 3.45      | 39,31,971               |
| JUNE, 2018      | 3.89                  | 3.10      | 7,41,538                | 4.00                    | 3.05      | 37,06,485               |
| JULY, 2018      | 4.90                  | 3.10      | 12,20,679               | 4.85                    | 3.10      | 72,10,185               |
| AUGUST, 2018    | 4.30                  | 3.35      | 9,73,330                | 4.50                    | 3.40      | 2,431,709               |
| SEPTEMBER, 2018 | 3.87                  | 2.87      | 4,42,650                | 3.85                    | 2.90      | 17,00,914               |
| OCTOBER, 2018   | 3.09                  | 2.46      | 5,06,283                | 3.05                    | 2.45      | 18,81,396               |
| NOVEMBER, 2018  | 4.01                  | 2.65      | 6,37,200                | 3.80                    | 2.65      | 14,33,499               |
| DECEMBER, 2018  | 4.32                  | 2.70      | 9,34,997                | 4.20                    | 2.65      | 32,17,052               |
| JANUARY, 2019   | 4.05                  | 2.88      | 4,16,993                | 3.95                    | 2.85      | 18,22,957               |
| FEBRUARY, 2019  | 3.09                  | 2.49      | 3,54,060                | 3.10                    | 2.50      | 15,77,011               |
| MARCH, 2019     | 3.00                  | 2.43      | 5,61,096                | 2.90                    | 2.50      | 20,22,765               |



### SHARE TRANSFER SYSTEM

96.30% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with the Company or the RTA at the above mentioned addresses.

Shares lodged for transfer at the Registrar's address are normally processed within 15 days, from the date of lodgment, if the documents are clear in all respects. The Committee of the Board and Company Secretary, under the authority of the Board, approves transfers, which are noted at subsequent board meetings. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 7 days. Grievances received from members and other miscellaneous correspondence regarding change of address, mandates, etc. are processed by the Registrars within 7 days.

Pursuant to Regulation 40(9) of the SEBI Listing Regulation, certificate has been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Also, pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, certification is done by a Company Secretary-in-Practice regarding timely dematerialisation of the shares of the Company.

### REGISTRAR AND SHARE TRANSFER AGENTS

Members are requested to correspond with the Company's Registrar & Share Transfer Agents for all Share related issues at the given address:-

**C B Management Services Pvt. Ltd. P- 22, Bondel Road**  
**Kolkata – 700 019**  
**Telephone: 033-40116722/40116726**  
**Fax: (033) 2287 0263**  
**E-mail: rta@cbmsl.com**

### DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019

The Distribution of Shareholding as on 31st March, 2019 is as follows:-

| Range of shares | Share            | Folios       | % Shares      | % Folios      |
|-----------------|------------------|--------------|---------------|---------------|
| 1-500           | 1874028          | 11512        | 0.37          | 41.56         |
| 501-1000        | 3448731          | 3836         | 0.68          | 13.85         |
| 1001-2000       | 4633617          | 2784         | 0.92          | 10.04         |
| 2001-3000       | 3120169          | 1182         | 0.62          | 4.27          |
| 3001-4000       | 17264673         | 4898         | 3.43          | 17.69         |
| 4001-5000       | 3549181          | 734          | 0.70          | 2.65          |
| 5001-10000      | 10892368         | 1425         | 2.16          | 5.14          |
| 10001-50000     | 22355693         | 1140         | 4.44          | 4.11          |
| 50001-100000    | 6936653          | 97           | 1.38          | 0.35          |
| AND ABOVE       | 429757027        | 95           | 85.30         | 0.34          |
| <b>TOTAL</b>    | <b>503832140</b> | <b>27703</b> | <b>100.00</b> | <b>100.00</b> |



**SHAREHOLDING PATTERN**

I. Shareholding pattern of the Company as on 31st March, 2019

| CATEGORY   | Number of equity shares held | Percentage of holding |
|--|------------------------------|-----------------------|
| <b>A. PROMOTERS HOLDING</b>                                |                              |                       |
| 1. <b>INDIAN</b>   |                              |                       |
| Individuals/HUF  | 0                            | 0                     |
| Bodies Corporate   | 361412200                    | 71.73                 |
| 2. <b>FOREIGN</b>  | 0                            | 0                     |
| <b>Total Shareholding of Promoter &amp; Promoter Group</b> | <b>361412200</b>             | <b>71.73</b>          |
| <b>B. PUBLIC SHAREHOLDING</b>                              |                              |                       |
| 1. <b>Institutions</b>                                     |                              |                       |
| Mutual Funds and UTI                                       | 28000                        | 0.006                 |
| Foreign Institutional Investors                            | 36650178                     | 7.27                  |
| 2. <b>Non-Institutions</b>                                 |                              |                       |
| a. Bodies Corporate  | 8138024                      | 1.62                  |
| b. Individuals   |                              |                       |
| Holding nominal share capital up to Rs.2 Lakhs             | 73974308                     | 14.68                 |
| Holding nominal share capital in excess of Rs.2 Lakhs      | 15915919                     | 3.16                  |
| <b>C. Any other</b>  |                              |                       |
| Non-resident Indians                                       | 5141553                      | 1.02                  |
| Foreign Bodies Corporate/ OCB                              | 4000                         | 0.001                 |
| Trust  | 73130                        | 0.01                  |
| Clearing Members   | 2489278                      | 0.50                  |
| <b>Sub -Total</b>  | <b>142419940</b>             | <b>28.27</b>          |
| <b>GRAND TOTAL</b>   | <b>503832140</b>             | <b>100.00</b>         |

I. Top ten Non-Promoter Equity Shareholders of the Company as on 31st March, 2019:

| Sl. No. | Shareholding at the beginning of the year 01.04.2018 |                  |                                 | Cumulative Shareholding at the end of the year 31.03.2017 |                                  |
|---------|--|------------------|---------------------------------|---|----------------------------------|
|         | Name of the shareholder                              | Number of shares | % of total share of the Company | Number of share   | % of total shares of the company |
| 1       | LTS INVESTMENT FUND LTD                              | 28092267         | 5.58                            | 28092267  | 5.58                             |
| 2       | ELARA INDIA OPPORTUNITIES FUND LTD                   | 7331838          | 1.46                            | 7331838   | 1.46                             |
| 3       | ASHOK MITTAL   | 0                | 0                               | 3127652   | 0.62                             |
| 4       | AARKEN ADVISORS PVT. LTD.                            | 2207270          | 0.44                            | 2207270   | 0.44                             |
| 5       | SIDDHARTH BASSI                                      | 1068043          | 0.21                            | 1785896   | 0.35                             |



|    |                                       |         |      |         |      |
|----|---------------------------------------|---------|------|---------|------|
| 6  | ARUNIMAMITTAL                         | 0       | 0    | 1632000 | 0.32 |
| 7  | SUPREET RATNAKAR PRABHU               | 708000  | 0.14 | 1488053 | 0.30 |
| 8  | NIKHIL NANDA                          | 200000  | 0.04 | 1412471 | 0.28 |
| 9  | ANOOP JAIN                            | 856276  | 0.17 | 1369256 | 0.27 |
| 10 | EIGHT CAPITAL INDIA RECOVERY FUND Ltd | 1226073 | 0.24 | 1226073 | 0.24 |

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are compulsorily traded in dematerialized form as per SEBI guidelines with effect from 25th January, 2002.

The Company's shares are traded in the depository systems of both NSDL and CDSL. As on 31st March, 2019, 96.38% of the equity capital exists under the electronic form. The equity shares of the Company are actively traded on Bombay Stock Exchange and National Stock Exchange.

As on 31.03.2019 the under noted shares are held in NSDL, CDSL and Physical mode of M/s JMT Auto Limited:-

| Category/Head | No. of Shares    | %age          |
|---------------|------------------|---------------|
| NSDL          | 458727657        | 91.05         |
| CDSL          | 26858471         | 5.33          |
| Physical      | 18246012         | 3.62          |
| <b>Total</b>  | <b>503832140</b> | <b>100.00</b> |

#### PLANT'S LOCATIONS

The Company has the following manufacturing and operating divisions:

| Sl. No. | Work Unit Description         | Location /Address   |
|---------|-------------------------------|---|
| (i)     | Works (Unit-I)                | A-20, Phase-1 Industrial Area, Adityapur, Jamshedpur - 832109   |
| (ii)    | Works (Unit II & III)         | C-19 & 20, D-2-3, D-8-12, NS-29-34, 7th Phase, Industrial Area, Adityapur, Jamshedpur-832109.   |
| (iii)   | Work Unit – IV (Foundry)      | Notandih, Kandra Chauka Main Road, Dist: Seraikela, Kharsawan   |
| (iv)    | Works Unit-V (Forging )       | A-45, A-46, A-47, A-48(P) & M-2 At Large Sector, Gamharia.  |
| (v)     | Works (Unit -VI)              | NS-57, 7th PHASE, Industrial Area, Adityapur, Jamshedpur-832109   |
| (vi)    | Works (Unit -VII) Lucknow     | Village – Naubasta, Kalan, Lucknow, On Line Mark(Deva to NaubastaMarg) Uttar Pradesh  |
| (vii)   | Works (Unit – VIII) (Dharwad) | 1. Plot No. 222, KIADB, Belur Industrial Growth Centre Dharwad – 580011, Karnataka<br>2. Plot No. 224-A, KIADB, Belur Industrial Growth Centre, Dharwad – 580 011, Karnataka<br>3. Block No. 2, KIADB, Belur Industrial Estate, Garag Road, Mummigatti, Dharwad – 580007, Karnataka |



**INVESTORS' CORRESPONDENCE**

|  |  |
|--|--|
| <p>Transfer of shares and communication regarding share certificates, dividends and change of address and any other queries relating to the shares of the Company.</p> | <p>(i) Company-Secretary<br/>JMT AUTO LIMITED<br/>C-19 &amp; 20, 7<sup>th</sup> Phase, Industrial Area Adityapur, Jamshedpur- 832109<br/>Phone No. : (0657) 662 6340<br/>Fax : (0657) 2200 749<br/>E-mail : <a href="mailto:mona.bahadur@jmtauto.com">mona.bahadur@jmtauto.com</a><br/>E-mail : <a href="mailto:jmt.auto@jmtauto.com">jmt.auto@jmtauto.com</a></p> |
|  | <p>(ii) Registrar &amp; Share Transfer Agent<br/>C B Management Services Pvt. Ltd.<br/>P- 22, Bondel Road<br/>Kolkata – 700 019<br/>Telephone : (033) 40116700<br/>Fax : (033) 2287 0263<br/>E-mail : <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a></p>   |

**TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to Section 123-125 of Companies Act, 2013 and Rules Made thereunder, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2019, nor shall any payment be made in respect of such claims.

Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the financial year 2012-13 and onwards are requested to claim the amount belonging to them, lying in the Unpaid Dividend accounts by making a request addressing to:

- 1) M/s C.B. Management Services (P) Limited  
Registrar and Share transfer Agents  
P-22, Bondel Road, Kolkata-7000019
- 2) Company Secretary  
JMT Auto Limited  
C-19&20, 7<sup>th</sup> Phase,  
Adityapur Industrial Area, Jamshedpur-832109  
Email – [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com)

The following table gives information relating to dates of declaration of dividends during last seven years and the dates by which the unclaimed dividends can be claimed by the shareholders:

| Financial Year | Date of declaration of dividend | Last date for claiming unpaid dividend |
|----------------|---------------------------------|--|
| 2011-12        | 2nd July, 2012                  | 1 <sup>st</sup> July, 2019             |
| 2012-13        | 16th July, 2013                 | 15th July, 2020                        |
| 2013-14        | NA                              | NA                                     |
| 2014-15        | NA                              | NA                                     |
| 2015-16        | NA                              | NA                                     |
| 2016-17        | NA                              | NA                                     |
| 2017-18        | NA                              | NA                                     |



## RECONCILIATION OF SHARE CAPITAL

The Securities and Exchange Board of India has directed vide circular no. D&CC/FITTC/CIR – 16/2002 dated December 31, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories viz. NSDL and CDSL and in physical form with the total issued/ paid up capital.

In compliance with this requirement, the company has submitted a certificate duly certified by a qualified practicing company secretary, to the stock exchanges where securities of the company are listed within 30 days of the end of each quarter and the certificates were also placed before the Board of Directors of the company from time to time.

## SECRETARIAL AUDIT

For the Financial Year 2018-19, Secretarial Audit was carried out by M/s K. Rahul & Associates, Practicing Company Secretary. The report of said Secretarial Audit forms a part of this Annual Report.

## COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Statutory Auditors of the Company M/s Raj Gupta & Company confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed hereto and forms part of the Annual Report.

## DISCLOSURES

### SUBSIDIARY COMPANIES

As per clause (c) of sub-regulation (1) of regulation 16 of SEBI Listing Regulations “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

A policy on Material Subsidiary has been approved by the Board of the Company and the same has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com)

As on March 31, 2019, there is no material unlisted subsidiary of the Company.

The subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise all the duties and rights for efficient monitoring and management of the companies. The Company oversees and monitors the performance of subsidiary companies by following means:

- i. The Audit Committee reviews the financial statements and, in particular the investments made by the subsidiary companies.
- ii. The minutes of the Board Meeting of the subsidiary companies are placed before the Board of Directors of the Company for their review.
- iii. A statement of all significant transactions of the subsidiary companies is placed before the Board of Directors of the Company for its review.

### MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

As per Section 188 of The Companies Act 2013 and Regulation 23 of SEBI Listing Regulations, all the Related Party transactions were at arm's length price and the same were duly approved by the Audit Committee.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that “A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.”

A policy on Related Party Transactions has been approved by the Board of the Company and the same has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com)



A comprehensive list of related party transactions as required under Accounting Standards (AS) 18 issued by Institute of Chartered Accountants of India (ICAI), forms part of Note no. 37 of the Financial Statements in the Annual Report.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Whistle Blower Policy has been formulated as an extension of the Company's Code of Conduct and is aimed at providing a vigil mechanism for reporting of unethical behaviour, malpractices and fraud in the day to day dealings by the employees and directors of the Company.

Whistle Blower Policy duly adopted by the Board, has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com)

The Company has made all disclosures regarding compliance with corporate governance requirements specified in regulation 17 to 27 and has disseminated required information on its website in compliance with regulation 46 of SEBI Listing Regulations.

#### **CODE OF CONDUCT**

The Code of Conduct which has been formulated and implemented for all Board members and Senior Management of the company is in compliance with the Listing Regulations. All Board members and senior management personnel has affirmed compliance of the "Code of Conduct for members of the Board and Senior Management" for the period in terms of Clause 49(ID)(I) of the Listing Agreement with the Stock Exchanges.

A declaration signed by the CEO & Whole Time Director is given below: I hereby confirm that:

The Company has obtained affirmation from all the members of the Board and Senior Management that they have complied with the Code of Business Conduct and ethics for Directors and Senior Management in respect of the financial year 2018-19.

**By order of the Board of Directors**

**Place: New Delhi**  
**Date : 14.08.2019**

Sd/-  
**Mona K Bahadur**  
**Company Secretary & Compliance Officer**





## CERTIFICATION BY CEO & CFO OF THE COMPANY

To,  
The Board of Directors  
JMT Auto Limited,  
3 LSC, Pamposh Enclave,  
Guru Nanak Market  
Opp LSC Market,  
New Delhi – 110 048

Dear Sirs,

We, Sanjay Tiku, CEO & Whole Time Director and Sandeep Singh Surya, CFO, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and to the best of our knowledge, belief and information:
- i) These statements do not contain any materially untrue statements or omit any material facts 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) To the best of our knowledge, belief and information no transactions entered into by the Company during the financial year 2018-19 are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and that We have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
- (d) We have indicated to the auditors and the Audit Committee:
- i. Significant changes in the internal control during the year
  - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (e) We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board members and senior management personnel have affirmed compliance of Code of Conduct for the year 2018-19.

**For JMT AUTO LIMITED**

Place : New Delhi  
Date : 14.08.2019

Sd/-  
Sandeep Singh Surya  
CFO

Sd/-  
Sanjay Tiku  
CEO & Whole Time Director  
DIN – 00300566



**Independent Auditor's Certificate on Compliance with Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members of JMT Auto Limited,

1. This report contains details of compliance of conditions of corporate governance by JMT AUTO Limited ('the Company') for the year ended 31 March, 2019 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

**Management's Responsibility**

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

**Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2019.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We 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.

**Restriction on use**

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Raj Gupta & Co**  
**Chartered Accountants**  
**Firm's registration number: 000203N**

**Place : New Delhi**  
**Date : 04.06.2019**

**Abhishek Gupta**  
**Partner**  
**Membership Number: 530433**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. GLOBAL ECONOMIC OVERVIEW

Global economic growth has continued to soften this year. Subdued investment in emerging market and developing economies (EMDEs) is dampening potential growth prospects. Risks to the outlook remain firmly on the downside, including the possibility of escalating trade tensions. Another concern is rising debt, which may make it difficult for EMDEs to respond to adverse developments and to finance growth-enhancing investments. Reforms to boost private investment and productivity growth are needed, particularly in low-income countries, which face more significant challenges today than they did in the early 2000s.

Against a difficult backdrop that included intensified US-China trade and technology tensions as well as prolonged uncertainty on Brexit, momentum in global activity remained soft in the first half of 2019. There were positive surprises to growth in advanced economies, but weaker-than-expected activity in emerging market and developing economies.

Growth was better than expected in the United States and Japan, and one-off factors that had hurt growth in the euro area in 2018 appeared to fade as anticipated.

Among emerging market and developing economies, first quarter GDP in China was stronger than forecast, but indicators for the second quarter suggest a weakening of activity. Elsewhere in emerging Asia, as well as in Latin America, activity has disappointed.

From a sectoral perspective, service sector activity has held up, but the slowdown in global manufacturing activity, which began in early 2018, has continued, reflecting weak business spending in machinery and equipment and consumer purchases of durable goods, such as cars. These developments suggest that firms and households continue to hold back on long-range spending amid elevated policy uncertainty.

Against this backdrop, global growth is forecast at 3.2 percent in 2019, picking up to 3.5 percent in 2020. GDP releases so far this year, together with generally softening inflation, point to weaker-than-anticipated global activity. The projected growth pickup in 2020 is precarious, presuming stabilization in currently stressed emerging market and developing economies and progress toward resolving trade policy differences.

### 2. INDIAN ECONOMIC OVERVIEW

India continues to remain the fastest growing major economy in the world in 2018-19, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19 according to the Central Statistics Organisation (CSO).

Though the World Bank report said, "Growth in India is projected to accelerate to 7.5 percent in FY 2019-20" it is quite apparent that the Indian economy is slipping into a recession. The real GDP growth has gone down from a peak of 8.2% in 2016-17 to 6.8% in 2018-19, with the fourth quarter of 2018-19 dipping to 5.8%. The first quarter of 2019-20 is expected to dip further to 5.6%.

This moderation in growth momentum is mainly on account of lower growth in 'Agriculture & allied', 'Trade, hotel, transport, storage, communication and services related to broadcasting' and 'Public administration & defence' sectors.

The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion end-March 2019 over end-March 2018.

Decline in investment rate and fixed investment rate since 2011-12, seems to have bottomed out with some early signs of recovery since 2017-18. Fixed investment growth picked up from 8.3 per cent in 2016-17 to 9.3 per cent in 2017-18 and further to 10.0 per cent in 2018-19

Service sector is the most dynamic sector in the economy and has remained the key driver of economic growth along with being a major contributor to GVA and export basket of the Indian Economy. Growth in the industry accelerated during 2018-19 on the strength of improving manufacturing and construction activity. Manufacturing accounted for 16.4 per cent in total GVA in 2018-19, marginally higher than that of 'Agriculture & allied' sector.

Foreign direct investment (FDI) in India declined for the first time in the last six years in 2018-19, falling by 1 % to \$44.37 billion as overseas fund inflows subsided in telecom, pharma and other sectors, official data showed.



Net Foreign Direct Investment (FDI) inflows grew by 14.2 per cent in 2018-19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories

According to Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflows in India in 2018-19 stood at US\$ 44.37 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

### **3. AUTOMOBILE INDUSTRY**

#### **3.1 GLOBAL AUTOMOBILE INDUSTRY**

The global automotive industry is expected to begin a challenging phase in 2019, with OEMs especially facing multiple obstacles all over the world. China faced its first even decline in vehicles sales in over 20 years, the USA market grew marginally, the shockwaves of Brexit and USMCA deal are expected create across global markets and the new US-China trade war. This is expected to play out till 2020 at least with global markets expected to rebound by around 2023.

The automotive industry has evolved significantly over the past decade. Digital technology, change in customer sentiment and economic health have played a vital role in this evolution. OEMs and other key industry players are taking note of this evolution and investing heavily in non-commercial business practices of manufacturing vehicles.

Overall global demand remains healthy. Despite headwinds, the global automotive market has an overall strong outlook:

Chinese demand is expected to soften in 2019, with light-vehicle registrations down 1%-3% as comparisons ease in the second half of the year.

In Japan, demand is expected to increase 1%-3%. This is due to expected purchases ahead of a consumption tax increase (from 8% to 10%), set to take effect in October 2019.

The Indian government passed monetary and tax reform actions in 2017-18 that spurred light-vehicle demand up to a full-year increase of 8.3%. However, we expect tighter credit policy to dampen light-vehicle demand growth to 6%-8% in 2019.

The Brazil light-vehicle market saw a 13.7% increase in 2018 due to labor reform and favorable monetary policy. In 2019, though, political turmoil and unpopular pension reform could be significant risks to growth.

Russian light-vehicle demand is expected to increase 6%-8% in 2019, in the face of economic sanctions imposed by the international community and moderating oil prices.

These circumstances suggest that demand in the world's major markets is likely to soften moderately but remain relatively healthy, as long as they aren't subjected to a no-deal Brexit and trade-conflict escalation.

#### **Trends transforming Automobile Industry**

According to PWC the mobility of the future is "easycy" – electrified, autonomous, shared, connected and "yearly" updated. There are five trends transforming Automobile Industry.

**Electrified** – the transition to emissions-free mobility will become a global requirement. Electricity used to charge vehicles will increasingly come from renewable sources to ensure carbon dioxide-neutral mobility.

**Autonomous** - The development of vehicles which require no human intervention will reduce the use of public mobility platforms and offer individual mobility to new user groups.

**Shared** – Professionally managed fleets of shared vehicles will reduce the cost of mobility by a significant amount through more efficient use of expensive mobile assets.

**Connected** – This applies in two ways: communication – between cars or with traffic management infrastructure or between vehicle occupants and the outside world. The car of the future will become a "third place" between home and workplace, combining features of both.

**'Yearly' updated** – The range of models will be updated annually to integrate the latest hardware and software developments and react to changing requirements of shared fleet buyers.

The percentage of shared and autonomous mobility in overall road track will rise significantly. by 2030, the share of shared and autonomous driving in overall traffic may rise to as much as 40%. To remain successful, both manufacturers



and suppliers will have to offer user-oriented innovations. The comprehensive and rapid reorganisation of the automotive sector after 2025 will have far-reaching consequences for the entire industry and its value chains.

**3.2 INDIAN AUTOMOBILE INDUSTRY**

The automobile industry in India is world’s fourth largest, with the country currently being the world’s 4th largest manufacturer of cars and 7th largest manufacturer of commercial vehicles in 2018. Indian automotive industry (including component manufacturing) is expected to reach Rs 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 2018-19. Overall, Domestic automobiles sales increased at 6.71 per cent CAGR between FY13-18 with 26.27 million vehicles being sold in 2018-19. Indian automobile industry has received Foreign Direct Investment (FDI) worth US\$ 21.38 billion between April 2000 and March 2019.

Domestic automobile production increased at 6.96 per cent CAGR between 2013-2019 with 30.92 million vehicles manufactured in the country in 2018-19.

In 2018-19, commercial vehicles recorded the fastest pace of growth in domestic sales at 17.55 per cent year-on-year, followed by three-wheelers at 10.27 per cent year-on-year.

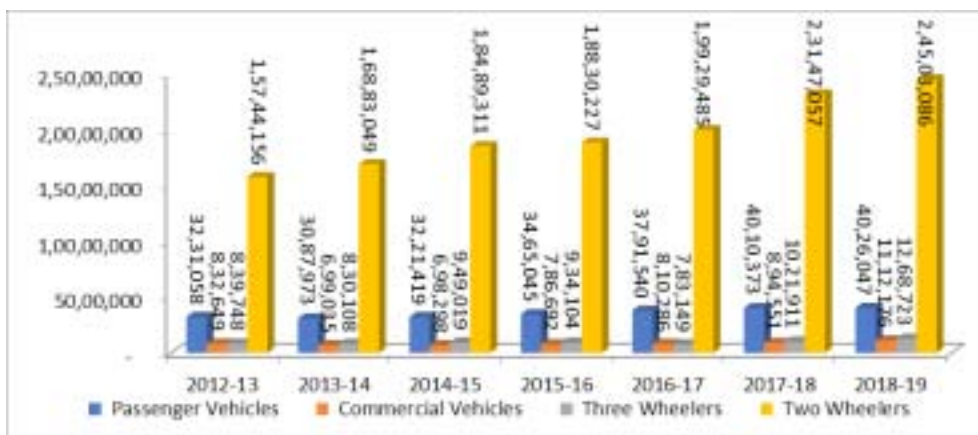
The passenger vehicle sales in India crossed the 3.37 million units in 2018-19, and is further expected increase to 10 million units by 2019-20.

The government aims to develop India as a global manufacturing as well as a research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as a National Automotive Board to act as facilitator between the government and the industry. Under (NATRIP), five testing and research centres have been established in the country since 2015.

The Indian government has also set up an ambitious target of having only electric vehicles being sold in the country. Indian auto industry is expected to see 8-12 per cent increase in its hiring during 2018-19. The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of electric vehicles (EVs) in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The first phase of the scheme has been extended to March 2019 while In February 2019, the Government of India approved the FAME-II scheme with a fund requirement of Rs 10,000 crore (US\$ 1.39 billion) for FY20-22. Number of vehicles supported under FAME scheme has increased to 192,451 units in March 2018 from 5,197 units in June 2015.

Automobile exports grew 14.50 per cent in 2018-19. It is expected to grow at a CAGR of 3.05 per cent during 2016-2026. Domestic two-wheeler industry is expected to grow at 8-10 per cent during 2018-19. Also, Luxury car market in India is expected to grow at a 25 per cent CAGR till 2020. The Government of India expects automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023

**AUTOMOBILE PRODUCTION TRENDS**

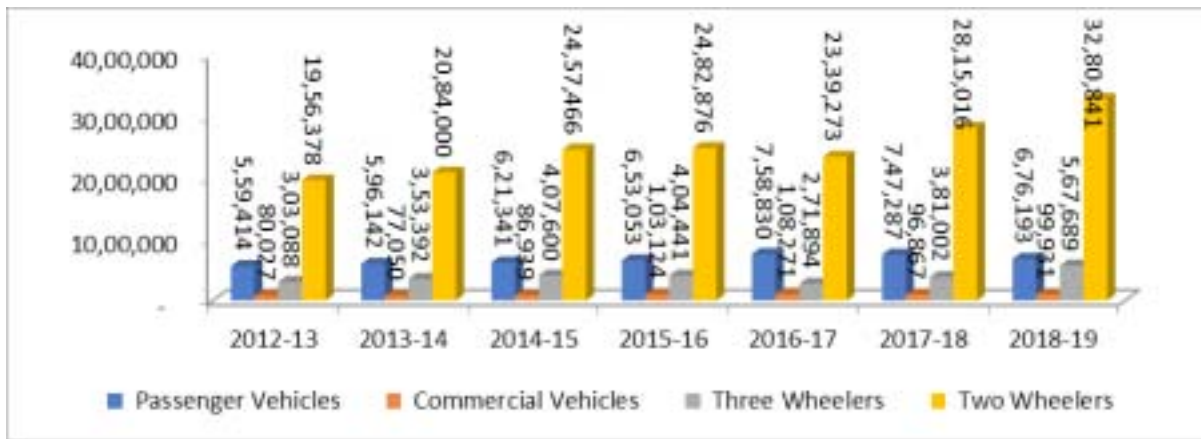




**DOMESTIC SALES TRENDS**



**EXPORTS TRENDS**



**4. AUTOMOTIVE COMPONENTS INDUSTRY**

The automotive component industry that contributes 2.3 per cent to India's GDP, 25 per cent to its manufacturing GDP and provides employment to 50 lakh people, stood at Rs.3.95 lakh crore (USD 57 billion) for the period April 2018 to March 2019, registering a growth of 14.5 per cent over the previous year. Auto Component exports grew by 17.1 per cent in FY 2018-19 to Rs.106,048 crore (USD 15.16 billion)".

Automotive Component Manufacturers Association of India (ACMA) observed that the first-half of the fiscal 2018-19 witnessed a robust double digit growth, however the second-half saw a significant slump in vehicles sales. There is a 15 to 20% cut in vehicle production leading to slowdown in component industry. Urgent government intervention is necessary to kick-start a long-term growth cycle for the Auto and Auto Components Industry.

**Market Size**

The auto-components industry accounted for 2.3 per cent of India's Gross Domestic Product (GDP) in 2017-18. During the same period, 1.5 million people directly and 1.5 million people indirectly were employed in the auto-components



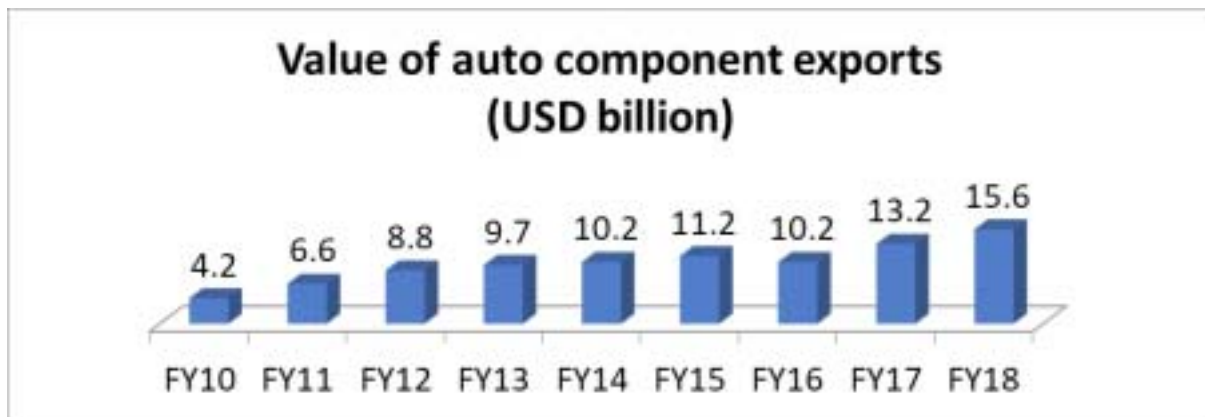
industry. The auto components sector has been observing robust growth with a turnover of US\$ 51.2 billion in FY18 and turnover is anticipated to reach US\$ 200 billion by FY26. India's exports of auto components could account for as much as 26 per cent of the market by 2021. Auto-component production in 2018-19 is expected to increase 12-14 per cent in FY19, on the back of robust growth in domestic and export markets. Production of Two Wheelers, Passenger Vehicles, Commercial Vehicles and Three Wheelers reached 24.50 million, 4.03 million, 1.11 million, and 1.27 million in 2018-19. According to Department for Promotion of Industry and Internal Trade, FDI inflow in automotive\* sector from April 2000 to December 2019 stood at US\$ 21.38 billion.

Favourable government policies such as Auto Policy 2002, Automotive Mission Plan 2016-2026, National Automotive Testing and R&D Infrastructure Projects (NATRiPs), have helped the Indian auto components industry achieve considerable growth. The government has also launched the FAME-II Scheme from April 2019.

India is emerging as global hub for auto component sourcing. A cost-effective manufacturing base keeps costs lower by 10-25 per cent relative to operations in Europe and Latin America. Relative to competitors, India is geographically closer to key automotive markets like the Middle East and Europe.

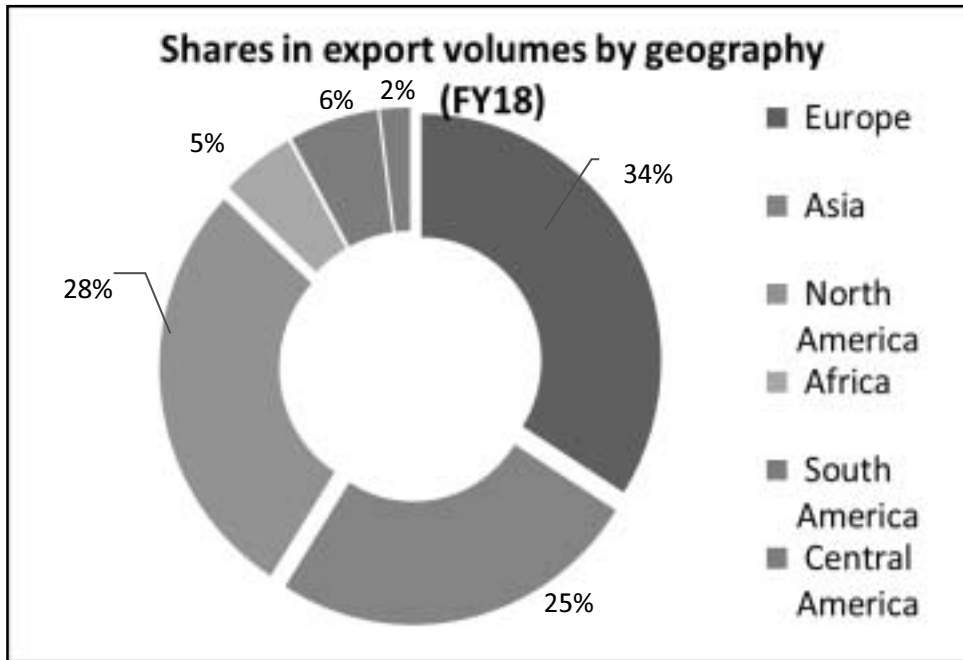
**Industry Performance Review 2018-19:**

- **Exports:** Exports of auto components grew by 17.1 per cent to Rs 106.048 crore (USD 15.16 billion) from Rs 90,571 crore (USD 13.4 billion) in 2017-18. Europe accounted for 33 per cent of exports followed by North America and Asia, with 29 per cent and 26 per cent respectively.
- **Imports:** Imports of auto components increased by 14.4 per cent to Rs.1,23,688 crore (USD 17.6 billion) in 2018-19 from Rs.106,672 crore (USD 15.9 billion) in 2017-18. Asia accounted for 61 per cent of imports followed by Europe and North America, with 29 per cent and 8 per cent respectively.
- **Aftermarket:** With increasing vehicle base in the country, the aftermarket in 2018-19 grew by 9.6 per cent to Rs 67,491 crore (USD 10.1 billion) from Rs.61,601 (USD 9.2 billion) in the previous fiscal.

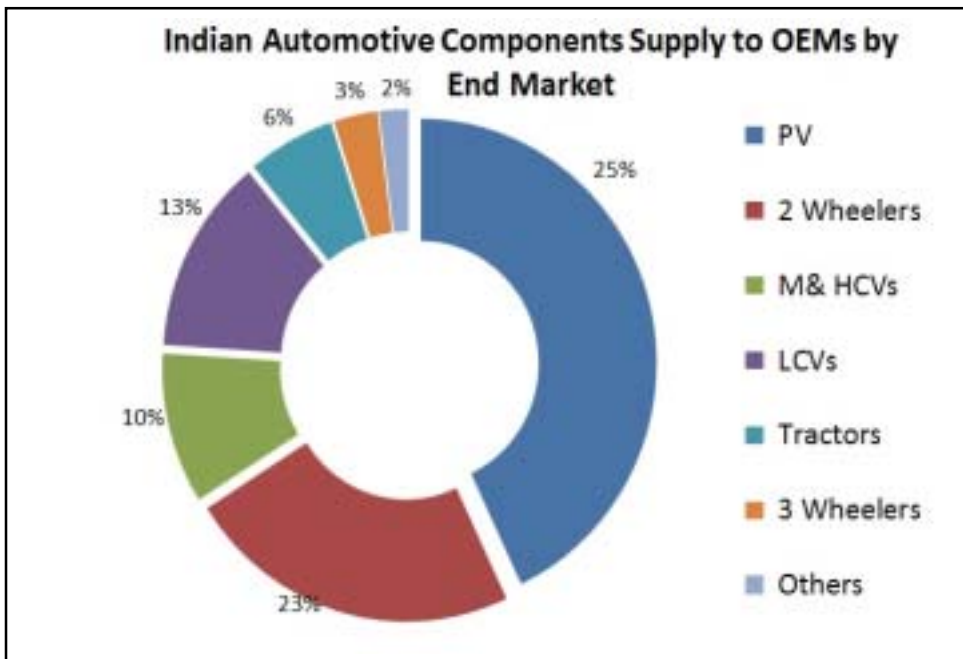




**Indian Automotive Component Exports by Geography**



**Indian Automotive Components Supply to OEMs by End Market**



The Government of India's Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of \$300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of \$74 billion.





Government has drafted Automotive Mission Plan (AMP) 2016-26 which will help the automobile industry to grow and will benefit Indian economy in the following ways:-

- Contribution of auto industry in the country's GDP will rise to 13 per cent, currently which is less than 10 per cent
- More than 100 million jobs will be created in the economy
- Companies will invest around US \$80 billion as a part of their capital expenditure.
- End of life Policy will be implemented for old vehicles

## 5. BUSINESS OVERVIEW

JMT Auto Limited is an automotive component manufacturer with advanced manufacturing capabilities and world class facilities in India, Singapore, Germany, Romania and Sweden. The Company also exports components to the US for the oil and gas industry.

### India Operations

The Company was established in 1987 as Jamshedpur Heat Treatment Company and started operations in the heat treatment job-work business. Since then, the Company has grown its business to become a precision gear manufacturer with world class manufacturing capabilities including the latest gear and gear-shaft manufacturing technologies. JMT Auto's core competence is in the manufacturing of high precision gears and shafts up to DIN 4 standard. The Company has also emerged as a leading precision machinist of super-finished pins and shafts for hydraulic applications and critical structural castings and forgings. The state-of-the-art and vertically integrated facilities in India include fully automated machining lines, design & engineering capabilities.

In the recent years, the Company has grown substantially, owing to a focus on quality, innovation and application of Lean Manufacturing principles enabling us to secure business across industries. We are greatly acknowledged in the global market place for the continuous improvement in product quality and advancement of our technologies.

### International Operations

International operations of JMT Auto Ltd comprise a wholly owned subsidiary, Amtek Mettalic Systems Pte Ltd, incorporated at Singapore under which ALGA, an automotive component manufacturing company manufactures products exclusively for the automotive sector. Its products include flywheel starter ring gears for all kinds of motors, housing rings for trucks, mass rings, ramp rings, and sensor rings.

ALGA exports more than 95% of its production. The productive facilities encompass three plants in the Abadiano area that total 12,512 sqm. It has a total of 175 employees.

## 6. STRATEGY AND OUTLOOK

Over the last decade, the automotive components industry has registered a CAGR of 6.83 per cent and has reached to US\$ 51.20 billion in 2017-18 while exports have grown at a CAGR of 11.42 per cent to US\$ 13.5 billion. Auto components production in 2018-19 has increased to US\$ 57 billion, showing an increase of 12-14% due to robust growth in domestic and export market. Indian tyre industry expects a 7-9 per cent growth over FY19-23. The capital expenditure by the domestic automotive component manufacture is expected at around Rs 24,000 crore (US\$ 33.26 billion) over the FY19 and FY20. Domestic auto component industry is expected to grow at 15 per cent in FY19.

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to four times to US\$ 40 billion by 2020. The Indian auto-components industry is expected to register a turnover of US\$ 100 billion by 2020 backed by strong exports ranging between US\$ 80-100 billion by 2026.

According to IBEF India is expected to become the 4th largest automobiles producer globally by 2020 after China, US & Japan. The auto components industry is also expected to become the 3rd largest in the world by 2025. Domestic automobile production increased with 30.92 million vehicles manufactured in the country in FY19.



The Industry is expected to follow OEMs in adoption of electric vehicle technologies. The global move towards electric vehicles is generating new opportunities for automotive suppliers. The mass conversion to electric vehicles aims to generate US\$ 300 billion domestic market for EV Batteries in India by 2030.

As per the Union Budget 2019-20, government moved GST council to lower the GST rate on electric vehicles from 12 per cent to 5 per cent. Also to make electric vehicle affordable to consumers, our government will provide additional income tax deduction of Rs 1.5 lakh (US\$ 2,115) on the interest paid on loans taken to purchase electric vehicles

FAME-II (Faster Adoption & Manufacturing of Electric Hybrid Vehicles Scheme) has been notified to be implemented for 3 years from April 2019 with a total outlay of 10,000 Crores. The FAME – India Scheme formulated by Department of Heavy Industry led to a continuous increase in registered OEMs and vehicle models. Also, the scheme enhanced the sales of electric vehicles and about 261,507 electric/hybrid vehicles were supported under the scheme up to December 6, 2018. In February 2019, the Government of India approved the FAME-II scheme with a fund requirement of Rs 10,000 crore (US\$ 1.39 billion) for FY20-22.

Under National Automotive Testing and R&D Infrastructure Project (NATRiP) various facilities including passive safety labs comprising of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar & ARAI-Pune

To give a fresh thrust to e-mobility in public transport, Department of Heavy Industry announced the launch of public & shared mobility based on electric powertrain.

At JMT Auto, we aim to be equipped for adapting to the changing scenario of the industry. We strive to enhance our core business by aligning with the changing demands of our customers, most of them being market leaders in the respective industry segments. We continue to adapt and structure our business in a way so as to be able to capitalise on growth opportunities from other future growth areas, with an aim at diversifying our end use segment and customer base. We cater to commercial vehicles, construction and off-road machinery; agricultural and farm machines as well as oilfield equipment and services sectors.

Oil and Gas sector has also been on a positive growth route with an increase of 14% in supply of components by JMT as compared to last year. The Company is currently working with two oilfield services companies for the development of new products. Additionally, the Company has experienced a substantial increase in orders received from existing and new oil & gas industry customers.

The Business Excellence Program, which we started in 2014, continues to facilitate a highly successful implementation of lean manufacturing processes. It remains the driving force behind JMT Auto's cost controls and productivity initiatives, and is a key attribute of the Company's business strategy. JMT Auto has also taken up certain other strategic initiatives such as realigning the product mix and expanding the product range to increase the share of our value added product offering. Other initiatives centre around overall fiscal control, quality improvement, up-gradation in technology and research & development. The Company also continues to focus on cost reduction and rightsizing initiatives. We are confident that these initiatives, in particular the new set of products that are being developed, will help make JMT Auto much more competitive in the market place.

## **7. OPPORTUNITIES & STRENGTHS**

### **Outlook for the Global Automotive Industry:**

The global automotive industry is expected to begin a challenging phase in 2019, with OEMs especially facing multiple obstacles all over the world. China faced its first even decline in vehicles sales in over 20 years, the USA market grew marginally, the shockwaves of Brexit and USMCA deal are expected create across global markets and the new US-China trade war. This is expected to play out till 2020 at least with global markets expected to rebound by around 2023.

The automotive industry has evolved significantly over the past decade. Digital technology, change in customer sentiment and economic health have played a vital role in this evolution. OEMs and other key industry players are taking note of this evolution and investing heavily in non-commercial business practices of manufacturing vehicles.



### **Outlook – Indian Automotive Industry:**

India's apex industry body, Society of Indian Automobile Manufacturers (SIAM) has forecasted a single digit growth for overall vehicles sales in FY20, owing to rise in commodity price, election, below normal monsoon and recent repo rate cut by RBI.

According to SIAM, passenger vehicle sales are projected to grow between 3-5 per cent and commercial vehicle at 10-12 per cent. The two-wheeler segment is expected to grow between 5-7 percent and three-wheeler segment is pegged to grow between 7-9 percent.

Driving this growth will be overall infrastructure and Gross domestic product that is estimated to grow at 7 percent during FY20. Other reason cited for growth was pre-buying of BS-IV vehicles in FY20 before BS-VI implementation and several new launches in the current fiscal year.

Major global OEMs have made India a component sourcing hub for their global operations. Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries. India is also emerging as a sourcing hub for engine components, with OEMs increasingly setting up engine manufacturing units in the country. For companies like Ford, Fiat, Suzuki & General Motors, India has established itself as a global hub for small engines.

Currently, the automotive sector contributes more than 7 percent to India's GDP. The Automotive Mission Plan 2016–26 sets an aspiration to increase the contribution to 12 percent.

Several economic trends could help in meeting this target. Rapid urbanization means the country will have over 500 million people living in cities by 2030—1.5 times the current US population. Rising incomes will also play a role, as roughly 60 million households could enter the consuming class by 2025. At the same time, more people will join the workforce. Participation could reach 67 percent in 2020, as more women and youth enter the job market, raising the demand for mobility.

### **Government Initiatives**

In the Automotive Mission Plan 2026, the government and industry set a target to triple industry revenues, to \$300 billion, and expand exports sevenfold, to \$80 billion. To meet these aims, it is estimated that the sector could contribute more than 60 million additional direct and indirect jobs, and the result could be improved manufacturing competitiveness and reduced emissions.

The Government of India's Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of \$300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of \$74 billion.

To tackle emissions, the government seeks to bring local standards up to par with global standards, enabling India to leapfrog from BS-4 to BS-6 emissions by 2020. Additionally, India has implemented Corporate Average Fuel Efficiency norms in which the manufacturers have to improve their fuel efficiency by 10 percent between 2017 and 2021 and by 30 percent or more from 2022.

To reduce dependency on oil imports, the government is promoting adoption of alternative fuels through FAME2, which is an extension of the original FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) initiative. Where "FAME-I" offered incentives to electric vehicles (EV) and hybrid EV buyers, FAME-II is expected to incentivize electrification of the public-transport fleet of buses and taxis, as well as facilitate demand for all types of alternative fuel.

### **Market Potential - Changing Trends**

The global automotive industry is undergoing a cascade of disruptions that will reshape it in unexpected ways, and India will be no exception to this. While the Indian Auto Component Industry, which has recorded strong 18 percent YoY growth in FY2018 and surpassed a \$50 billion turnover for the first time, is bullish on maintaining growth, it is also cognisant of the fact that it faces a number of challenges in the near-term.

Four key trends will shift markets and revenue pools, change mobility behaviour, and build new avenues for competition and cooperation.

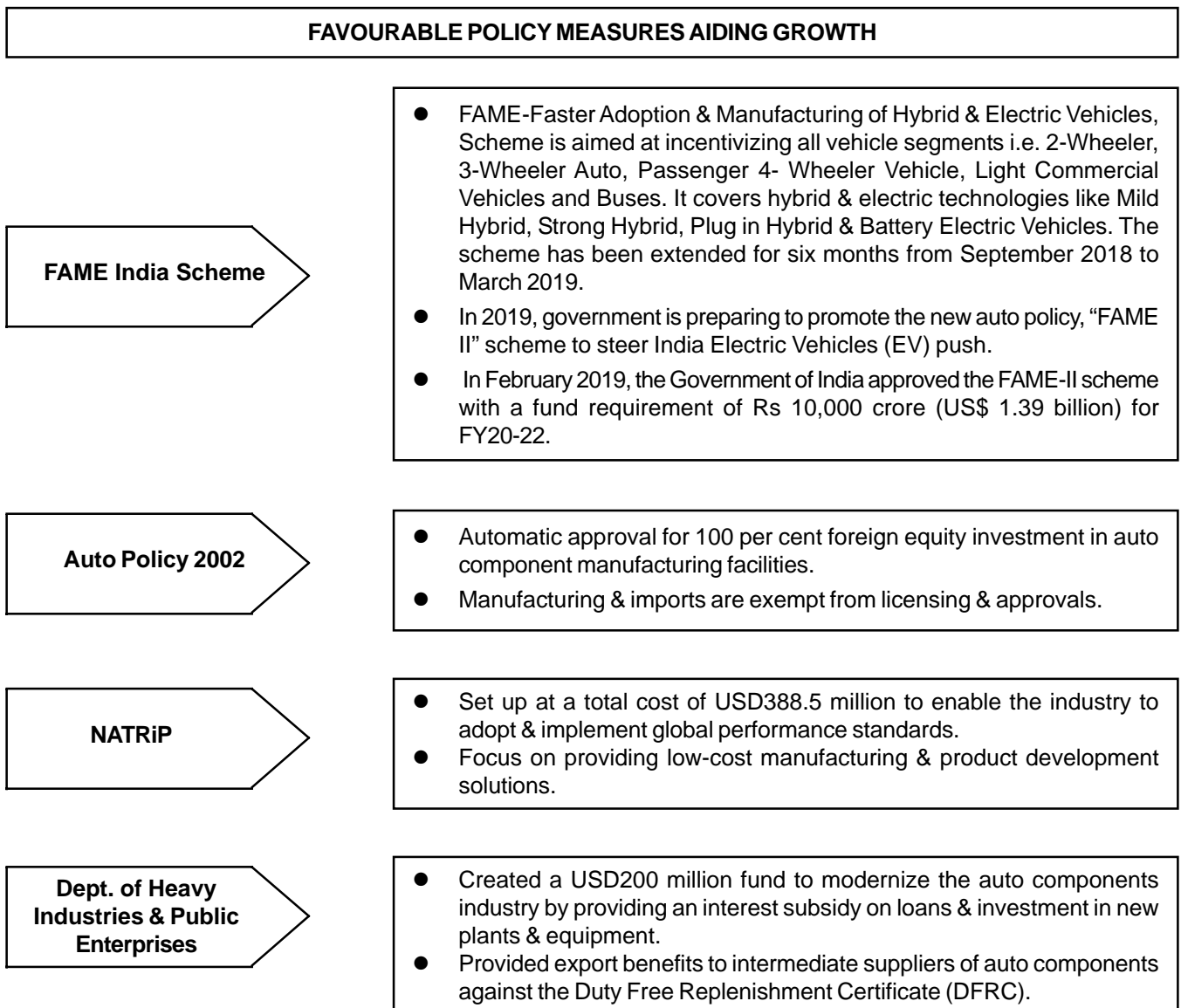


**Autonomous vehicles-** Autonomous vehicles (AVs) offer promise to resolve some of India’s road-safety challenges. AVs have the potential to reduce traffic congestion and improve safety and fuel efficiency.

**Shared mobility-** Penetration of shared mobility in India remains low compared with China and the United States, but a major shift is under way in densely populated cities where the use of e-hailing cabs costs less, comparatively, than driving a personal car.

**Electrification-** Electrification has just started to take off in India. Factors such as declining prices of batteries and supportive policies from the government are stimulating the segment’s growth. The pros and cons of electrification continue to evolve. Reduction in emissions and less dependency on oil imports are clear advantages of electrification. The level of adoption of electric vehicles will determine its impact on the automobile industry.

**POLICIES - AIDING GROWTH**





**Union Budget  
2019-20**

- The Government of India reaffirms their commitment towards Electric Vehicles (EV) and their mission for 30 per cent electric mobility by 2030 in order to overcome India's reliance on imported fossil fuels and gas, and greatly boost sustainable energy in India.
- The Department of Revenue also eased the import duty on lithium-ion cells.

**Automotive Mission  
Plan 2016-26**

- AMP 2026 targets a 4-fold growth in the automobiles sector in India which includes the manufacturers of automobiles, auto components & tractor industry over the next 10 years.
- It is expected to generate an additional employment of 65 million.

'FAME-II': Ministry of Heavy Industries and Public Enterprises has launched FAME-II India Scheme to provide financial support to electric and hybrid vehicles for a period of 3 years from April, 2019.

The Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) India was launched in 2015 under National Electric Mobility Mission (NEMM). It aims at promoting eco-friendly vehicles in the country. Main thrust of FAME is to encourage electric vehicles by providing subsidies. *FAME focuses on 4 areas i.e.* Technology development, Demand Creation, Pilot Projects and Charging Infrastructure.

**Objectives of the FAME-II scheme**

- Faster Adoption and Manufacturing of Hybrid and Electric Vehicles, or FAME 2 scheme aims to boost electric mobility and increase the number of electric vehicles in commercial fleets.
- The outlay of ₹ 10,000 crore has been made for three years till 2022 for FAME 2 scheme.
- The government will offer the incentives for electric buses, three-wheelers and four-wheelers to be used for commercial purposes.
- Plug-in hybrid vehicles and those with a sizeable lithium-ion battery and electric motor will also be included in the scheme and fiscal support offered depending on the size of the battery.

The FAME India Scheme combined with 'Make in India' initiative of Indian Government with focus on improving ease of business will result in making India an even more cost effective manufacturing destination.

The Indian Government's Automotive Mission Plan 2016-26, the key driver of the 'Make in India' campaign envisages four-fold growth in automotive volumes by FY2026. The Indian auto sector has the potential to generate up to US\$300 billion in annual revenues by FY2026, create around 65 million additional jobs and contribute more than 12% to India's GDP, according to the plan prepared jointly by SIAM and the Government of India.

**8. RISK AND CONCERNS**

**Policy & Regulations Changes:** The biggest challenge faced by Indian Auto Industry is to meet the BS-VI emission norms. This will require huge investments towards cleaner technology, thereby making the vehicles pricier. The disagreement between the industry and the policymakers over a proposed deadline to convert some vehicle categories to electric from the present internal combustion engine (ICE) technology is adding to the uncertainties.

The ongoing trade-war between America and China, the hard Brexit, Iranian crisis and Saudi Arabian misdemeanors, Brazil falling out of the BRICS and Southern Europe trudging forever are all thick black clouds that can drown out even a sunny day. With Trump strengthening his hold on the Senate, China will continue to suffer and so will quite a few countries in the world as America reels back into a controlled market from a free-market policy.

CO2 regulatory economics is set to become complex with the European Union taking the lead and proposing extremely stringent targets post-2020. This will be taken up in a host of other nations bound by the Paris accord. Most oil



importing countries will be keen on cost savings and will, therefore, push OEMs into reducing consumption and opting for hybrid and electric vehicles.

**Demand Fluctuations:** Industry observers believe that only 15 per cent of the vehicles produced in the EU will be pure electric by 2030. The majority would remain combustion or hybrid powertrains, although this scenario might be different in China, which will lead the pack in EVs.

For OEMs, this massive change would mean high startup investments and the reality of living with lower margins in the EV space. Components manufacturers and OEMs will have to continue this balancing act on their powertrain mix for some more years to come.

**Macroeconomic Uncertainty:** JMT Auto's operations are spread across different regions. Due to the global nature of JMT Auto's business, its operations are directly dependent on the general economic conditions across key global markets. In the recent past, global economic growth has remained volatile and uneven with several key markets facing economic challenges. The Company, on a regular basis, assesses and evaluates the macroeconomic performance in its key markets and takes suitable remedial actions as may be necessary from time to time to mitigate such risks.

**Changes in Tax, Tariffs or Fiscal Policies:** Imposition of additional taxes and levies designed to limit the use of automobiles could adversely affect demand for the Company's products. Changes in corporate and other taxation policies, as well as changes in export and other incentives granted by various governments, or import or tariff policies, could also adversely affect the Company's financial results.

**Geopolitical and other Risks:** Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages and their prices, epidemics, labour strikes all present business risks. To counter these risks, the Company continues to expand its geographic presence across all major automotive economies in the world.

**Country Risk through Exports:** Products produced by JMT Auto are exported to a number of different markets globally. This exposes the Company to various risks associated with international business transactions. These include various geopolitical risks, currency price regulatory risks and other such concerns.

**Raw Material Prices:** Prices and availability of various raw materials such as steel, non-ferrous, precious metals, rubber and petroleum products are dependent on various environmental factors. Even as the Company continues to pursue cost control measures, any unforeseen or sudden spike in cost of these items could impact the profitability of the Company to the extent that customer price pass through terms are not available. For JMT Auto, increase in the price of raw materials, especially steel, are passed through so there is a limited impact on our profitability.

**Global Competition:** With the integration of global automobile supply chains, the automobile components industry has become increasingly competitive with OEMs continuously scanning the market for lower prices and better terms. Even as the Company enjoys strong and long standing relationship with many global OEMs, it continues to invest in newer products and better quality control.

**Financial Risk:** Any change in interest rates, foreign exchange rates and commodity prices can potentially impact the financial performance of the Company.

**Technological Changes:** The business environment is evolving at a rapid pace. The changing technologies have led to a shortening of the life cycle of new vehicles. Additional challenges include supply constraints from Tier II suppliers, sustenance of operating cost efficiency gains and capacity expansions in the context of rapidly changing consumer demand preferences. The Company continues to invest in new technologies and capacities to address such risks. In addition, our focus on rationalisation both in terms of size and functions, enables us to continue to complement the manufacturing excellence programs that are being developed.

**Risk Management:** Strategic, operating and financial business risks are reviewed by the Audit Committee and the Board on a regular basis. In addition to the above risks, the committee monitors any potential new risks that may arise due to changes in the external environment. While the possibility of a negative impact due to one or more of such risks cannot be totally avoided, the Company proactively takes reasonable steps to pre-empt and mitigate these.



## 9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorised, recorded and reported correctly. The systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, plant facilities and key areas of business. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

To further strengthen the internal control process, the Audit Committee has documented control procedures covering all aspects of key financial and operating functions. The Company's internal control systems provide for:

- Adherence to applicable accounting standards and policies
- Accurate recording of transactions with internal checks, prompt reporting and timely action
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures
- Review of capital investments and long term business plans
- Periodic review meetings to guide optimum utilisation of resources
- Effective use of resources and safeguarding of assets

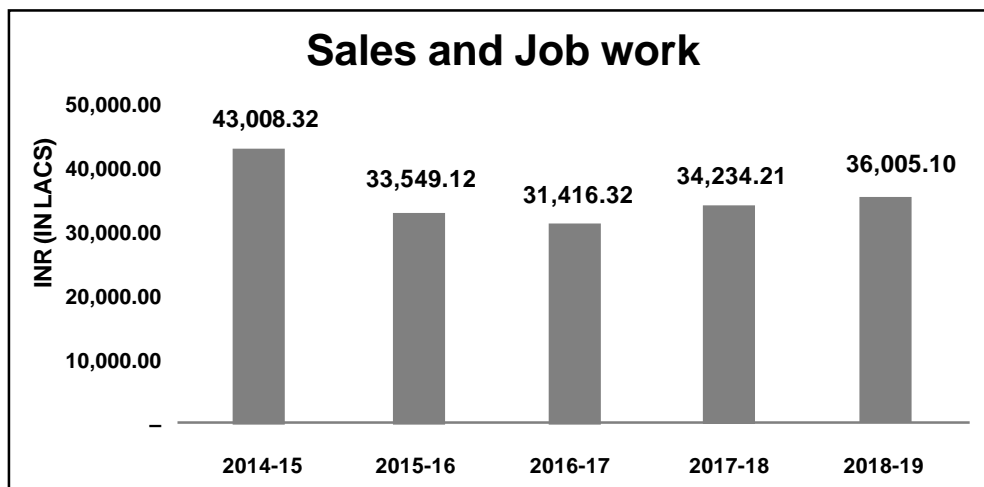
The Audit Committee reviews the effectiveness of internal control systems, and also provides timely updates on operating effectiveness and controls to senior management team. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.

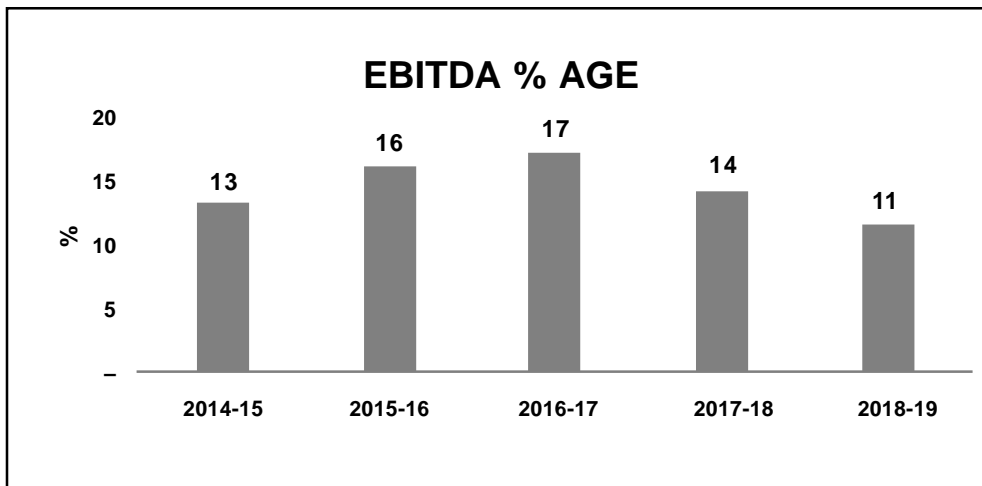
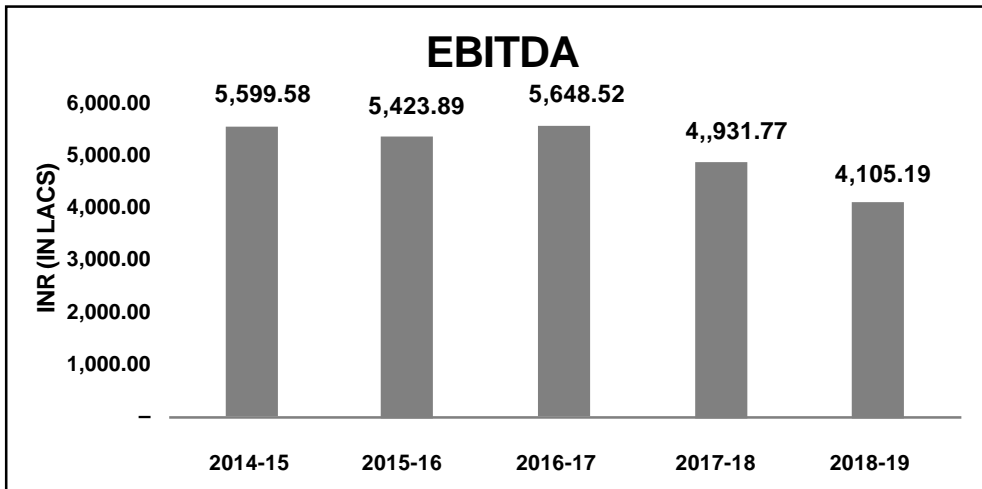
Our auditors carry out periodic audits as per an agreed internal audit programme. They bring to the notice of management, issues which require their attention and also highlight the severity of the issue. Corrective actions are then set in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration.

### 9.1 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company's consolidated revenue from operations was Rs 577.59 Cr in comparison to previous year revenue of Rs 347.24 Cr. During the year under review Company's Profit after Tax (PAT) from discontinued operations of international subsidiaries was NIL which was Rs. 103.55 Cr during the previous year ended 31st Mar 2018. Consolidated profit/loss after tax for the year ended 31st Mar 2019 was (Rs 13.14 Cr) (including 1007.12 loss from international subsidiaries) as against Rs 71.93 Cr (including profit of Rs 71.15 Cr from international subsidiaries) during the previous year ended 31st Mar 2018.

JMT's business operations has been consistently moving upwards, despite the dismal situation of the Auto Industry. JMT has managed to marginally increase its SOB and the saale has continued to maintain an upward trend in the face of major global slowdown.





## 10. FINANCIAL CONDITION

JMT Auto monitors its financial position regularly and deploys a robust cash management system. The Company has also been able to arrange adequate liquidity at an optimum cost to meet its business and liquidity requirements. The Company would like to thank the financial institutions, shareholders and other stakeholders for their continuous support.

## 11. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year, the Company delivered value to its customers and investors. This was made possible by the relentless efforts of each and every employee. The Company has developed a robust and diverse talent pipeline which enhances JMT Auto's organisational capabilities for future readiness, further driving greater employee engagement. Our human resource program is focused on attracting the right talent, providing excellent on the job training opportunities, and finally giving them the growth opportunities consistent with their aspirations.

JMT Auto has always enjoyed strong industrial relations. The Company has a systematic grievance redressal system to further strengthen these relationships. This system encourages employees to share their views and opinion with the management. The Company reflects on this feedback and incorporates relevant changes into the existing policies, systems and processes.





## 12. STATUTORY COMPLIANCE

The Whole Time Director makes a declaration to the Board of Directors every quarter regarding compliance with provisions of various statutes as applicable. The Company Secretary ensures compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance with the guidelines on insider trading for prevention of the same.

## 13. CAUTION STATEMENT

The above mentioned statements are only 'forward looking statements' based on certain assumptions and expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in forward looking statements', on the basis of subsequent developments, information or events etc.

Important developments that could affect the Company's operations include a downward trend in the domestic automotive industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

BY ORDER OF THE BOARD  
for **JMT AUTO LIMITED**

Date : 14.08.2019  
Place : New Delhi

Sd/-  
(Sanjay Tikku)  
CEO & Whole Time Director  
(DIN NO - 00300566)



## Independent Auditor's Report

To the Members of  
JMT Auto Limited,  
New Delhi

### Report on the Standalone IND AS Financial Statements

#### Qualified Opinion

We have audited the accompanying standalone IND AS financial statements of JMT Auto Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of profit and loss [including other comprehensive income], the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion section of our report, the standalone Ind AS financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, and its Profit and Loss (including other comprehensive income), Cash Flow Statement and its statement of changes in equity for the year ended.

#### Basis for qualified opinion

- a) As per "**Indian Accounting Standard 109**" company was required to get the investment (Rs. 706.24 Lacs) at fair value but the same has not been done by the company, accordingly we are unable to ascertain the effect of the same on the Financial statements.
- b) Trade receivables & loan & advances include balance from the group entities which are subject to confirmation /reconciliation. Accordingly, we are unable to comment upon the recoverability of the same and its consequential impact on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Exceptional items includes income amounting RS 6.99 crore which is due to reversal of depreciation on account of review of residual life of certain assets as the management. As per the significant estimates and assumptions of the management certain assets have more performing capacity accordingly life of such asset has been changed.

As per management some Inventory amounting Rs. 3.80 crore was not usable because of its obsolete nature. Hence management has taken the decision to write off the same in books of accounts.

#### Emphasis of matter

We draw attention to the following:

- a) Trade receivables, Trade payables and Loan & Advances given which also includes balances from the group entities are subject to confirmation/reconciliation.
- b) The management has decided to discontinue with Dismantling provision on Plant & machinery, since they consider, the same will not be incurred at the time of dismantling at the end of the life of the machine.



- c) Exceptional Item includes Stock (Rs 380.00 Lacs) written off & Reversal of Excess Depreciation Charged (Rs. 699.00 Lacs) on account of review of residual life of certain Fixed assets. (Refer Note 5).
- d) Effects of **IND AS 12 “Income Taxes”** has not been considered by the management. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements. However, the Impact of the same was not material.
- e) We have relied upon the management for valuation of the inventory taken in the books of account and we have not verified the same.
- f) Refer Note No 6 regarding Netting off of Trade Creditors by the company.

#### **Information other than the financial statements and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor’s report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management and Those Charged with Governance’s Responsibility for the Standalone Ind AS financial statements**

The management and company’s board of directors is responsible for the matters specified in section 134(5) of the Companies Act, 2013 (“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 [including other comprehensive income], cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards [Ind AS] prescribed under section 133 of the Act, read with companies ( Indian Accounting Standards ) rules 2015.

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

#### **Auditor’s Responsibility**

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

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 exercise of powers conferred by sub section (11) of section 143 of the act, we give in annexure A, a statement on the matters specified in paragraph 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) Except for the matter described in basis of qualified opinion, 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) Except for the matter described in basis of qualified 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) Except for the matter described in basis of qualified opinion, The balance sheet, the statement of profit and loss [including other comprehensive income], the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account;



- (d) Except for the matter described in basis of qualified opinion, the aforesaid standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the relevant rules there under;
- (e) In our opinion the matters described in the basis for qualified opinion above may have adverse effect in the functioning of the group.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019 and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act; and
- (g) 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". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the company's internal financial controls over financial reporting; and
- (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 no. 29.5 of 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 were no amount which were required to be transferred to the Investor Education and Protection Fund by the company.

**For Raj Gupta & Co**

Chartered Accountants

Firm's registration number: 000203N

**Abhishek Gupta**

[Partner]

Membership Number: 530433

**Place** : New Delhi

**Dated** : JUNE 4<sup>TH</sup>, 2019



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone IND AS financial statements for the year ended 31st March 2019.

**I. In respect of fixed assets:**

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. As explained to us, fixed assets, according to the practice of the company, have been physically verified by the management at reasonable intervals. According to the information and explanations given to us the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

**II. In respect of inventories:** We have been informed that the inventories are physically verified during the period by the Company at reasonable intervals. The frequency of physical verification, in our opinion, is reasonable having regard to the size of the company and nature of its business. The discrepancies noticed on verification between the physical inventories and the book records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account.

III. The company, during the year, 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 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the company.

IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.

V. Since the company has not accepted any deposit from public, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable.

VI. The Central Government has prescribed the maintenance of cost records under section (1) of section 148 of the Companies Act, and on the basis of records produced before us for our verification; we are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts & records.

VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has 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, cess, Goods and Services Tax and other statutory dues with appropriate authorities during the year ended 31<sup>st</sup> March 2019. The outstanding dues as on the date of the balance sheet i.e. March 31, 2019 were 23.39 Lakhs. According to information and explanation given to us, there is no arrear of undisputed statutory dues outstanding for a period of more than 6 months as on March 31, 2019.

(b) According to the information and explanation given to us, and as per our verification of records of the company, the company has not paid/deposited following statutory dues on account of disputes:

| S.No. | Name of Statute | Period to which it pertains | Forum where dispute is pending              | Amount (Rs. in Lakh) |
|-------|-----------------|-----------------------------|---|----------------------|
| 1     | Excise          | 2012-13                     | Hon. High Court of Karnatka, Dharwad Bench. | 4.44 Cr              |



- VIII. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a banks and financial institution and also has not issued debentures during the year and has not taken any fresh loans or borrowings from Government.
- IX. According to the information and explanations given to us, and as per our verification of the records of the company, the company, during the year, has not raised moneys by way of initial public offer or further public offer (Including debt instruments). The term loans availed by the company have been applied for the purpose for which the loans were obtained.
- X. According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the Year ended 31<sup>st</sup> March 2019.
- XI. According to the information and explanations give to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. In our opinion, and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of Clause 3 (xii) of the Order are not applicable to the company.
- XIII. According to the information and explanations given to us and as per our verification of the records of the company all transactions with the related parties are in compliance with the Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the IND AS financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us and as per our verification of the records of the company, the company has not made any preferential allotment of shares.
- XV. According to the information and explanations given to us, and as per our verification of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3 (xv) of the order are not applicable to the company.
- XVI. In our opinion, 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 Raj Gupta & Co**

Chartered Accountants

Firm's registration number: 000203N

**Abhishek Gupta**

[Partner]

Membership Number: 530433

**Place** : New Delhi

**Dated** : JUNE 4<sup>TH</sup>, 2019



## **Annexure – B to the Independent Auditors’ Report**

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”) of JMT Auto Limited

We have audited the internal financial controls over financial reporting of JMT Auto Limited (“the Company”) as of 31<sup>st</sup> March 2019 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 management and company’s board of directors are 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 (“the Guidance Note”). 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not





be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the company except for the matters described in basis for qualified opinion has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Raj Gupta & Co**

Chartered Accountants

Firm's registration number: 000203N

**Abhishek Gupta**

[Partner]

Membership Number: 530433

**Place** : New Delhi

**Dated** : JUNE 4<sup>TH</sup>, 2019



**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019**

(Rupees in Lakhs)

| Particulars  | Notes | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|-------|---------------------|---------------------|
| <b>A ASSETS</b>  |       |                     |                     |
| 1 Non-current assets   |       |                     |                     |
| (a) Property, plant and equipment                                | 3     | 12,000.10           | 12,978.57           |
| (b) Capital work-in-progress                                     | 3     | 128.76              | 292.99              |
| (c) Other intangible assets                                      | 3     | 28.64               | 47.80               |
| (d) <u>Financial assets</u>                                      |       |                     |                     |
| Investments  | 4     | 706.24              | 706.15              |
| Other financial assets   | 5     | 684.57              | 574.82              |
| (e) Other non-current assets                                     | 6     | 387.18              | 319.68              |
| <b>Sub total-Non-current assets</b>                              |       | <b>13,935.49</b>    | <b>14,920.01</b>    |
| 2 <b>Current assets</b>  |       |                     |                     |
| (a) Inventories  | 7     | 13,813.36           | 12,970.31           |
| (b) <u>Financial assets</u>                                      |       |                     |                     |
| Trade receivables  | 8     | 3,442.10            | 5,263.71            |
| Cash and cash equivalents  | 9     | 173.37              | 109.97              |
| Other financial assets   | 10    | 77.27               | 82.85               |
| (c) Other current assets   | 11    | 3,790.93            | 5,313.57            |
| <b>Sub total current assets</b>                                  |       | <b>21,297.04</b>    | <b>23,740.41</b>    |
| <b>TOTAL-ASSETS</b>  |       | <b>35,232.53</b>    | <b>38,660.42</b>    |
| <b>(B) EQUITY AND LIABILITIES</b>                                |       |                     |                     |
| 1 Equity   |       |                     |                     |
| (a) Equity share capital   | 12    | 5,038.32            | 5,038.32            |
| (b) Other equity   | 12    | 11,692.69           | 12,003.35           |
| <b>Sub total-Equity</b>  |       | <b>16,731.01</b>    | <b>17,041.67</b>    |
| 2 <b>Liabilities</b>   |       |                     |                     |
| <b>Non-current liabilities</b>                                   |       |                     |                     |
| (a) <u>Financial liabilities</u>                                 |       |                     |                     |
| Borrowings   | 13    | 2,724.19            | 4,754.63            |
| (b) Provisions   | 14    | 239.15              | 151.71              |
| (c) Deferred Tax liability (Net)                                 | 15    | 1,113.55            | 1,183.19            |
| <b>Sub total-Non-current liabilities</b>                         |       | <b>4,076.89</b>     | <b>6,089.53</b>     |
| <b>Current liabilities</b>                                       |       |                     |                     |
| (a) <u>Financial liabilities</u>                                 |       |                     |                     |
| - Borrowings   | 16    | 9,082.94            | 8,792.59            |
| - Trade payables   | 17    |                     |                     |
| (i) Total outstanding dues of Micro & small enterprises          |       | -                   | -                   |
| (ii) Total outstanding dues other than Micro & small enterprises |       | 3,385.32            | 4,025.41            |
| - Other financial liabilities                                    | 18    | 1,678.33            | 2,128.57            |
| (b) Other current liabilities                                    | 19    | 272.43              | 197.80              |
| (c) Provisions   | 20    | 5.62                | 2.68                |
| (d) Current tax liabilities (net)                                | 21    | -                   | 382.17              |
| <b>Sub total-Current liabilities</b>                             |       | <b>14,424.64</b>    | <b>15,529.22</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |       | <b>35,232.54</b>    | <b>38,660.42</b>    |

**Significant Accounting Policies & Notes on Financial Statements 1 to 38**

As per our report of even date attached  
For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd. No. 000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Place : New Delhi,  
Dated : 04th June, 2019

For and on behalf of the Board

sd/-  
Sanjay Tiku  
Director

sd/-  
Gautam Malhotra  
Director

sd/-  
Sandeep Singh Surya  
Chief Financial Officer

sd/-  
Mona K Bahadur  
Company Secretary



**STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rupees in Lakhs)

| Particulars  | Note | For the Year ended on 31.03.2019 | For the Year ended on 31.03.2018 |
|--|------|----------------------------------|----------------------------------|
| <b>(A) Revenue</b>   |      |                                  |                                  |
| (a) Revenues from operations   | 22   | 36,005.10                        | 34,724.02                        |
| (b) Other Income   | 23   | 171.50                           | 51.59                            |
| <b>Total</b>   |      | <b>36,176.60</b>                 | <b>34,775.60</b>                 |
| <b>(B) Expenses:</b>   |      |                                  |                                  |
| (a) Cost of Material consumed  | 24   | 15,570.04                        | 14,077.40                        |
| (b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade  | 25   | (1,022.03)                       | (514.51)                         |
| (c) Employee benefit expenses  | 26   | 2,525.44                         | 2,066.19                         |
| (d) Financial expenses   | 27   | 1,628.13                         | 1,900.77                         |
| (e) Depreciation and Amortization Expenses   | 28   | 2,586.86                         | 2,858.19                         |
| (f) Other expenses   | 29   | 15,328.63                        | 14,214.75                        |
| <b>Total</b>   |      | <b>36,617.06</b>                 | <b>34,602.80</b>                 |
| <b>(C) Profit before exceptional items and tax (A – B)</b>   |      | (440.46)                         | 172.80                           |
| <b>(D) Exceptional Items [Income/(Expense)]</b>  | 30   | 330.67                           | –                                |
| <b>(E) Profit before tax (C + D)</b>   |      | <b>(109.80)</b>                  | <b>172.80</b>                    |
| <b>(F) Less: Provision for Tax:</b>  |      |                                  |                                  |
| Current tax  |      | 178.09                           | 536.53                           |
| Previous Year Income Tax   |      | –                                | 36.91                            |
| Deferred tax   |      | (40.68)                          | (479.93)                         |
| <b>Total</b>   |      | <b>137.41</b>                    | <b>93.51</b>                     |
| <b>(G) Profit/(Loss) from continuing operations (F-E)</b>  |      | (247.20)                         | 79.30                            |
| <b>(H) Other Comprehensive Income</b>  |      |                                  |                                  |
| (i) Item that will not be reclassified to profit or loss   |      | (92.23)                          | 0.60                             |
| (ii) Income tax relating to items that will not be reclassified to profit or loss  |      | 28.78                            | (0.20)                           |
| <b>Other Comprehensive Items(Net of Tax)</b>   | 31   | (63.45)                          | 0.38                             |
| <b>(I) Total Comprehensive Income/(Loss) for the year (G + H) (Comprising profit/(Loss) and other comprehensive income for the year)</b> |      | <b>(310.66)</b>                  | <b>79.67</b>                     |
| <b>Earnings Per Share (For continuing operation) (not annualized)</b>  | 32   |                                  |                                  |
| a) Basic   |      | (0.06)                           | 0.02                             |
| b) Diluted   |      | (0.06)                           | 0.02                             |
| <b>Earnings Per Share (For continued and discontinuing operations) (not annualized)</b>  |      |                                  |                                  |
| a) Basic   |      | (0.06)                           | 0.02                             |
| b) Diluted   |      | (0.06)                           | 0.02                             |

Significant Accounting Policies & Notes on Financial Statements 1 to 38

As per our report of even date attached

For Raj Gupta & Company

Chartered Accountants

ICAI Firm Regd. No. 000203N

(Abhishek Gupta)

(Partner)

M.No. 530433

Place : New Delhi,

Dated : 04th June, 2019

For and on behalf of the Board

sd/-

**Sanjay Tiku**  
Director

sd/-

**Gautam Malhotra**  
Director

sd/-

**Sandeep Singh Surya**  
Chief Financial Officer

sd/-

**Mona K Bahadur**  
Company Secretary

**Statement of Changes in OTHER EQUITY**

**A. Equity Share Capital**

*(Rupees in Lakhs)*

| Particulars                               | Balance as at<br>01.04.2018 | Changes during<br>the Period | Balance as at<br>31.03.2019 |
|---|-----------------------------|------------------------------|-----------------------------|
| 503,832,140 Equity Shares of Rs. 1/ each) | 5,038.32                    | –                            | 5,038.32                    |

| Particulars                               | Balance as at<br>01.04.2018 | Changes during<br>the Period | Balance as at<br>31.03.2019 |
|---|-----------------------------|------------------------------|-----------------------------|
| 503,832,140 Equity Shares of Rs. 1/ each) | 5,038.32                    | –                            | 5,038.32                    |

**B. Other Equity**

*(Rupees in Lakhs)*

| Particulars                             | Reserve and Surplus |                                  |      |                    |                      | Other Comprehensive<br>Income  | Total     |
|---|---------------------|----------------------------------|------|--------------------|----------------------|--|-----------|
|   | Capital<br>Reserve  | Securities<br>Premium<br>Reserve | ESOP | General<br>Reserve | Retained<br>Earnings | Reclassification of<br>acturial gains/(losses),<br>on account of<br>Defined Employee<br>Benefit Obligation |           |
| <b>As at 01.04.2018</b>                 | 525.50              | 599.41                           | –    | 1,080.83           | 9,861.50             | (63.90)  | 12,003.35 |
| Total Comprehensive Income for the year | –                   | –                                | –    | –                  | (247.20)             | (63.45)  | (310.66)  |
| <b>As at 31.03.2019</b>                 | 525.50              | 599.41                           | –    | 1,080.83           | 9,614.30             | (127.35)   | 11,692.69 |

*(Rupees in Lakhs)*





| Particulars                             | Reserve and Surplus |                            |      |                 |                   | Other Comprehensive  | Total     |
|---|---------------------|----------------------------|------|-----------------|-------------------|--|-----------|
|   | Capital Reserve     | Securities Premium Reserve | ESOP | General Reserve | Retained Earnings | Income   |           |
|   |                     |                            |      |                 |                   | Reclassification of acturial gains/(losses), on account of Defined Employee Benefit Obligation |           |
| <b>As at 01.04.2017</b>                 | 525.50              | 599.41                     | –    | 1,080.83        | 9,782.20          | (64.28)  | 11,923.66 |
| Total Comperhensive Income for the year | –                   | –                          | –    | –               | 79.30             | 0.38   | 79.68     |
| <b>As at 31.03.2018</b>                 | 525.50              | 599.41                     | –    | 1,080.83        | 9,861.50          | (63.90)  | 12,003.35 |

In terms of our report attached  
For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd No. 000203N

(Abhishek Gupta)  
Partner  
M.No 530433

Place : New Delhi  
Dated : 04th June, 2019

Sd/-  
Sanjay Tikku  
Director

Sd/-  
Sandeep Singh Surya  
Chief Financial Officer

For and on behalf of the Board

Sd/-  
Gautam Malhotra  
Director

Sd/-  
Mona K Bahadur  
Company Secretary



**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rupees in Lakhs)

| Particulars  | For the Year ended<br>31.03.2019 | For the Year ended<br>31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                    |                                  |                                  |
| Profit as per Profit & Loss Account (PBT)                        | (109.80)                         | 172.80                           |
| Add: Depreciation & Amortisation                                 | 1,876.19                         | 2,858.19                         |
| Add: Financial Expenses  | 1,628.13                         | 1,900.77                         |
| Less: Profit on sales of Property Plant & Equipments             | (78.03)                          | (3.03)                           |
| Less: Interest Received & Other Income                           | (58.56)                          | (38.26)                          |
|  | <b>3,257.93</b>                  | <b>4,890.46</b>                  |
| <b>Change in Current / Non Current Liabilities:</b>              |                                  |                                  |
| (Increase)/Decrease in Inventories                               | (843.05)                         | (1,189.05)                       |
| (Increase)/Decrease in Trade Receivables                         | 1,821.61                         | 258.09                           |
| (Increase)/Decrease in Other Non- Current Assets                 | (177.25)                         | 70.87                            |
| (Increase)/Decrease in Other Current Assets                      | 1,528.21                         | 363.25                           |
| (Increase)/Decrease in Trade Payable                             | (640.09)                         | (119.28)                         |
| Increase/(Decrease) in Current Liabilities                       | (445.25)                         | (379.27)                         |
| Increase/(Decrease) in Provisions                                | (296.07)                         | 47.39                            |
| <b>Cash generation from operations activities</b>                | <b>4,206.04</b>                  | <b>3,942.46</b>                  |
| Direct Tax Paid  | (196.58)                         | (154.35)                         |
| <b>Net cash from operating activities</b>                        | <b>4,009.45</b>                  | <b>3,788.11</b>                  |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                                  |                                  |
| Addition to Fixed Assets   | (888.38)                         | (479.72)                         |
| Adjustment in Capital work in progress                           | 164.22                           | (209.73)                         |
| Interest Received & Other income                                 | 58.56                            | 38.26                            |
| Proceed from sale of fixed assets                                | 87.86                            | 25.49                            |
| (Purchase) / Sales of investments (Net)                          | (0.09)                           | -                                |
| <b>Net Cash from Investing activities</b>                        | <b>(577.83)</b>                  | <b>(625.68)</b>                  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                                  |                                  |
| Proceeds from issue of Equity Share Capital & Share Premium      | -                                | -                                |
| (Repayment) /Disbursement of Long Term and Short Term borrowings | (1,740.09)                       | (1,188.50)                       |
| Finance Charges Paid   | (1,628.13)                       | (1,900.77)                       |
| <b>Net Cash from financing activities</b>                        | <b>(3,368.23)</b>                | <b>(3,089.27)</b>                |
| <b>Net cash flows during the year (A+B+C)</b>                    | <b>63.40</b>                     | <b>73.16</b>                     |
| <b>Cash &amp; cash equivalents (opening balance)</b>             | <b>109.97</b>                    | <b>36.81</b>                     |
|  | <b>173.37</b>                    | <b>109.97</b>                    |

As per our report of even date attached

For Raj Gupta & Company

Chartered Accountants

ICAI Firm Regd. No. 000203N

(Abhishek Gupta)

(Partner)

M.No. 530433

Place : New Delhi,

Dated : 04th June, 2019

For and on behalf of the Board

sd/-

Sanjay Tiku

Director

sd/-

Gautam Malhotra

Director

sd/-

Sandeep Singh Surya

Chief Financial Officer

sd/-

Mona K Bahadur

Company Secretary



## Notes forming part of the Standalone financial statements

### 1. Company Overview

JMT Auto Limited incorporated as Public Limited Company is into the business of manufacturing of Auto Components. The core competency of the Company is into manufacturing of Gear and Transmission parts. The Manufacturing facilities are located in Jamshedpur, Jharkhand and Dharwad, Karnataka. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

Company has its Registered Office at 3, Local Shopping Centre, Pamposh Enclave, G.K.-1, New Delhi

### 2. Significant Accounting Policies

#### 2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Standalone Financials Statement are presented in Indian Rupees and all values are rounded to the nearest lacs, except when otherwise indicated.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### 2.2.1 Useful lives of property, plant and equipment & Capital Work in progress.

Company reviews the life of property plant and equipment at the end of each reporting period and more frequently. This re-assessment may result in change in depreciation expense in future periods.

##### 2.2.2 Valuation of deferred tax assets / liabilities / MAT Credit

The company reviews the carrying amount of deferred tax assets/ Liabilities at the end of each reporting period.

##### 2.2.3 Provisions and contingent liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements, however when the realization is virtually certain then the related asset ceases to be a contingent asset and therefore recognized. However, the detail of existing contingencies as on 31st March, 2018 is provided Note



### 2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are exclusive of excise duty/GST and net of returns, trade allowances, rebates, discounts, value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

#### Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer as per the terms of the contract, there is no continuing managerial involvement with the goods. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods., in case of domestic customer, sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, sales takes place when goods are shipped on board based on bill of lading.

#### Revenue from Services

Revenue from services is recognised in the accounting period in which the services are rendered.

#### Other operating revenue - Export incentives

Revenue in respect of export incentives is recognised when such incentives accrue upon export of goods.

### 2.4 Recent Accounting Pronouncements

As at the date of authorisation of the financial statements, the Company has not applied the following revisions to the Ind AS that have been issued by MCA but are not yet effective:

#### IND AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

-Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

The Company is evaluating the requirements of the amendment and its impact, if any, on the financial statements.

#### **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax





losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The Company is evaluating the requirements of the amendment and its impact, if any, on the financial statements.

#### **Amendment to Ind AS 12 – Income taxes :**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

#### **Amendment to Ind AS 19 – plan amendment, curtailment or settlement-**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity: - to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and - to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

### **2.5 Employee benefits**

#### ● **Long - Term Employee Benefits**

The liability for gratuity & leave encashment is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.

#### ● **Short-Term Employee Benefits**

Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.



## 2.6 Borrowing costs

Borrowing costs consist of interest 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 interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. Processing fee paid for borrowings is amortized over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

## 2.7 Depreciation & Amortization

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be. Leasehold assets are amortized equally over the period of their lease.

## 2.8 Impairment of Assets

### i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

### ii) Non-financial assets

#### **Property, Plant & equipment and Intangible Assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

## 2.9 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.



## 2.10 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located.

## 2.11 Financial instruments

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments. Trade receivables, loans and advances which also includes balances from group entities are subject to confirmation and reconciliation.

Fair value of investments have not been considered in the books of account.

## De-recognition of financial instruments

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 2.12 Borrowings

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method

Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognized and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years. In view of default in payment of interest/repayment of instalments, all term loans/NCD's and ECB'S have become payable on demand and therefore, have been taken to the head "Other Current Financial Liability".

## 2.13 Investments

### a) Investment in subsidiaries

Investments in subsidiaries are valued at Cost less impairment (In conformity with IND AS 110).

### b) Investment in associates / Joint Ventures

Investment held by the company in associates/joint ventures have been valued at Cost less impairment (In conformity with IND AS 110).



c) **Investment - Others**

**Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL]. **Non-Current Investments** Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

**2.14 Inventories**

- Raw Material, Goods under process and Finished Goods are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories also included all other costs incurred in bringing the inventories to their present location and condition.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.

\*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

**2.15 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**2.16 Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Furthermore, unpaid/unclaimed dividend are transferred to unpaid dividend account and on expiration of 7 years period, same are deposited in Investor Education and Protection Fund.

**2.17 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease, all other leases are classified as operating leases. Finance leases are capitalised at the commencement of the lease at the inception date



fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term however, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Contingent rentals are recognised as revenue in the period in which they are earned.

### **2.18 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.

### **2.19 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 Group.

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 Group 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 Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Group 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 or each case.

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

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

\* Disclosures for valuation methods, significant estimates and assumptions

\* Quantitative disclosures of fair value measurement hierarchy

\* Investment in unquoted equity shares

\* Financial instruments

### **2.20 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Act.

**Note No: 03 FIXED ASSETS**
*(Rupees in Lakhs)*

| Particulars                    | Land-Leasehold | Land-Freehold | Building        | Plant and Equipment | Furnitures & Fixtures | Vehicles      | Office Equipment | Data Processing Units | Total            | Other Intangible Assets |
|--------------------------------|----------------|---------------|-----------------|---------------------|-----------------------|---------------|------------------|-----------------------|------------------|-------------------------|
| <b>Carrying Value</b>          |                |               |                 |                     |                       |               |                  |                       |                  |                         |
| <b>As at 01.04.2018 (A)</b>    | <b>516.26</b>  | <b>265.70</b> | <b>5,625.95</b> | <b>33,201.61</b>    | <b>234.79</b>         | <b>152.45</b> | <b>234.08</b>    | <b>276.84</b>         | <b>40,507.68</b> | <b>176.09</b>           |
| Additions                      | -              | -             | -               | 900.59              | 1.91                  | 13.71         | 15.44            | 11.55                 | 943.21           | -                       |
| Disposals                      | -              | -             | -               | 202.23              | -                     | -             | -                | -                     | 202.23           | -                       |
| INDAS Reversal                 | -              | -             | -               | 54.82               | -                     | -             | -                | -                     | 54.82            | -                       |
| <b>As at 31.03.2017 (B)</b>    | <b>516.26</b>  | <b>265.70</b> | <b>5,625.95</b> | <b>33,845.15</b>    | <b>236.70</b>         | <b>166.16</b> | <b>249.52</b>    | <b>288.39</b>         | <b>41,193.83</b> | <b>176.09</b>           |
| <b>Depreciation</b>            |                |               |                 |                     |                       |               |                  |                       |                  |                         |
| <b>As at 01.04.2018 (C)</b>    | <b>75.42</b>   | <b>-</b>      | <b>2,006.90</b> | <b>24,738.88</b>    | <b>205.75</b>         | <b>73.37</b>  | <b>189.32</b>    | <b>239.47</b>         | <b>27,529.11</b> | <b>128.29</b>           |
| Provided during the period     | 22.89          | -             | 189.34          | 2,300.07            | 7.65                  | 12.74         | 17.17            | 17.84                 | 2,567.70         | 19.16                   |
| Reversal of Dep on Dismantling | -              | -             | -               | 11.67               | -                     | -             | -                | -                     | 11.67            | -                       |
| Written back during the period | -              | -             | -               | 192.40              | -                     | -             | -                | -                     | 192.40           | -                       |
| Adjustments                    | -              | -             | 66.61           | 617.39              | 7.31                  | (4.06)        | 6.08             | 5.67                  | 699.00           | -                       |
| <b>As at 31.03.2019 (D)</b>    | <b>98.31</b>   | <b>-</b>      | <b>2,129.62</b> | <b>26,217.49</b>    | <b>206.09</b>         | <b>90.17</b>  | <b>200.41</b>    | <b>251.64</b>         | <b>29,193.74</b> | <b>147.45</b>           |
| <b>Net Block</b>               |                |               |                 |                     |                       |               |                  |                       |                  |                         |
| <b>As at 31.03.2019 (B-D)</b>  | <b>417.94</b>  | <b>265.70</b> | <b>3,496.33</b> | <b>7,627.66</b>     | <b>30.61</b>          | <b>75.98</b>  | <b>49.11</b>     | <b>36.75</b>          | <b>12,000.10</b> | <b>28.64</b>            |
| <b>As at 31.03.2018 (B-E)</b>  | <b>440.83</b>  | <b>265.70</b> | <b>3,619.06</b> | <b>8,462.73</b>     | <b>29.04</b>          | <b>79.07</b>  | <b>44.76</b>     | <b>37.37</b>          | <b>12,978.57</b> | <b>47.80</b>            |

**Note-Reversal of depreciation on account of review of residual life of certain assets, depreciation on dismantelling cost.**
*(Rupees in Lakhs)*

| Particulars                   | As at 31.03.2019 | As at 31.03.2018 |
|-------------------------------|------------------|------------------|
| Property, plant and equipment | 12,000.10        | 12,978.57        |
| Capital work-in-progress      | 128.76           | 292.99           |
| Other intangible assets       | 28.64            | 47.80            |
| <b>Total Fixed Assets</b>     | <b>12,157.50</b> | <b>13,319.36</b> |


**JMT AUTO LIMITED**  
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**NON-CURRENT FINANCIAL ASSETS**

**Note : 04 INVESTMENTS**

(Rupees in Lakhs)

| Particulars   | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|---------------------|---------------------|
| <b>1. Investment in Equity instruments of Joint Ventures and Associates - UnQuoted</b>      |                     |                     |
| <b>Amtek Riken Casting Private Limited</b>  | 700.00              | 700.00              |
| 70,00,000(FY 2018-70,00,000, FY 2017-70,00,000) Equity Shares of Rs 10/- Each               |                     |                     |
| <b>2. Investment in Equity instruments of Overseas Subsidiaries- Unquoted</b>               |                     |                     |
| (i) 10000 (Nil) Equity shares Amtek Metallic Systems Pte Ltd. of 1/- SGD Each               | 0.09                | –                   |
| (ii) Nil (10) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each             | –                   | 0.00                |
| <b>3. Other Investment in Equity Investment- Others</b>                                     |                     |                     |
| (i) 10,000 (10,000) equity shares of Nicco Jubilee Park Limited Rs 10 each fully paid up    | 1.00                | 1.00                |
| Less: Impairment  | (1.00)              | (1.00)              |
| (ii) 10,000 (10,000) equity shares of Jaimex International Pvt Ltd Rs 10 each fully paid up | 1.00                | 1.00                |
| Less: Impairment  | (1.00)              | (1.00)              |
| (iii) 600 (600) equity shares of Adityapur Auto Cluster Rs 1000/- each fully paid up        | 6.00                | 6.00                |
| <b>4. Other Investment in Equity Instruments at Fair Value through Profit &amp; Loss</b>    |                     |                     |
| 10 (Nil) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each                  |                     |                     |
| <b>5. National Savings Certificate</b>  | 0.15                | 0.15                |
| <b>Total</b>  | <b>706.24</b>       | <b>706.15</b>       |

(Rupees in Lakhs)

| Particulars  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| Aggregate Value of Unquoted Investment                 | 706.24              | 706.15              |
| - In subsidiaries                                      | 0.09                | 0.00                |
| -In Joint Ventures                                     | 700.00              | 700.00              |
| - In others  | 8.00                | 8.00                |
| Other Investments                                      | 0.15                | 0.15                |
| Aggregate amount of Impairment in value of Investments | (2.00)              | (2.00)              |

**Note:**

**Note : 05 Other Financial Asset**

(Rupees in Lakhs)

| Particulars      | As at<br>31.03.2019 | As at<br>31.03.2018 |
|------------------|---------------------|---------------------|
| Security Deposit | 684.57              | 574.82              |
| <b>Total</b>     | <b>684.57</b>       | <b>574.82</b>       |





**Note : 06 Other Non-Current Assets**

*(Rupees in Lakhs)*

| <b>Particulars</b>           | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018</b> |
|------------------------------|-----------------------------|-----------------------------|
| <b>Capital advance</b>       |                             |                             |
| Unsecured, Considered Good   | 176.62                      | 150.41                      |
| <b>Others</b>                |                             |                             |
| Advance Tax net of provision | 210.56                      | 169.27                      |
| <b>Total</b>                 | <b>387.18</b>               | <b>319.68</b>               |

**Note : 07 INVENTORIES (AS CERTIFIED BY MANAGEMENT)\***

*(Rupees in Lakhs)*

| <b>Particulars</b>              | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Raw Material                    | 2,280.80                    | 2,254.59                    |
| Work in Progress                | 10,077.71                   | 9,681.64                    |
| Finished Goods                  | 653.65                      | 407.69                      |
| Consumables (stores and spares) | 801.21                      | 626.40                      |
| <b>Total</b>                    | <b>13,813.36</b>            | <b>12,970.31</b>            |

**Note : 08 TRADE RECEIVABLES**

*(Rupees in Lakhs)*

| <b>Particulars</b> | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018</b> |
|--------------------|-----------------------------|-----------------------------|
| Not Due            | 2,235.22                    | 3,614.83                    |
| 0-30 days          | 652.40                      | 491.59                      |
| 31-60 days         | 108.01                      | 112.74                      |
| 61-90 days         | 176.85                      | 148.45                      |
| 91-180 days        | 219.60                      | 316.27                      |
| More than 180 days | 50.03                       | 579.83                      |
| <b>Total</b>       | <b>3,442.10</b>             | <b>5,263.71</b>             |



**Note : 09 CASH AND CASH EQUIVALENTS**

*(Rupees in Lakhs)*

| Particulars                                | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Cash on Hand</b>                        | 5.46                | 6.88                |
| <b>Balance with Schedule Banks</b>         |                     |                     |
| - Current accounts                         | 4.01                | 95.20               |
| - EEFC Account                             | 2.96                | 0.08                |
| - Fixed Deposits                           | 155.08              | -                   |
| <b>Earmarked Balances</b>                  |                     |                     |
| - Balance in banks against unpaid dividend | 5.85                | 7.81                |
| <b>Total</b>                               | <b>173.37</b>       | <b>109.97</b>       |

\*Cash and cash Equivalents as on 31st March 2019, 31st March 2018 includes restricted bank balances of Rs 5.85 Lakhs, Rs 7.81 Lakhs respectively. The restricted is primarily on account of cash and bank balances held on account of Unpaid Dividends.

**Note : 10 OTHER CURRENT FINANCIAL ASSETS**

*(Rupees in Lakhs)*

| Particulars                  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|------------------------------|---------------------|---------------------|
| Staff advances               | 14.80               | 17.77               |
| Interest accrued on deposits | 38.59               | 41.20               |
| Subsidy                      | -                   | -                   |
| Security Deposit             | 23.88               | 23.88               |
| <b>Total</b>                 | <b>77.27</b>        | <b>82.85</b>        |

**Note : 11 OTHER CURRENT ASSETS**

*(Rupees in Lakhs)*

| Particulars                                       | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|---------------------|---------------------|
| <b>Loans &amp; Advances</b>                       |                     |                     |
| Unsecured, Considered Good:                       |                     |                     |
| Advance to parties                                | 3,239.69            | 4,333.22            |
| Prepaid expenses                                  | 63.18               | 76.51               |
| Balance with Revenue Authorities (Indirect taxes) | 469.57              | 903.84              |
| Income Tax Refund                                 | 18.50               | -                   |
| <b>Total</b>                                      | <b>3,790.93</b>     | <b>5,313.57</b>     |



**Note : 12 SHARE CAPITAL**

*(Rupees in Lakhs)*

| Particulars   | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|---------------------|---------------------|
| 525000000 (525,000,000 Equity Shares of Re. 1 each)   | 5,250.00            | 5,250.00            |
| <b>Total</b>  | <b>5,250.00</b>     | <b>5,250.00</b>     |
| <b>Issued, Subscribed and Paid - Up Equity Shares</b> |                     |                     |
| (31.03.2019: 503,832,140 Equity Shares of Re. 1 each) | 5,038.32            | 5,038.32            |
| (31.03.2018: 503,832,140 Equity Shares of Rs. 1 each) |                     |                     |
| <b>Total</b>  | <b>5,038.32</b>     | <b>5,038.32</b>     |

**Note : 12.1** The reconciliation of the number of shares outstanding and the amount of share capital as at 31.03.2019, 31.03.2018 is set out below:

**Equity Shares** *(Rupees in Lakhs)*

| Particulars                        | As at 31.03.2019      |                 | As at 31.03.2018      |                 |
|------------------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                                    | Number of Share       | Amount          | Number of Share       | Amount          |
| Number of shares at the beginning  | 503,832.140           | 5,038.32        | 503,832,140.00        | 5,038.32        |
| Add: Shares Issued during the year | -                     | -               | -                     | -               |
| <b>Number of Shares at the end</b> | <b>503,832,140.00</b> | <b>5,038.32</b> | <b>503,832,140.00</b> | <b>5,038.32</b> |

**Note : 12.2 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note : 12.3 Share held by Holding/ultimate holding company and or their subsidiaries/associates**

*(Rupees in Lakhs)*

| Particulars              | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--------------------------|---------------------|---------------------|
| Amtek Auto Limited       | 336,412,200         | 336,412,200         |
| WLD Investments Pvt.Ltd. | 25,000,000          | 25,000,000          |



**Note : 12.4 Details of Shareholders Holding more than 5% Share Capital** *(Rupees in Lakhs)*

| Particulars             | As at 31.03.2019   |               | As at 31.03.2018   |               |
|-------------------------|--------------------|---------------|--------------------|---------------|
|                         | Number of Share    | % of Holding  | Number of Share    | % of Holding  |
| <b>1. Equity Shares</b> |                    |               |                    |               |
| Amtek Auto Limited      | 336,412,200        | 66.77%        | 336,412,200        | 66.77%        |
| Lts Investment Fund Ltd | 28,092,267         | 5.58%         | 28,092,267         | 5.58%         |
|                         | <b>364,504,467</b> | <b>72.35%</b> | <b>364,504,467</b> | <b>72.35%</b> |

**Note : 12.5 Details of bonus shares issued during the last five years (In Numbers)**

| Nature        | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 |
|---------------|------------|------------|------------|------------|
| Equity Shares | Nil        | Nil        | Nil        | Nil        |

**Note : 12.6 OTHER EQUITY** *(Rupees in Lakhs)*

| Particulars   |                  | As at 31.03.2019 | As at 31.03.2018 |
|---|------------------|------------------|------------------|
| <b>Capital Reserve</b>                                      |                  |                  |                  |
| Opening Balance as on 01.04.2018                            |                  | 525.50           | 525.50           |
| Addition/(deduction) during the period (net)                |                  | —                | —                |
| <b>Closing Balance as on 31.03.2019</b>                     | <b>(A)</b>       | <b>525.50</b>    | <b>525.50</b>    |
| <b>Securities Premium Reserve</b>                           |                  |                  |                  |
| Opening Balance as on 01.04.2018                            |                  | 599.41           | 599.41           |
| Addition/(deduction) during the period (net)                |                  | —                | —                |
| <b>Closing Balance as on 31.03.2019</b>                     | <b>(B)</b>       | <b>599.41</b>    | <b>599.41</b>    |
| <b>General Reserve</b>                                      |                  |                  |                  |
| Opening Balance as on 01.04.2018                            |                  | 1,080.83         | 1,080.83         |
| Addition/(deduction) during the period (net)                |                  | —                | —                |
| <b>Closing Balance as on 31.03.2019</b>                     | <b>(C)</b>       | <b>1,080.83</b>  | <b>1,080.83</b>  |
| <b>Profit &amp; Loss Account</b>                            |                  |                  |                  |
| Opening Balance as on 01.04.2018                            |                  | 9,797.60         | 9,717.92         |
| Addition/(deduction) during the period (net)                |                  | (310.66)         | 79.68            |
| <b>Surplus available for appropriation as on 31.03.2019</b> | <b>(D)</b>       | <b>9,486.95</b>  | <b>9,797.60</b>  |
| <b>Total</b>  | <b>(A+B+C+D)</b> | <b>11,692.69</b> | <b>12,003.35</b> |



**Note : 13 LONG TERM BORROWINGS**

*(Rupees in Lakhs)*

| Particulars                         | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-------------------------------------|---------------------|---------------------|
| <b>SECURED LOANS</b>                |                     |                     |
| <b>Term Loans</b>                   |                     |                     |
| From Banks & Financial Institutions | 2,724.19            | 4,754.63            |
| <b>Total Long Term Borrowings</b>   | <b>2,724.19</b>     | <b>4,754.63</b>     |

**Note : 14 Long term Provisions**

*(Rupees in Lakhs)*

| Particulars                                | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>(i) Provision for Employee benefits</b> |                     |                     |
| Gratuity                                   | 152.37              | 18.12               |
| Leave Encashment                           | 86.78               | 65.02               |
| <b>(ii) Others</b>                         |                     |                     |
| Dismantling                                | –                   | 68.57               |
| <b>Total</b>                               | <b>239.15</b>       | <b>151.71</b>       |

**Note : 15 DEFERRED TAX LIABILITIES (Net)**

*(Rupees in Lakhs)*

| Particulars  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Deferred Tax Liabilities</b>                          |                     |                     |
| On account of Depreciation of Fixed Assets               | 1,199.08            | 1,163.55            |
| <b>Deferred Tax Asset</b>                                |                     |                     |
| Provision for Gratuity                                   | (53.24)             | 16.45               |
| Provision for Compensated absence                        | (32.29)             | 3.20                |
| On account of carry forward losses/amortisation expenses | (85.53)             | 19.64               |
| <b>Net Deferred Tax Liability</b>                        | <b>1,113.55</b>     | <b>1,183.19</b>     |

**Note : 16 SHORT BORROWINGS**

*(Rupees in Lakhs)*

| Particulars                               | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|---------------------|---------------------|
| <b>SECURED LOANS</b>                      |                     |                     |
| <b>Bank Borrowing for Working Capital</b> |                     |                     |
| – From Banks                              | 9,082.94            | 8,792.59            |
| <b>Total</b>                              | <b>9,082.94</b>     | <b>8,792.59</b>     |



**Note : 17 TRADE PAYABLES**

(Rupees in Lakhs)

| Particulars  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| (A) Total o/s dues of Micro and Small Enterprises  | –                   | –                   |
| (a) The principle amount relating to micro and small enterprises   | –                   | –                   |
| (b) The interest amount due but not paid   | –                   | –                   |
| (c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium     | –                   | –                   |
| (d) The amount of the interest due and payable for the period of delay in making payment                   | –                   | –                   |
| (e) The amount of the interest accrued and remaining unpaid at the end of each accounting year             | –                   | –                   |
| (f) The amount of further interest remaining due and payable even in the succeeding year, untill such date | –                   | –                   |
| <b>(B) Total o/s dues of creditor other than micro and small enterprises</b>                               |                     |                     |
| Trade Payables (Including acceptances)   | 3,385.32            | 4,025.41            |
| <b>Total</b>   | <b>3,385.32</b>     | <b>4,025.41</b>     |

**Note :** The company has not received any communication from all of its suppliers/service providers in response to letters issued by the company, confirming whether or not they are registered under the MSME ACT 2006. In the absence of any positive confirmation from the supplier/service provider, the information as required to be disclosed under the MSME ACT 2006 could not be determined.

**Note : 18 Other Financial Liabilities**

(Rupees in Lakhs)

| Particulars                              | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| Current Maturity of Long Term Borrowings | 1,640.11            | 2,082.21            |
| Unpaid Dividend                          | 5.85                | 7.81                |
| Interest accrued & due on borrowings     | 32.37               | 37.04               |
| Interest Due But Not Paid                | –                   | 1.51                |
| <b>Total</b>                             | <b>1,678.33</b>     | <b>2,128.57</b>     |

**Note : 19 OTHER CURRENT LIABILITIES**

(Rupees in Lakhs)

| Particulars                 | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-----------------------------|---------------------|---------------------|
| Other Liabilities           | 96.95               | 80.87               |
| Creditors for capital goods | 152.09              | 101.81              |
| Statutory Dues              | 23.39               | 15.11               |
| <b>Total</b>                | <b>272.43</b>       | <b>197.80</b>       |



**Note : 20 SHORT TERM PROVISIONS**

*(Rupees in Lakhs)*

| Particulars                    | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--------------------------------|---------------------|---------------------|
| Provision for Leave Encashment | 5.62                | 2.68                |
| <b>Total</b>                   | <b>5.62</b>         | <b>2.68</b>         |

**Note : 21 Current tax liabilities (net)**

*(Rupees in Lakhs)*

| Particulars              | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--------------------------|---------------------|---------------------|
| Provision for Income Tax | –                   | 382.17              |
| <b>Total</b>             | <b>–</b>            | <b>382.17</b>       |

**Note : 22 REVENUE FROM OPERATIONS**

*(Rupees in Lakhs)*

| Particulars            | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|------------------------|----------------------------------|----------------------------------|
| Sales of Products      | 34,018.62                        | 32,713.36                        |
| Other Sales & Services | 1,986.48                         | 2,010.66                         |
| <b>Total</b>           | <b>36,005.10</b>                 | <b>34,724.02</b>                 |

**Note : 23 OTHER INCOME**

*(Rupees in Lakhs)*

| Particulars                              | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Interest                                 | 58.56                            | 38.26                            |
| Net Gain on Foreign currency transaction | 101.19                           | 119.13                           |
| Misc Income-Export Incentive             | 0.23                             | 52.70                            |
| Other Misc. Income                       | 11.52                            | (158.50)                         |
| <b>Total</b>                             | <b>171.50</b>                    | <b>51.59</b>                     |

**Note : 24 COST OF MATERIAL CONSUMED**

*(Rupees in Lakhs)*

| Particulars                                 | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Opening Stock of Raw Material               | 2,254.59                         | 1,537.71                         |
| <b>Add</b> : Purchases of Raw Material      | <b>15,596.25</b>                 | <b>14,794.28</b>                 |
| <b>Total</b>                                | <b>17,850.84</b>                 | <b>16,331.99</b>                 |
| <b>Less</b> : Closing Stock of Raw Material | <b>2,280.80</b>                  | <b>2,254.59</b>                  |
| <b>Total</b>                                | <b>15,570.04</b>                 | <b>14,077.40</b>                 |



**Note : 24.1 IMPORTED AND INDIGENOUS RAW MATERIALS**

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
|   | (% of Total Consumption)         |                                  |
| <b>Raw Material</b>   |                                  |                                  |
| Consumption of imported Raw material<br>(Percentage of Consumption of Raw Material)         | —<br>0.00%                       | —<br>0.00%                       |
| Consumption of similar domestic Raw material<br>(Percentage of Consumption of Raw Material) | 15,570.04<br>100.00%             | 14,077.40<br>100.00%             |
| <b>Total Consumption of Raw Material</b>  | <b>15,570.04</b>                 | <b>14,077.40</b>                 |

**Note : 25 CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS & STOCK IN TRADE**

(Rupees in Lakhs)

| Particulars                                  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>Opening Stock as on 01-04-2018</b>        |                                  |                                  |
| - Work in Progress                           | 9,681.64                         | 9,179.16                         |
| - Finished Goods                             | 407.69                           | 395.66                           |
| <b>Less : Closing Stock as on 31-03-2019</b> |                                  |                                  |
| - Work in Progress                           | 10,077.71                        | 9,681.64                         |
| - Finished Goods                             | 653.65                           | 407.69                           |
|  | <b>(642.03)</b>                  | <b>(514.51)</b>                  |
| Less : Transferred to Exceptional items      | <b>380.00</b>                    | —                                |
| <b>Total</b>                                 | <b>(1,022.03)</b>                | <b>(514.51)</b>                  |

**Note : 26 Employee Benefit Expenses**

(Rupees in Lakhs)

| Particulars                                   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Salaries and Wages*                           | 2,263.29                         | 1,850.56                         |
| Other Contribution and staff welfare expenses | 262.14                           | 215.64                           |
| <b>Total</b>                                  | <b>2,525.44</b>                  | <b>2,066.19</b>                  |

\*Including director's salary Rs 72.31 Lakhs in 2019 and Rs 61.01 Lakhs in 2018

**Note : 27 Finance Costs**

(Rupees in Lakhs)

| Particulars                           | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---------------------------------------|----------------------------------|----------------------------------|
| <b>Interest Expenses:</b>             |                                  |                                  |
| Short term loan                       | 1,130.63                         | 1,147.46                         |
| Long term loan                        | 505.26                           | 753.31                           |
| Interest on dismantling               | (13.75)                          | —                                |
| Interest on Employee Benefit Expenses | 5.99                             | —                                |
| <b>Total</b>                          | <b>1,628.13</b>                  | <b>1,900.77</b>                  |





**Note : 28 Depreciation and Amortisation Expenses**

*(Rupees in Lakhs)*

| Particulars                   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|-------------------------------|----------------------------------|----------------------------------|
| Depreciation and amortisation | 2,586.86                         | 2,858.19                         |
| <b>Total</b>                  | <b>2,586.86</b>                  | <b>2,858.19</b>                  |

**Note : 29 Other Expenses**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>A) Manufacturing Expenses</b>                         |                                  |                                  |
| Consumables & Store spares                               | 2,562.98                         | 2,232.94                         |
| Power & Fuel   | 5,037.43                         | 4,735.05                         |
| Freight Inwards  | 227.08                           | 213.16                           |
| Labour Charges & Job Work                                | 5,118.50                         | 4,820.50                         |
| Repairs of Plant & Machinery                             | 266.30                           | 218.27                           |
| Other Manufacturing Expenses                             | 253.66                           | 226.09                           |
| <b>Total Manufacturing Expenses (A)</b>                  | <b>13,465.96</b>                 | <b>12,446.01</b>                 |
| <b>B) Administrative Expenses &amp; Selling Expenses</b> |                                  |                                  |
| Auditor's Remuneration                                   | 14.00                            | 14.50                            |
| Bank Charges   | 74.12                            | 66.19                            |
| Business promotion Expenses                              | 17.20                            | 5.74                             |
| Insurance Charges  | 88.12                            | 66.24                            |
| Membership & Subscription Exp.                           | 0.83                             | 0.68                             |
| Rate, Fee & Taxes  | 10.72                            | 34.89                            |
| Rent   | 10.06                            | 14.39                            |
| Repairs of Building & Others                             | 261.51                           | 227.36                           |
| Telephone, Postage & Courier Expenses                    | 7.73                             | 15.40                            |
| Travelling & Conveyance                                  | 181.94                           | 162.97                           |
| Freight Outwards   | 347.88                           | 337.91                           |
| Car/ Bus hire charges                                    | 71.17                            | 70.66                            |
| Handling & Processing Charges (Export)                   | 522.63                           | —                                |
| Miscellaneous Exp  | 201.69                           | 704.33                           |
| <b>Selling &amp; Distribution Expenses</b>               |                                  |                                  |
| Discount Allowed   | 53.08                            | 47.48                            |
| <b>Total Administrative &amp; Selling Expenses (B)</b>   | <b>1,862.67</b>                  | <b>1,768.74</b>                  |
| <b>Total (A + B)</b>                                     | <b>15,328.63</b>                 | <b>14,214.75</b>                 |



**Note No: 29.1 Auditors' Remuneration**

*(Rupees in Lakhs)*

| Particulars              | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--------------------------|----------------------------------|----------------------------------|
| <b>Auditors Payments</b> |                                  |                                  |
| As Auditor               | 14.00                            | 14.50                            |
| <b>Total</b>             | <b>14.00</b>                     | <b>14.50</b>                     |

**Note No: 29.2 Expenditure in Foreign Currency**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--------------|----------------------------------|----------------------------------|
| Travelling   | 5.71                             | 1.96                             |
| <b>Total</b> | <b>5.71</b>                      | <b>1.96</b>                      |

Note: Travelling expenditure in foreign currency includes directors travelling.

**Note No: 29.3 Value of Imports calculated on C.I.F. basis**

*(Rupees in Lakhs)*

| Particulars                | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|----------------------------|----------------------------------|----------------------------------|
| Components and spare parts | 105.68                           | 88.19                            |
| Capital goods              | –                                | 14.70                            |
| <b>Total</b>               | <b>105.68</b>                    | <b>102.89</b>                    |

**Note No: 29.4 Earnings in Foreign Exchange**

*(Rupees in Lakhs)*

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Export/Deemed Export of Goods Calculated on F.O.B basis | 6,877.53                         | 8,202.16                         |
| <b>Total</b>  | <b>6,877.53</b>                  | <b>8,202.16</b>                  |

**Note No: 29.5 Contingent Liabilities and Commitments (To the extent not provided for)**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Bank Guarantees Issued by bank on company's behalf | 78.80                            | 80.59                            |
| Capital Cenvat availed in EOU units, Dharwad       | 444.00                           | 444.00                           |
| <b>Total</b>                                       | <b>522.80</b>                    | <b>524.59</b>                    |



**Note No: 29.6 Imported and Indegenous spare parts and components** *(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>Spares parts and components</b>   |                                  |                                  |
| Consumption of imported spares parts and components<br>(Percentage of Consumption of Spare Parts and Components)         | 102.85<br>4.01%                  | 119.93<br>5.37%                  |
| Consumption of similar domestic spares parts and components<br>(Percentage of Consumption of Spare Parts and Components) | 2,460.13<br>95.99%               | 2,113.01<br>94.63%               |
| <b>Total</b>   | <b>2,562.98</b>                  | <b>2,232.94</b>                  |

**Note No: 29.7 Capital Commitments** *(Rupees in Lakhs)*

| Particulars  | For the Period<br>Ended 31.03.2019 | For the Period<br>Ended 31.03.2018 |
|--|------------------------------------|------------------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net) | 147.10                             | —                                  |
| <b>Total</b>   | <b>147.10</b>                      | <b>—</b>                           |

**Note No: 30 EXCEPTIONAL ITEMS** *(Rupees in Lakhs)*

| Particulars                                | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Dimunition in Value of Old stock           | (380.00)                         | —                                |
| Provision for Dismantelling written back   | 11.67                            | —                                |
| Depreciation overcharged in previous years | 699.00                           | —                                |
| <b>Total</b>                               | <b>330.67</b>                    | <b>—</b>                         |

**Note No: 31 OTHER COMPREHENSIVE INCOME (OCI)** *(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>Effects of transition of Ind AS on Defined Benefit Plans:</b>                 |                                  |                                  |
| Items that will not be reclassified to Profit and Loss                           |                                  |                                  |
| i) Reclassification of actual gains/(losses), arising in respect of Earned Leave | —                                | —                                |
| ii) Deferred Tax effect on the above   | —                                | —                                |
| iii) Reclassification of actual gains/(losses), arising in respect of Grauity    | (92.23)                          | 0.55                             |
| iv) Deferred Tax effect on the above   | 28.78                            | (0.17)                           |
| <b>Total</b>   | <b>(63.45)</b>                   | <b>0.38</b>                      |



**Note No: 32 EARNINGS PER SHARE**

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| <b>BASIC</b>  |                                  |                                  |
| Average number of equity shares (Face value Rs. 1/- each) for Basic EPS           | 5,038.32                         | 5,038.32                         |
| Profit/(Loss) after tax for the Year from continuing operations (Rupees in Lakhs) | (310.66)                         | 79.67                            |
| EPS (Rs. Per Share)   | (0.06)                           | 0.02                             |
| <b>DILUTED</b>  |                                  |                                  |
| Average number of equity shares (Face value Rs. 1/- each) for Diluted EPS         | 5,038.32                         | 5,038.32                         |
| Profit/(Loss) after tax for the Year from continuing operations (Rupees in Lakhs) | (310.66)                         | 79.67                            |
| EPS (Rs. Per Share)   | (0.06)                           | 0.02                             |

**Note No: 33 RELATED PARTY TRANSACTION**

In accordance with the requirements of Indian Accounting Standard (Ind As-24) the name of the related parties where control exists and/or with whom transactions have taken place during the period and description of relationships is identified and certified by the management as hereunder:

| A | Name of the related party        | Relationship       |
|---|----------------------------------|--------------------|
|   | Amtek Auto Limited               | Holding Company    |
|   | CASTEX Mattelic Systems Pte Ltd. | Subsidiary Company |

*(Rupees in Lakhs)*

| Related Party Transaction:                        | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| <b>Associate Companies:</b>                       |                                  |                                  |
| a) Purchase of material/ finished goods           | 56.96                            | 335.99                           |
| b) Sale of finished goods and Job working         | -                                | -                                |
| c) Services availed including Job charges         | -                                | -                                |
| d) Investment made                                | 0.09                             | -                                |
| e) Purchase of Fixed Assets                       | -                                | -                                |
| f) Sale of Fixed Asse                             | -                                | -                                |
| g) Total of transactions during the year          | 57.05                            | 335.99                           |
| h) Loans Taken                                    | -                                | -                                |
| i) Loans repaid                                   | -                                | -                                |
| Interest Expense                                  | -                                | -                                |
| Balance at the end of the year                    | -                                | -                                |
| j) Other payables                                 | -                                | -                                |
| k) Receivables                                    | 640.71                           | 641.96                           |
| l) Loans Outstanding (including interest accrued) | -                                | -                                |



**Note : 34 Employee Benefits (Ind AS-19)**

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

| Particulars                            | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Discount rate                          | 7.65%                            | 7.70%                            |
| Future Salary Escalation Rate          | 7.00%                            | 7.00%                            |
| Average Remaining working life (Years) | 20.04                            | 20.84                            |
| Retirement Age                         | 58/60 years                      | 58/ 60 years                     |

**Gratuity (Funded)**

**i. Change in Net Defined Benefit obligations:**

*(Rupees in Lakhs)*

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Net Defined Benefit liability as at the start of the period     | 409.40                           | 345.60                           |
| Service Cost  | 41.34                            | 39.39                            |
| Past service cost - plan amendments                             | –                                | 8.90                             |
| Net Interest Cost (Income)                                      | 31.32                            | 25.07                            |
| Actuarial ( Gain) /Loss on obligation                           | 90.59                            | 4.13                             |
| Benefits Paid directly by the enterprise                        | (0.69)                           | (2.53)                           |
| Benefits paid from plan assets                                  | (4.70)                           | (11.16)                          |
| <b>Present Value of Obligations as at the end of the period</b> | <b>567.26</b>                    | <b>409.40</b>                    |

**ii. The Amount Recognised in the Income Statement.**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Service Cost                                       | 41.34                            | 48.29                            |
| Net Interest Cost                                  | 1.37                             | 1.29                             |
| Expected Return on plan assets                     | –                                | –                                |
| Net Actuarial (Gain)/ Loss recognized in the year  | –                                | –                                |
| <b>Expenses recognised in the Income Statement</b> | <b>42.71</b>                     | <b>49.58</b>                     |

**iii. Other Comprehensive Income (OCI)**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Net cumulative unrecognized actuarial gain/(loss) opening        | 90.59                            | (4.13)                           |
| Actuarial gain / (loss) for the year on DBO                      | –                                | –                                |
| Actuarial gain /(loss) for the year on Asset                     | 1.64                             | 4.68                             |
| Net Actuarial (Gain)/ Loss recognized in the year                | –                                | –                                |
| <b>Unrecognized actuarial gain/(loss) at the end of the year</b> | <b>92.23</b>                     | <b>0.55</b>                      |



iv. Balance Sheet and related analyses

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Present Value of Obligation at the end of the year        | (567.26)                         | (409.40)                         |
| Fair Value of Plan Assets                                 | 414.89                           | 391.28                           |
| Unfunded Liability/Provision in Balance Sheet             | –                                | –                                |
| Unrecognised Actuarial (Gain) / Losses                    | –                                | –                                |
| <b>Unfunded Liability Recognised in the Balance Sheet</b> | <b>152.37</b>                    | <b>(18.12)</b>                   |

v. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

| Particulars                                      | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Current Liability (Amount due within one year)   | –                                | –                                |
| Non Current Liability (Amount due over one year) | (152.37)                         | (18.12)                          |
| <b>Total</b>                                     | <b>(152.37)</b>                  | <b>(18.12)</b>                   |

Leave Encashment (Unfunded)

i. Table Showing Change in Benefit obligations:

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Present value of obligation as at the start of the period       | 67.70                            | 76.94                            |
| Current Service Cost  | 19.02                            | 18.35                            |
| Interest Cost   | 4.62                             | 5.35                             |
| Actuarial ( Gain) /Loss on obligation                           | 16.35                            | (23.73)                          |
| Benefits Paid   | (15.29)                          | (9.21)                           |
| <b>Present Value of Obligations as at the end of the period</b> | <b>92.40</b>                     | <b>67.70</b>                     |

ii. The Amount Recognised in the Income Statement.

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Service Cost  | 19.02                            | 18.35                            |
| Net Interest Cost   | 4.62                             | 5.35                             |
| Expected Return on plan assets                              | –                                | –                                |
| Net Actuarial (Gain)/ Loss recognized in the period         | –                                | –                                |
| <b>Expenses (Income) recognised in the Income Statement</b> | <b>23.64</b>                     | <b>23.70</b>                     |



**iii. Other Comprehensive Income (OCI) (Rupees in Lakhs)**

| Particulars  | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Net cumulative unrecognized actuarial gain/(loss) opening        |                                  |                                  |
| Actuarial gain / (loss) for the year on DBO                      | –                                | –                                |
| Actuarial gain /(loss) for the year on Asset                     | –                                | –                                |
| Net Actuarial (Gain)/ Loss recognized in the year                | (16.35)                          | 23.73                            |
| <b>Unrecognized actuarial gain/(loss) at the end of the year</b> | <b>(16.35)</b>                   | <b>23.73</b>                     |

**iv. Balance Sheet and related analyses (Rupees in Lakhs)**

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Present Value of Obligation at the end of the year        | 92.40                            | 67.70                            |
| Fair Value of Plan Assets                                 | –                                | –                                |
| Ununded Liability/Provision in Balance Sheet              | (92.40)                          | (67.70)                          |
| Unrecognised Actuarial (Gain) / Losses                    | –                                | –                                |
| <b>Unfunded Liability Recognised in the Balance Sheet</b> | <b>(92.40)</b>                   | <b>(67.70)</b>                   |

**v. Bifurcation of PBO at the end of year in current and non current. (Rupees in Lakhs)**

| Particulars                                      | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|--|----------------------------------|----------------------------------|
| Current Liability (Amount due within one year)   | (5.62)                           | (2.68)                           |
| Non Current Liability (Amount due over one year) | (86.78)                          | (65.02)                          |
| <b>Total</b>                                     | <b>(92.40)</b>                   | <b>(67.70)</b>                   |



**Note No. 35 TAX EXPENSES**

a) Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2019:

*(Rupees in Lakhs)*

| Particulars   | For the Year<br>Ended 31.03.2019 | For the Year<br>Ended 31.03.2018 |
|---|----------------------------------|----------------------------------|
| Profit / (Loss) before tax for the year                         | (109.80)                         | 172.80                           |
| (Previous Year 34.608%)   | (38.37)                          | 59.80                            |
| a) Income exempt from tax/items not deductible                  |                                  |                                  |
| e) Earlier year taxes   | 193.55                           | -                                |
| h) Others   | (17.77)                          | 33.71                            |
| <b>(Previous Year -4.67%)</b>                                   | <b>137.41</b>                    | <b>93.51</b>                     |
| Income tax expense reported in the statement of profit and loss | 137.41                           | 93.51                            |

b) Movement of deferred tax liability from beginning to end of financial year is as follows:

*(Rs. In Lakhs)*

| Particulars  | As at<br>March 31, 2018 | Provided during<br>the year | As at<br>March 31, 2019 |
|--|-------------------------|-----------------------------|-------------------------|
| <b>Deferred tax liability:</b>   |                         |                             |                         |
| a) Related to Property Plant and Equipments<br>(Including Addition due to Acquisition) | 1,163.55                | 35.53                       | 1,199.08                |
| <b>Total deferred tax liability</b>  | <b>1,163.55</b>         | <b>35.53</b>                | <b>1,199.08</b>         |
| <b>Deferred tax assets:</b>  |                         |                             |                         |
| a) Business Losses and unabsorbed depreciation for the year                            | -                       | (85.53)                     | (85.53)                 |
| b) Amounts deductible on payment basis   | -                       | -                           | -                       |
| c) Others  | -                       | -                           | -                       |
| <b>Total deferred tax Assets</b>   | <b>-</b>                | <b>(85.53)</b>              | <b>(85.53)</b>          |
| Mat Credit Entitlement   | -                       | -                           | -                       |
| Deferred tax Assets/(Liability) (Net)  | <b>(1,163.55)</b>       | <b>(121.06)</b>             | <b>(1,284.61)</b>       |
| Recognised in Profit or Loss as 'tax expenses'   |                         |                             | (121.06)                |
| Recognised in Other Comprehensive Income   |                         |                             | 28.78                   |
|  |                         |                             | <b>(92.29)</b>          |





**Note : 36 Financial assets and liabilities**

The carrying value of financial instruments by categories as of March 31, 2019 is as follows:

(Rupees in Lakhs)

|                              | Fair Value<br>Through Profit &<br>Loss A/C | Fair value through<br>other comprehensive<br>income | Amortised<br>cost | Total carrying<br>value |
|------------------------------|--|---|-------------------|-------------------------|
| <b>Financial Assets</b>      |  |   |                   |                         |
| Cash and cash equivalents    | –  | –   | 173.37            | 173.37                  |
| Trade receivables            | –  | –   | 3,442.10          | 3,442.10                |
| Other financial assets       | –  | –   | 761.84            | 761.84                  |
| <b>Total</b>                 | –  | –   | <b>4,377.31</b>   | <b>4,377.31</b>         |
| <b>Financial Liabilities</b> |  |   |                   |                         |
| Trade payables               | –  | –   | 3,385.32          | 3,385.32                |
| Borrowings                   | –  | –   | 9,082.94          | 9,082.94                |
| Other financial liabilities  | –  | –   | 1,678.33          | 1,678.33                |
| <b>Total</b>                 | –  | –   | <b>14,146.58</b>  | <b>14,146.58</b>        |

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

(Rupees in Lakhs)

|                              | Fair Value<br>Through Profit &<br>Loss A/C | Fair value through<br>other comprehensive<br>income | Amortised<br>cost | Total carrying<br>value |
|------------------------------|--|---|-------------------|-------------------------|
| <b>Financial Assets</b>      |  |   |                   |                         |
| Cash and cash equivalents    | –  | –   | 109.97            | 109.97                  |
| Trade receivables            | –  | –   | 5,263.71          | 5,263.71                |
| Other financial assets       | –  | –   | 657.67            | 657.67                  |
| <b>Total</b>                 | –  | –   | <b>6,031.35</b>   | <b>6,031.35</b>         |
| <b>Financial Liabilities</b> |  |   |                   |                         |
| Trade payables               | –  | –   | 4,025.41          | 4,025.41                |
| Borrowings                   | –  | –   | 4,754.63          | 4,754.63                |
| Other financial liabilities  | –  | –   | 2,128.57          | 2,128.57                |
| <b>Total</b>                 | –  | –   | <b>10,908.61</b>  | <b>10,908.61</b>        |

**Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are 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 — Inputs 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 financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

**As at March 31, 2019**

*(Rupees in Lakhs)*

| Particulars                  | Level 1 | Level 2 | Level 3  | Total    |
|------------------------------|---------|---------|----------|----------|
| <b>Financial Assets</b>      |         |         |          |          |
| Cash and cash equivalents    | –       | –       | 173.37   | 173.37   |
| Trade receivables            | –       | –       | 3,442.10 | 3,442.10 |
| Other financial assets       | –       | –       | 761.84   | 761.84   |
| <b>Financial Liabilities</b> |         |         |          |          |
| Trade payables               | –       | –       | 3,385.32 | 3,385.32 |
| Borrowings                   | –       | –       | 9,082.94 | 9,082.94 |
| Other financial liabilities  | –       | –       | 1,678.33 | 1,678.33 |

**As at March 31, 2018**

*(Rupees in Lakhs)*

| Particulars                  | Level 1 | Level 2 | Level 3  | Total    |
|------------------------------|---------|---------|----------|----------|
| <b>Financial Assets</b>      |         |         |          |          |
| Cash and cash equivalents    | –       | –       | 109.97   | 109.97   |
| Trade receivables            | –       | –       | 5,263.71 | 5,263.71 |
| Other financial assets       | –       | –       | 657.67   | 657.67   |
| <b>Financial Liabilities</b> |         |         |          |          |
| Trade payables               | –       | –       | 4,025.41 | 4,025.41 |
| Borrowings                   | –       | –       | 4,754.63 | 4,754.63 |
| Other financial liabilities  | –       | –       | 2,128.57 | 2,128.57 |

**Note : 37 Financial risk Management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk, Considering on-going CIRP process, quantum of these risks are not ascertainable.

The company is exposed to market risk, credit risk and liquidity risk, The Company's senior management overseas the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



**(A) 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 market prices. Market risk comprises three types of risk: Interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the company is currently carrying its loans at variable interest rates.

*(Rupees in Lakhs)*

| Particulars              | As at 31.3.2019 | As at 31.3.2018 |
|--------------------------|-----------------|-----------------|
| Variable rate borrowings | 13,447.23       | 15,629.43       |
| Fixed rate borrowings    | Nil             | Nil             |

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**Notes to Financial Statements for the year ended 31st March, 2018**

*(Rupees in Lakhs)*

| Particulars                 | Effect on Profit Before Tax |                 |
|-----------------------------|-----------------------------|-----------------|
|                             | As at 31.3.2019             | As at 31.3.2018 |
| Increase by 50 basis points | 67.24                       | 78.15           |
| Decrease by 50 basis points | (67.24)                     | (78.15)         |

**b) Foreign currency risks**

Foreign risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payable and receivable denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

Natural Hedging – We are availing PCFC limit as a sub limit to our CC limits wherein on the basis of our export POs we get our INR loan converted into USD loan under the same overall credit limit. On the other hand we have USD receivable against our exports. Thus both these acts as a natural hedge wherein our dollar collection covers for our dollar loan repayment. We try to keep our PCFC loan and Export receivable at even level in order to have full coverage.



i) Particulars of unhedged foreign currency exposure as at reporting date

(In Lakhs)

| Particulars                                 | As at 31.03.2019  |                | As at 31.03.2018 |             |
|---|-------------------|----------------|------------------|-------------|
|   | (Rs.)             | (USD)          | (Rs.)            | (USD)       |
| Trade Debtors                               | 1,061.43          | 15.64          | 2,229.89         | 34.28       |
| Trade Creditors                             | 40.70             | 0.60           | 0.74             | 0.01        |
| Amount covered by natural hedge (PCFC Loan) | 2,221.13          | 32.13          | 1,751.80         | 26.93       |
| <b>Unhedged Foreign Currency Exposure</b>   | <b>(1,200.41)</b> | <b>(17.08)</b> | <b>478.84</b>    | <b>7.36</b> |

**Foreign currency sensitivity**

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rupees in Lakhs)

| Particulars     | Effect on Profit Before Tax |                  |
|-----------------|-----------------------------|------------------|
|                 | As at 31.03.2019            | As at 31.03.2018 |
| USD Sensitivity |                             |                  |
| Decrease by 5%  | 60.02                       | (23.87)          |
| Increase by 5%  | (60.02)                     | 23.87            |

**(B) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions and other financial instruments.

**Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based 'on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

**Financial assets that expose the entity to credit risk: –**

(Rupees in Lakhs)

|  | As at 31.03.2019 | As at 31.03.2018 |
|--|------------------|------------------|
| <b>Low credit risk on reporting date</b> |                  |                  |
| Cash and cash equivalents                | 173.37           | 109.97           |
| Trade receivables                        | 3,442.10         | 5,263.71         |
| Investments                              | 706.24           | 706.15           |
| Loans(non-current)                       | 684.57           | 574.82           |
| Loans(current)                           | 77.27            | 82.85            |
| Moderate credit risk                     | –                | –                |
| High credit risk                         | –                | –                |

**Cash & Cash Equivalents and Bank Deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

**Trade Receivables**

The company closely monitors the credit-worthiness of debtors through internal system that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.

**Gross carrying amount of trade receivables: (Rupees in Lakhs)**

|                    | As at 31.03.2019 | As at 31.03.2018 |
|--------------------|------------------|------------------|
| Ageing             |                  |                  |
| Not due            |                  |                  |
| 0-180 days         | 3,392.08         | 4,683.88         |
| more than 180 days | 50.03            | 579.83           |

**(C) Liquidity risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

|   | As at 31.03.2019 | As at 31.03.2018 |
|---|------------------|------------------|
| Floating rate                                 |                  |                  |
| (a) Expiring within one year                  |                  |                  |
| Working Capital (Fund Based & Non Fund Based) | 576.35           | 1,856.76         |
| (b) Expiring beyond one year (Bank loans)     |                  |                  |
| Long Term Borrowing                           | -                | -                |

**The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments**
**As at 31st March, 2019 (Rupees in Lakhs)**

| Particulars   |                  |                 |                 |                      | Total            |
|---|------------------|-----------------|-----------------|----------------------|------------------|
|   | 0 to<br>1 year   | 1 to<br>2 years | 2 to<br>5 years | More than<br>5 years |                  |
| Contractual maturities of Long Term borrowings        | 1,640.11         | 1,271.52        | 1,452.66        | -                    | 4,364.29         |
| Contractual maturities of Short Term borrowings       | 9,082.94         | -               | -               | -                    | 9,082.94         |
| Contractual maturities of trade payables              | 3,385.32         | -               | -               | -                    | 3,385.32         |
| Contractual maturities of other financial liabilities | 32.37            | -               | -               | -                    | 32.37            |
| Unpaid Dividend                                       | 5.85             | -               | -               | -                    | 5.85             |
| <b>TOTAL</b>  | <b>14,146.58</b> | <b>1,271.52</b> | <b>1,452.66</b> | <b>-</b>             | <b>16,870.76</b> |



As at 31st March, 2018

(Rupees in Lakhs)

| Particulars   | 0 to<br>1 year   | 1 to<br>2 years | 2 to<br>5 years | More than<br>5 years | Total            |
|---|------------------|-----------------|-----------------|----------------------|------------------|
| Contractual maturities of Long Term borrowings        | 2,082.21         | 1,611.87        | 3,142.76        | –                    | 6,836.84         |
| Contractual maturities of Short Term borrowings       | 8,792.59         | –               | –               | –                    | 8,792.59         |
| Contractual maturities of trade payables              | 4,025.41         | –               | –               | –                    | 4,025.41         |
| Contractual maturities of other financial liabilities | 38.55            | –               | –               | –                    | 38.55            |
| Unpaid Dividend                                       | 7.81             | –               | –               | –                    | 7.81             |
| <b>TOTAL</b>  | <b>14,946.56</b> | <b>1,611.87</b> | <b>3,142.76</b> | <b>–</b>             | <b>19,701.19</b> |

**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

(Rupees in Lakhs)

| Particulars                     | As at 31.03.2019 | As at 31.03.2018 |
|---------------------------------|------------------|------------------|
| Borrowings                      | 13,447.22        | 15,629.43        |
| Trade payables                  | 3,385.32         | 4,025.41         |
| Less: Cash and cash equivalents | 173.37           | 109.97           |
| Net debt                        | 17,005.91        | 19,764.80        |
| Equity                          | 5,038.32         | 5,038.32         |
| Capital and net debt            | 22,044.23        | 24,803.12        |
| Gearing ratio                   | 77.14%           | 79.69%           |

**Note No. 38** The previous year figures have been regrouped/reclassified, wherever considered necessary to conform to the current year figures.

As per our report of even date attached

For and on behalf of the Board

**For Raj Gupta & Company**  
**Chartered Accountants**  
ICAI Firm Regd. No. 000203N

**(Abhishek Gupta)**  
(Partner)  
M.No. 530433

Place : New Delhi,  
Dated : 04th June, 2019

sd/-  
**Sanjay Tiku**  
Director

sd/-  
**Gautam Malhotra**  
Director

sd/-  
**Sandeep Singh Surya**  
Chief Financial Officer

sd/-  
**Mona K Bahadur**  
Company Secretary



**CONSOLIDATED FINANCIAL STATEMENT  
Of  
JMT AUTO LIMITED  
AND  
ITS SUBSIDIARIES**



## Independent Auditor's Report

To the Members of  
JMT Auto Limited,  
New Delhi

### Report on the Consolidated Ind AS financial statements

#### Qualified Opinion

We have audited the accompanying Consolidated IND AS financial statements of **JMT Auto Limited** ('the holding Group') and its subsidiary and joint venture (collectively referred to as "the Group") which comprise the consolidated balance sheet as at 31<sup>st</sup> March 2019, the consolidated statement of profit and loss [including other comprehensive income], the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as Consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion section of our report, the consolidated Ind AS financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, and its Profit and Loss (including other comprehensive income), Cash Flow Statement and its statement of changes in equity for the year ended.

#### Basis for Qualified opinion

- a) As per "**Indian Accounting Standard 109**" holding company was required to get the investment (Rs. 706.24 Lacs) at fair value but the same has not been done by the company, accordingly we are unable to ascertain the effect of the same on the Financial statements.
- b) Trade receivables & loan & advances include balance from the group entities which are subject to confirmation / reconciliation. Accordingly, we are unable to comment upon the recoverability of the same and its consequential impact on the financial statements.
- c) The financial statements and other financial information of the 1 overseas subsidiary and 1 joint venture included in the consolidated IND AS financial statements for the year ended March 31, 2019 are based on its Unaudited financial statements. Consequently, we are unable to comment and determine upon any adjustment that have been made to these consolidated 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 financial statements of the current period as we have not been provided with the audited results of investee companies. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Exceptional items include income amounting RS 6.99 crore which is due to reversal of depreciation on account of review of residual life of certain assets as the management. As per the significant estimates and assumptions of the management certain assets have more performing capacity accordingly life of such asset has been changed.

As per management some Inventory amounting Rs. 3.80 crore was not usable because of its obsolete nature. Hence management has taken the decision to write off the same in books of accounts.





### Emphasis of matter

We draw attention to the following:

- a) Trade receivables, Trade payables and Loan & Advances given which also includes balances from the group entities are subject to confirmation/reconciliation.
- b) The management has decided to discontinue with Dismantling provision on Plant & machinery, since they consider, the same will not be incurred at the time of dismantling at the end of the life of the machine.
- c) Exceptional Item includes Stock (Rs 380.00 Lacs) written off & Reversal of Excess Depreciation Charged (Rs. 699.00 Lacs) on account of review of residual life of certain Fixed assets. (Refer Note 5).
- d) Effects of **IND AS 12 “Income Taxes”** has not been considered by the management. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements. However, the Impact of the same was not material.
- e) We have relied upon the management for valuation of the inventory taken in the books of account and we have not verified the same.
- f) Refer Note No 6 regarding Netting off of Trade Creditors by the company.

### Information other than the financial statements and Auditor’s Report thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon. Our opinion on the consolidated 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management and Those Charged with Governance’s Responsibility for the Consolidated Ind AS financial statements

The management and holding company’s board of directors is responsible for the matters specified in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated IND AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance [including other comprehensive income], consolidated cash flows and consolidated changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards [Ind AS] prescribed under section 133 of the Act, read with companies ( Indian Accounting Standards ) rules 2015.

This responsibility also includes the maintenance of adequate accounting records including financial information considered necessary for the preparation of consolidated financial statement. Further, in accordance with the provisions of the Act, the respective board of directors/management of the companies included in the group, and its associates and joint venture companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the act and safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the 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.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no



realistic alternative but to do so. Those board of directors are also responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Report on other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - (a) Except for the matters described in the Basis for qualified opinion, 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, Except for the matters described in the Basis for qualified opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditors;
  - (c) Except for the matters described in the Basis for qualified opinion, the consolidated balance sheet, the consolidated statement of profit and loss [including other comprehensive income], the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account;
  - (d) In our opinion, Except for the matters described in the Basis for qualified opinion, the aforesaid Consolidated IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the relevant rules there under;
  - (e) In our opinion the matters described in the basis for qualified opinion above may have adverse effect in the functioning of the group.
  - (f) On the basis of the written representations received from the director of Holding company as on March 31, 2019 taken on record by the board of directors of the Holding company none of the directors are disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding company and its joint venture and subsidiary company covered under the Act and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - (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 and based on the consideration of the report of other auditors on separate financial statements/consolidated financial statements as also the other financial information of the joint venture and subsidiary:
    - i. The Consolidated IND AS financial statements disclose the impact of pending litigations on consolidated financial position of the Group, its joint venture [Refer Note no. 31.5].
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**For RAJ GUPTA & Co.**  
**Chartered Accountants**  
**Firm's registration number: 000203N**

**C A Abhishek Gupta**  
**[Partner]**  
**Membership number: 530433**

**New Delhi**  
**JUNE 4<sup>th</sup>, 2019**



## **Annexure – A to the Independent Auditors’ Report**

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”) of JMT Auto Limited

We have audited the internal financial controls over financial reporting of Holding company as of 31<sup>st</sup> March 2019 and its associates, joint ventures and subsidiaries in conjunction with our audit of the Consolidated IND AS financial statements for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective board of directors of the holding company, its subsidiary, associate and joint venture are 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 (“the Guidance Note”). 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 Group’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 Group’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 Consolidated 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 Group’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 Consolidated 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 Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Consolidated financial statements.



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**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 to the best of our information and according to the explanations given to us except for the matters described in Basis of Qualified Opinion 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 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Group 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 RAJ GUPTA & Co.**

**Chartered Accountants**

**Firm's registration number: 000203N**

**CA Abhishek Gupta**

**[Partner]**

**Membership number: 530433**

**Place : New Delhi**

**Dated : June 4<sup>th</sup>, 2019**



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**

(Rupees in Lakhs)

| PARTICULARS  | Notes | As at 31.03.2019 | As at 31.03.2018 |
|--|-------|------------------|------------------|
| <b>A ASSETS</b>  |       |                  |                  |
| <b>1 Non-current assets</b>                                      |       |                  |                  |
| (a) Property, plant and equipment                                | 3     | 16,334.31        | 12,978.57        |
| (b) Capital work-in-progress                                     | 3     | 128.76           | 292.99           |
| (c) Other intangible assets                                      | 3     | 2,529.79         | 47.80            |
| Goodwill due to consolidation                                    |       | 2,052.43         | -                |
| (d) <u>Financial assets</u>                                      |       |                  |                  |
| Investments  | 4     | 717.22           | 713.27           |
| Other Financial Assets   | 5     | 691.04           | 574.82           |
| (e) Other non-current assets                                     | 6     | 916.75           | 319.68           |
| <b>Sub total-Non-current assets</b>                              |       | <b>23,370.30</b> | <b>14,927.12</b> |
| <b>2 Current assets</b>  |       |                  |                  |
| (a) Inventories  | 7     | 16,014.10        | 12,970.31        |
| (b) <u>Financial assets</u>                                      |       |                  |                  |
| Trade receivables  | 8     | 5,967.97         | 5,263.71         |
| Cash and cash equivalents  | 9     | 441.38           | 109.97           |
| Other Financial Assets   | 10    | 77.27            | 82.85            |
| (c) Other current assets   | 11    | 3,997.80         | 5,313.57         |
| <b>Sub total current assets</b>                                  |       | <b>26,498.52</b> | <b>23,740.41</b> |
| <b>3. Assets held for Sale</b>                                   | 12    | -                | 16,380.37        |
| <b>TOTAL-ASSETS</b>  |       | <b>49,868.82</b> | <b>55,047.91</b> |
| <b>(B) EQUITY AND LIABILITIES</b>                                |       |                  |                  |
| <b>1 Equity</b>  |       |                  |                  |
| (a) Equity share capital   | 13    | 5,038.32         | 5,038.32         |
| (b) Other Equity   | 13    | 13,001.96        | (5,634.10)       |
| <b>Sub total-Equity</b>  |       | <b>18,040.27</b> | <b>(595.78)</b>  |
| <b>2 Liabilities</b>   |       |                  |                  |
| <b>Non-current liabilities</b>                                   |       |                  |                  |
| (a) <u>Financial liabilities</u>                                 |       |                  |                  |
| Borrowings   | 14    | 5,167.77         | 4,754.63         |
| (b) Provisions   | 15    | 314.20           | 151.71           |
| (c) Deferred Tax liability                                       | 16    | 2,462.84         | 1,183.19         |
| <b>Sub total-Non-current liabilities</b>                         |       | <b>7,944.81</b>  | <b>6,089.53</b>  |
| <b>Current liabilities</b>                                       |       |                  |                  |
| (a) <u>Financial liabilities</u>                                 |       |                  |                  |
| -Borrowings  | 17    | 9,550.38         | 8,792.59         |
| -Trade payables  | 18    | -                | -                |
| (i) Total outstanding dues of Micro & small enterprises          |       | -                | -                |
| (ii) Total outstanding dues other than Micro & small enterprises |       | 6,505.04         | 4,025.41         |
| Other current financial liabilities                              | 19    | 3,960.17         | 2,128.57         |
| (b) Other current liabilities                                    | 20    | 3,826.97         | 197.80           |
| (c) Provisions   | 21    | 41.17            | 2.68             |
| (d) Current Tax Liability  | 22    | -                | 382.17           |
| <b>Sub total-Current liabilities</b>                             |       | <b>23,883.73</b> | <b>15,529.21</b> |
| <b>3 Liabilities held for sale</b>                               | 23    | -                | 34,024.94        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |       | <b>49,868.82</b> | <b>55,047.91</b> |

Significant Accounting Policies & Notes on Financial Statements 1 to 43

As per our report of even date attached

For and on behalf of the Board

For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd. No. 000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Place : New Delhi,  
Dated : 04th June, 2019

sd/-  
Sanjay Tiku  
Director

sd/-  
Gautam Malhotra  
Director

sd/-  
Sandeep Singh Surya  
Chief Financial Officer

sd/-  
Mona K Bahadur  
Company Secretary



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rupees in Lakhs)

| PARTICULARS   | Note           | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|----------------|-------------------------------|-------------------------------|
| <b>(A) Revenue</b>  |                |                               |                               |
| (a) Revenues from operations  | 24             | 57,759.21                     | 34,724.02                     |
| (b) Other Income  | 25             | 247.66                        | 51.59                         |
| <b>Total Revenue</b>  |                | <b>58,006.87</b>              | <b>34,775.61</b>              |
| <b>(B) Expenses:</b>  |                |                               |                               |
| (a) Cost of material consumed   | 26             | 24,384.08                     | 14,077.40                     |
| (b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade   | 27             | (1,695.53)                    | (514.51)                      |
| (c) Employee benefit expenses   | 28             | 9,787.69                      | 2,066.19                      |
| (d) Financial Cost  | 29             | 2,900.56                      | 1,900.77                      |
| (e) Depreciation and Amortization   | 30             | 3,860.31                      | 2,858.19                      |
| (f) Other expenses  | 31             | 20,971.37                     | 14,214.75                     |
| <b>Total Expenses</b>   |                | <b>60,208.48</b>              | <b>34,602.80</b>              |
| <b>(C) Profit before Exceptional items and tax (A-B)</b>  |                | (2,201.61)                    | 172.81                        |
| <b>(D) Exceptional items [(Income/Expense)]</b>   | 32             | 330.67                        | -                             |
| <b>(E) Profit after Exceptional items (C+D)</b>   |                | (1,870.94)                    | 172.81                        |
| <b>(F) VII. Share of Associates/Joint Ventures</b>  |                | 3.95                          | (1.76)                        |
| <b>(G) VIII. Profit/Loss Before Tax (E-F)</b>   |                | <b>(1,866.99)</b>             | <b>171.05</b>                 |
| <b>(H) Less: Provision for Tax:</b>   |                |                               |                               |
| Current tax   | 33             | 46.24                         | 536.53                        |
| Previous Year Income Tax  |                | -                             | 36.91                         |
| Deferred tax  |                | (162.46)                      | -                             |
| MAT Credit Utilized   |                | -                             | (479.93)                      |
| <b>Total</b>  |                | <b>(116.22)</b>               | <b>93.51</b>                  |
| <b>(I) Profit/(Loss) from continuing operations (G-H)</b>   |                | <b>(1,750.77)</b>             | <b>77.54</b>                  |
| <b>(J) Other Comprehensive Income</b>   |                |                               |                               |
| (i) Item that will not be reclassified to profit or loss  |                | 408.16                        | 0.55                          |
| (ii) Income tax relating to items that will not be reclassified to profit or loss   |                | 28.78                         | (0.17)                        |
| <b>Other Comprehensive Items (Net of Tax)</b>   | 34             | 436.94                        | 0.38                          |
| <b>(K) Total Comprehensive Income/(Loss) for the year (H+I) Comprising profit/(Loss) and other comprehensive income for the year)</b> |                | <b>(1,313.83)</b>             | <b>77.92</b>                  |
| (L) Profit/(loss) from discontinued operations  | 35             | -                             | 10,227.62                     |
| (M) Tax Expense of discontinued operations  |                | -                             | 127.29                        |
| <b>(N) Profit/(Loss) from discontinued operations (after tax) (L+M)</b>   |                | -                             | <b>10,354.91</b>              |
| (O) Other Comprehensive Income from discontinued business (net of tax)  |                | -                             | (3,240.28)                    |
| (P) Total Comprehensive Income from discontinued business (N+O)   |                | -                             | 7,114.63                      |
| (Q) Total Comprehensive Income (Comprising profit/Loss) and other Comprehensive income for the year (K+P)                             |                | (1,313.83)                    | 7,192.55                      |
| <b>(R) Earnings Per Share (For continuing operation) (not annualized)</b>   | 36             |                               |                               |
| (1) Basic   |                | (0.26)                        | 0.02                          |
| (2) Diluted   |                | (0.26)                        | 0.02                          |
| <b>Earning Per Share (for discontinued and discontinuing operation) (not annualized)</b>  |                |                               |                               |
| (1) Basic   |                | -                             | 1.41                          |
| (2) Diluted   |                | -                             | 1.41                          |
| <b>(S) Earning per equity share (for continuing &amp; discontinued operation):</b>  |                |                               |                               |
| (1) Basic   |                | (0.26)                        | 1.43                          |
| (2) Diluted   |                | (0.26)                        | 1.43                          |
| <b>Significant Accounting Policies &amp; Notes on Financial Statements</b>  | <b>1 to 43</b> |                               |                               |

As per our report of even date attached

For and on behalf of the Board

For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd. No. 000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Place : New Delhi,  
Dated : 04th June, 2019

sd/-  
Sanjay Tiku  
Director

sd/-  
Gautam Malhotra  
Director

sd/-  
Sandeep Singh Surya  
Chief Financial Officer

sd/-  
Mona K Bahadur  
Company Secretary



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

(Rupees in Lakhs)

| Particulars  | For the Year Ended<br>31.03.2019 | For the Year Ended<br>31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                    |                                  |                                  |
| Profit as per Profit & Loss Account (PBT)                        | (1,866.99)                       | 171.05                           |
| Share of Profit from Joint ventures                              | (3.95)                           | 1.76                             |
| Add : Depreciation & Amortisation                                | 3,860.31                         | 2,858.19                         |
| Less : Additional Depreciation                                   | (699.00)                         | -                                |
| Add : Diminution in value of Inventories                         | 380.00                           | -                                |
| Add : Provision for doubtful debts                               | 522.63                           | -                                |
| Add : Financial Expenses   | 2,900.56                         | 1,900.77                         |
| Less : Dismantalling provision writtenback                       | (11.67)                          | -                                |
| Less : Profit on sales of Property Plant & Equipments            | (78.03)                          | (3.03)                           |
| Less: Interest Received & Other Income                           | (58.56)                          | (38.26)                          |
|  | <b>4,945.30</b>                  | <b>4,890.47</b>                  |
| <b>Change in Current / Non Current Liabilities:</b>              |                                  |                                  |
| (Increase)/Decrease in Inventories                               | (3,423.79)                       | (1,189.05)                       |
| (Increase)/Decrease in Trade Receivables                         | (1,226.89)                       | 258.09                           |
| (Increase)/Decrease in Other Non- Current Assets                 | (713.30)                         | 70.87                            |
| (Increase)/Decrease in Other Current Assets                      | 1,318.74                         | 362.13                           |
| (Increase)/Decrease in Trade Payable                             | 2,479.63                         | (119.28)                         |
| Increase/(Decrease) in Current Liabilities                       | 3,627.22                         | (379.69)                         |
| Increase/(Decrease) in Provisions                                | 609.15                           | 47.39                            |
| <b>Cash generation from operations activities</b>                | <b>7,616.05</b>                  | <b>3,940.93</b>                  |
| Direct Tax Paid  | (498.05)                         | (154.35)                         |
| <b>Net cash from operating activities</b>                        | <b>7,118.00</b>                  | <b>3,786.58</b>                  |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                                  |                                  |
| Addition to Fixed Assets   | (2,204.16)                       | (479.72)                         |
| Adjustment in Capital work in progress                           | 164.22                           | (209.73)                         |
| Addition due to acquisition                                      | (5,829.11)                       | -                                |
| Interest Received & Other income                                 | 61.17                            | 38.26                            |
| Proceed from sale of fixed assets                                | 677.50                           | 25.49                            |
| (Purchase) / Sales of investments (Net)                          | 239.86                           | 1.52                             |
| <b>Net Cash from Investing activities</b>                        | <b>(6,890.53)</b>                | <b>(624.16)</b>                  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                                  |                                  |
| (Repayment) /Disbursement of Long Term and Short Term borrowings | 1,832.55                         | (1,188.50)                       |
| Finance Charges Paid   | (1,728.61)                       | (1,900.77)                       |
| <b>Net Cash from financing activities</b>                        | <b>103.94</b>                    | <b>(3,089.27)</b>                |
| <b>Net cash flows during the year (A+B+C)</b>                    | <b>331.41</b>                    | <b>73.15</b>                     |
| <b>Cash &amp; cash equivalents (opening balance)</b>             | <b>109.97</b>                    | <b>36.81</b>                     |
|  | <b>441.38</b>                    | <b>109.97</b>                    |

As per our report of even date attached

For and on behalf of the Board

For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd. No. 000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Place : New Delhi,  
Dated : 04th June, 2019

sd/-  
Sanjay Tikku  
Director

sd/-  
Gautam Malhotra  
Director

sd/-  
Sandeep Singh Surya  
Chief Financial Officer

sd/-  
Mona K Bahadur  
Company Secretary



## Issued, Subscribed and Paid-up Share Capital

### A. Equity Share Capital

(Rupees in Lakhs)

| Particulars                               | Balance as at | Changes during | Balance as at |            |
|---|---------------|----------------|---------------|------------|
|   | 01.04.2017    | 01.04.2017     | the Period    | 31.03.2018 |
| 503,832,140 Equity Shares of Rs. 1/ each) | 5038.32       | 5038.32        | –             | 5038.32    |

| Particulars                               | Balance as at | Changes during | Balance as at |            |
|---|---------------|----------------|---------------|------------|
|   | 01.04.2018    | 01.04.2018     | the Period    | 31.03.2019 |
| 503,832,140 Equity Shares of Rs. 1/ each) | 5038.32       | 5038.32        | –             | 5038.32    |

### B. Other Equity

(Rupees in Lakhs)

| Particulars                             | Reserve and Surplus |   |                            |                      |                 |                   | Other Comprehensive Income   |                                      | Total      |
|---|---------------------|---|----------------------------|----------------------|-----------------|-------------------|--|--------------------------------------|------------|
|   | Capital Reserve     | Capital Reserve pursuant to consolidation | Securities Premium Reserve | Equilisation Reserve | General Reserve | Retained Earnings | Reclassification of actuarial gains/ (Losses), on account of Defined Employee Benefit Obligation | Foreign Currency Translation Reserve |            |
| <b>As at 01.04.2018</b>                 | 24,136.13           | –   | 599.41                     | (442.54)             | 1,109.33        | (24,373.52)       | (6,599.01)   | (63.90)                              | (5,634.10) |
| <b>Inter-Transfer</b>                   | (23,610.63)         | 23,610.63                                 | –                          | –                    | –               | –                 | –  | –                                    | –          |
| De-consolidation of Subsidiary          | –                   | (23,610.63)                               | –                          | 442.54               | (28.50)         | 34,242.15         | 6,599.01   | –                                    | 17,644.57  |
| Profit/Loss during the year             | –                   | –   | –                          | –                    | –               | (1,750.77)        | –  | –                                    | (1,750.77) |
| Total Comperhensive Income for the year | –                   | –   | –                          | –                    | –               | –                 | –  | 436.94                               | 436.94     |
| Additions due to Acquisition            | –                   | 2,305.32                                  | –                          | –                    | –               | –                 | –  | –                                    | 2,305.32   |
| <b>As at 31.03.2019</b>                 | 525.50              | 2,305.32                                  | 599.41                     | –                    | 1,080.83        | 8,117.87          | –  | 373.04                               | 13,001.96  |



**JMT AUTO LIMITED**  
AN ANTEK GROUP COMPANY

ANNUAL REPORT 2018-19

(Rupees in Lakhs)

| Particulars                             | Reserve and Surplus |                       |                         |                    |                     | Other Comprehensive Income   |   | Total<br>Currency |
|---|---------------------|-----------------------|-------------------------|--------------------|---------------------|--|---|-------------------|
|   | Capital<br>Reserve  | Securities<br>Reserve | Equilisation<br>Premium | General<br>Reserve | Retained<br>Reserve | Reclassification of<br>Earnings<br>(Losses), on account<br>of Defined Employee<br>Benefit Obligation | Foreign<br>actuarial gains/<br>Translation<br>Reserve |                   |
| As at 01.04.2017                        | 24,136.13           | 599.41                | (442.54)                | 1,109.33           | (34,805.96)         | (3,358.73)   | (64.28)   | (12,826.65)       |
| Profit/Loss during the year             | -                   | -                     | -                       | -                  | 10,4232.45          | -  | -   | 10,4232.45        |
| Other Comprehensive Income for the year | -                   | -                     | -                       | -                  | -                   | (3,240.28)   | 0.38  | (3,239.90)        |
| As at 31.03.2018                        | 24,136.13           | 599.41                | (442.54)                | 1,109.33           | (24,373.52)         | (6,599.01)   | 63.90   | (5,634.10)        |

As per our report of even date attached  
For Raj Gupta & Company  
Chartered Accountants  
ICAI Firm Regd No. 000203N

For and on behalf of the Board

(Abhishek Gupta)  
Partner  
M.No 530433

Sanjay Tikku  
Director

Gautam Malhotra  
Director

Place : New Delhi  
Dated : 04th June, 2019

Sandeep Singh Surya  
Chief Financial Officer

Mona K Bahadur  
Company Secretary



## Notes forming part of the Consolidated financial statements

### 1. Company Overview

JMT Auto Limited incorporated as Public Limited Company is into the business of manufacturing of Auto Components. The core competency of the Company is into manufacturing of Gear and Transmission parts. The Manufacturing facilities are located in Jamshedpur, Jharkhand and Dharwad, Karnataka. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

Company has its Registered Office at 3, Local Shopping Centre, Pamposh Enclave, G.K.-1, New Delhi

### 2. Significant Accounting Policies

#### 2.1 Statement of Compliance Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under the historical cost conversion on the accrual basis except for certain financial instruments which are measured at fair value, the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been applied consistently to all periods presented in these financial statements. The Consolidated financial statements comprises of JMT Auto Limited and its subsidiary and associates being the entities that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements. The Consolidated Financials Statement are presented in Indian Rupees and all values are rounded to the nearest Rupees lacs, except when otherwise indicated.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### 2.2.1 Useful lives of property, plant and equipment & Capital Work in progress.

Company reviews the life of property plant and equipment at the end of each reporting period and more frequently. This re-assessment may result in change in depreciation expense in future periods.

##### 2.2.2 Valuation of deferred tax assets / liabilities / MAT Credit

The company reviews the carrying amount of deferred tax assets/ Liabilities at the end of each reporting period.

##### 2.2.3 Provisions and contingent liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements, however when the realization is virtually certain then the related asset cease to be a contingent asset and therefore recognized. However, the detail of existing contingencies as on 31st March, 2019 is provided.

### 2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are exclusive of excise duty/GST and net of returns, trade allowances, rebates, discounts,



value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

**Sale of goods**

Sales are recognised when substantial risk and rewards of ownership are transferred to customer as per the terms of the contract, there is no continuing managerial involvement with the goods. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods., in case of domestic customer, sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, sales takes place when goods are shipped on board based on bill of lading.

**Revenue from Services**

Revenue from services is recognised in the accounting period in which the services are rendered.

**Other operating revenue - Export incentives**

Revenue in respect of export incentives is recognised when such incentives accrue upon export of goods.

**2.4 Principles of Consolidation and Equity Accounting**

Consolidated financial statements are the financial statements of the group in which assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

**(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls the entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date, the control seizes. The group combines the financial statements of the parent and its subsidiaries line by line, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains all transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the transferred assets. Accounting policies of subsidiaries have been changed wherever considered necessary to ensure consistency with the policies adopted by the group. Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of the profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**(ii) Associates**

Associates are all entities over which the group has significant influence but does not have control or joint control. This is generally a case where the group holds between 20%-50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

**(iii) Joint Ventures**

Interest in Joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

**(iv) Equity Method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment. When the Group's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealized gains on transactions between the Group and its associates and joint



ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments are tested for impairment.

**(v) Changes in ownership interests**

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity. When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of related assets or liabilities. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

**2.5 Foreign currency translations**

**(i) Functional and Presentation Currency**

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

**(ii) 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 settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as part of the entity's net investment in that foreign operation. Foreign exchange differences regarded as adjustment to borrowing cost are presented within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/losses. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

**(iii) Group Companies**

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest.

**2.6 Employee benefits**

- Long - Term Employee Benefits The liability for gratuity & leave encashment is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.



- Short-Term Employee Benefits Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

## 2.7 Borrowing costs

Borrowing costs consist of interest 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 interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. Processing fee paid for borrowings is amortized over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

## 2.8 Depreciation & Amortization

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be. Leasehold assets are amortized equally over the period of their lease.

## 2.9 Impairment of Assets

### i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

### ii) Non-financial assets

#### a) Property, Plant & equipment and Intangible Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

#### b) Investment in subsidiaries

Investments in subsidiaries are valued at Cost less impairment (In conformity with IND AS 110).

#### c) Investment in associates / Joint Venturesd) Investment held by the company in associates / joint ventures have been valued at Fair Value Through Other Comprehensive Income [FVTOCI] (In conformity with IND AS 110).

#### e) Investment - Others

Current InvestmentsQuoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL]. Non-Current InvestmentsQuoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

## 2.10 Non-Current Assets held for sale/ Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts is likely to be recovered principally through a sale rather than through continuing use and there is a commitment from the management to sale the above assets within one year from the date of classification. The asset is regarded as held for sale only when the assets or disposal group is available for immediate sale in its present condition,



subject only to the terms that are usual and customary for sales and its sale is highly probable and also it will genuinely be sold, not abandoned. Non-current assets held for sale to owners and disposal groups are measured at lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets held for sale, once classified as held for sale are not further depreciated or amortized. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

### **2.11 Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.

### **2.12 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located.

### **2.13 Financial instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments. Trade receivables, loans and advances which also includes balances from group entities are subject to confirmation and reconciliation. Fair value of investments have not been considered in the books of account.

#### **De-recognition of financial instruments**

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **2.14 Borrowings**

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at



amortized cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognized and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years. In view of default in payment of interest/repayment of instalments, all term loans/NCD's and ECB'S have become payable on demand and therefore, have been taken to the head "Other Current Financial Liability".

### 2.15 Investments

**a) Investment in subsidiaries**

Investments in subsidiaries are valued at Cost less impairment (In conformity with IND AS 110).

**b) Investment in associates / Joint Ventures**

Investment held by the company in associates/joint ventures have been valued at Cost less impairment (In conformity with IND AS 110).

**c) Investment - Others**

**Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL].

**Non-Current Investments** Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

### 2.16 Provisions

A provision is recognized if, as a result of a past event, the group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### 2.17 Inventories

- Raw Material, Goods under process and Finished Goods are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories also included all other costs incurred in bringing the inventories to their present location and condition.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.
- \*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

### 2.18 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 2.19 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Furthermore,





unpaid/ unclaimed dividend are transferred to unpaid dividend account and on expiration of 7 years period, same are deposited in Investor Education and Protection Fund.

### **2.20 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

### **2.21 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.

### **2.22 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 Group. 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 Group 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 Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Group 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 or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- \* Disclosures for valuation methods, significant estimates and assumptions
- \* Quantitative disclosures of fair value measurement hierarchy
- \* Investment in unquoted equity shares
- \* Financial instruments

### **2.23 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Act.

**Note No: 3 FIXED ASSETS**

(Rupees in Lakhs)

| Particulars                         | Land-Leasehold | Land-Freehold | Building        | Plant and Equipment | Furnitures & Fixtures | Vehicles      | Office Equipment | Data Processing Units | Total            | Other Intangible Assets |
|-------------------------------------|----------------|---------------|-----------------|---------------------|-----------------------|---------------|------------------|-----------------------|------------------|-------------------------|
| <b>Carrying Value</b>               |                |               |                 |                     |                       |               |                  |                       |                  |                         |
| <b>As at 31.03.2017 (A)</b>         | <b>516.26</b>  | <b>248.94</b> | <b>5,625.95</b> | <b>32,851.97</b>    | <b>234.13</b>         | <b>143.75</b> | <b>211.90</b>    | <b>268.80</b>         | <b>40,101.70</b> | <b>124.81</b>           |
| Additions                           | -              | 16.76         | -               | 368.09              | 0.66                  | 12.71         | 22.18            | 8.04                  | 428.44           | 51.28                   |
| Disposals                           | -              | -             | -               | 18.45               | -                     | 4.01          | -                | -                     | 22.46            | -                       |
| <b>As at 31.03.2018 (B)</b>         | <b>516.26</b>  | <b>265.70</b> | <b>5,625.95</b> | <b>33,201.61</b>    | <b>234.79</b>         | <b>152.45</b> | <b>234.08</b>    | <b>276.84</b>         | <b>40,507.68</b> | <b>176.09</b>           |
| Additions                           | -              | -             | -               | 1,938.63            | 1.91                  | 13.71         | 221.79           | 11.55                 | 2,187.59         | 16.58                   |
| Balance acquired due to acquisition | 479.60         | -             | -               | 17,991.20           | -                     | -             | 3,822.80         | -                     | 22,293.69        | 3,856.22                |
| Disposals                           | -              | -             | -               | 1,042.98            | -                     | -             | -                | -                     | 1,042.98         | -                       |
| INDAS Reversal                      | -              | -             | -               | 54.82               | -                     | -             | -                | -                     | 54.82            | -                       |
| FCTR                                | 12.77          | -             | -               | 485.01              | -                     | -             | 107.96           | -                     | 605.75           | 103.19                  |
| <b>As at 31.03.2019 (C)</b>         | <b>983.17</b>  | <b>265.70</b> | <b>5,625.95</b> | <b>51,548.62</b>    | <b>236.70</b>         | <b>166.16</b> | <b>4,170.71</b>  | <b>288.39</b>         | <b>63,285.40</b> | <b>3,945.70</b>         |
| <b>Depreciation</b>                 |                |               |                 |                     |                       |               |                  |                       |                  |                         |
| <b>As at 01.04.2017 (D)</b>         | <b>52.53</b>   | <b>-</b>      | <b>1,817.28</b> | <b>22,177.25</b>    | <b>190.61</b>         | <b>52.42</b>  | <b>170.07</b>    | <b>226.15</b>         | <b>24,686.31</b> | <b>112.88</b>           |
| Provided during the period*         | 22.89          | -             | 189.62          | 2,561.63            | 15.14                 | 20.95         | 19.25            | 13.32                 | 2,842.80         | 15.41                   |
| Written back during the period      | -              | -             | -               | -                   | -                     | -             | -                | -                     | -                | -                       |
| Adjustments*                        | -              | -             | -               | -                   | -                     | -             | -                | -                     | -                | -                       |
| <b>As at 31.03.2018 (E)</b>         | <b>75.42</b>   | <b>-</b>      | <b>2,006.90</b> | <b>24,738.88</b>    | <b>205.75</b>         | <b>73.37</b>  | <b>189.32</b>    | <b>239.47</b>         | <b>27,529.11</b> | <b>128.29</b>           |
| Acquired due to acquisition         | 52.73          | -             | -               | 13,611.47           | -                     | -             | 3,911.16         | -                     | 17,575.36        | 952.02                  |
| Provided during the period*         | 22.89          | -             | 189.34          | 3,205.27            | 7.65                  | 12.74         | 33.12            | 17.84                 | 3,488.85         | 371.46                  |
| Written back during the period      | -              | -             | -               | 443.51              | -                     | -             | -                | -                     | 443.51           | -                       |
| Reversal of Dep. on Dismantling     | -              | -             | -               | 11.67               | -                     | -             | -                | -                     | 11.67            | -                       |
| Adjustments*                        | -              | -             | -               | 699.00              | -                     | -             | -                | -                     | 699.00           | -                       |
| FCTR                                | 1.40           | -             | -               | 382.00              | -                     | -             | 104.64           | -                     | 488.04           | 35.86                   |
| <b>As at 31.03.2019 (F)</b>         | <b>149.64</b>  | <b>0.00</b>   | <b>2,196.24</b> | <b>40,019.44</b>    | <b>213.40</b>         | <b>86.11</b>  | <b>4,028.97</b>  | <b>257.31</b>         | <b>46,951.09</b> | <b>1,415.90</b>         |
| <b>Net Block</b>                    | <b>907.75</b>  | <b>265.70</b> | <b>3,619.06</b> | <b>26,809.74</b>    | <b>30.95</b>          | <b>92.78</b>  | <b>3,981.39</b>  | <b>48.92</b>          | <b>35,756.30</b> | <b>3,817.41</b>         |
| <b>As at 31.03.2019 (C-F)</b>       | <b>833.53</b>  | <b>265.70</b> | <b>3,429.72</b> | <b>11,529.19</b>    | <b>23.30</b>          | <b>80.04</b>  | <b>141.74</b>    | <b>31.08</b>          | <b>16,334.31</b> | <b>2,529.79</b>         |
| <b>As at 31.03.2018 (B-E)</b>       | <b>440.83</b>  | <b>265.70</b> | <b>3,619.06</b> | <b>8,462.73</b>     | <b>29.04</b>          | <b>79.07</b>  | <b>44.76</b>     | <b>37.37</b>          | <b>12,978.57</b> | <b>47.80</b>            |

**Note – Reversal of depreciation on account of review of residual life of certain assets, depreciation on dismantling cost.**

| Particulars                   | As at 31.03.2019 | As at 31.03.2018 |
|-------------------------------|------------------|------------------|
| Property, plant and equipment | 16,334.31        | 12,978.57        |
| Capital work-in-progress      | 128.76           | 292.99           |
| Other intangible assets       | 2,529.79         | 47.80            |
| <b>Total Fixed Assets</b>     | <b>Total</b>     | <b>18,992.87</b> |
|                               |                  | <b>13,319.36</b> |


**JMT AUTO LIMITED**  
 AN AMTEK GROUP COMPANY

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**Notes to Consolidated Financial Statements**

**Note No. 04 INVESTMENTS**

(Rupees in Lakhs)

| Particulars   | As at 31.3.2019 | As at 31.3.2018 |
|---|-----------------|-----------------|
| <b>1. Investment in Equity instruments of Joint Ventures and Associates - UnQuoted</b>      |                 |                 |
| <b>Amtek Riken Casting Private Limited</b>  | 711.07          | 707.12          |
| 70,00,000 (FY 2018-70,00,000, FY 2017-70,00,000) Equity Shares of Rs 10/- Each              |                 |                 |
| <b>2. Investment in Equity instruments of Overseas Subsidiaries- Unquoted</b>               |                 |                 |
| (i) 10000 (Nil) Equity shares Amtek Metallic Systems Pte Ltd. of 1/- SGD Each               | —               | —               |
| (ii) Nil (10) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each             | —               | —               |
| <b>3. Other Investment in Equity Investment- Others</b>                                     |                 |                 |
| (i) 10,000 (10,000) equity shares of Nicco Jubilee Park Limited Rs 10 each fully paid up    | 1.00            | 1.00            |
| Less: Impairment  | (1.00)          | (1.00)          |
| (ii) 10,000 (10,000) equity shares of Jaimex International Pvt Ltd Rs 10 each fully paid up | 1.00            | 1.00            |
| Less: Impairment  | (1.00)          | (1.00)          |
| (iii) 600 (600) equity shares of Adityapur Auto Cluster Rs 1000/- each fully paid up        | 6.00            | 6.00            |
| <b>4. Other Investment in Equity Instruments at Fair Value through Profit &amp; Loss</b>    |                 |                 |
| 10 (Nil) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each                  | —               | —               |
| <b>5. National Savings Certificate</b>  | 0.15            | 0.15            |
| <b>Total</b>  | <b>717.22</b>   | <b>713.27</b>   |

(Rupees in Lakhs)

| Particulars  | As at 31.3.2019 | As at 31.3.2018 |
|--|-----------------|-----------------|
| Aggregate Value of Unquoted Investment                 |                 |                 |
| - In subsidiaries                                      | 0.00            | 0.00            |
| - In Joint Ventures                                    | 711.07          | 707.12          |
| - In others  | 8.00            | 8.00            |
| - In others  | —               | —               |
| Other Investments                                      | 0.15            | 0.15            |
| Aggregate amount of Impairment in value of Investments | (2.00)          | (2.00)          |

**Note :** The holding company is holding investment in Amtek Machining Systems Pte Limited (AMSPL) which is being officially managed, including the maintenance of books of accounts, by its subsidiary Rege Holdings. Rege holdings has gone into receivership and pursuant to this the Holding company lost control over AMSPL. Consequently the financial statement or other financial data for the year ended 31st March 2019 of AMSPL, Which is operationally managed by Rege holding, are not available with the current management of the company. Pursuant to loss of control over AMSPL and its investment has henceforth been classified as FVTPL at Nil Value.



**Note No. 05 Other Financial Asset (Rupees in Lakhs)**

| Particulars      | As at 31.3.2019 | As at 31.3.2018 |
|------------------|-----------------|-----------------|
| Security Deposit | 691.04          | 574.82          |
| <b>Total</b>     | <b>691.04</b>   | <b>574.82</b>   |

**Note No. 06 Other Non-Current Assets (Rupees in Lakhs)**

| Particulars                  | As at 31.3.2019 | As at 31.3.2018 |
|------------------------------|-----------------|-----------------|
| <b>Capital advance</b>       |                 |                 |
| Unsecured, Considered Good   | 648.59          | 150.41          |
| <b>Others</b>                |                 |                 |
| Advance Tax net of provision | 210.56          | 169.27          |
| Prepaid expenses             | 57.60           | —               |
| <b>Total</b>                 | <b>916.75</b>   | <b>319.68</b>   |

**Note No. 07 INVENTORIES (AS CERTIFIED BY MANAGEMENT) (Rupees in Lakhs)**

| Particulars                     | As at 31.3.2019  | As at 31.3.2018  |
|---------------------------------|------------------|------------------|
| Raw Material -                  | 2,580.40         | 2,254.59         |
| Work in Progress                | 11,084.32        | 9,681.64         |
| Finished Goods                  | 1,540.25         | 407.69           |
| Consumables (stores and spares) | 809.13           | 626.40           |
| <b>Total</b>                    | <b>16,014.10</b> | <b>12,970.31</b> |

**Note No. 08 TRADE RECEIVABLES (Rupees in Lakhs)**

| Particulars        | As at 31.3.2019 | As at 31.3.2018 |
|--------------------|-----------------|-----------------|
| Not Due            | 2,235.22        | 5,263.71        |
| 0–30 days          | 652.40          | —               |
| 31–60 days         | 108.01          | —               |
| 61–90 days         | 176.85          | —               |
| 91–180 days        | 2,745.47        | —               |
| More than 180 days | 50.03           | —               |
| <b>Total</b>       | <b>5,967.97</b> | <b>5,263.71</b> |



**Note No. 09 CASH AND CASH EQUIVALENTS**

(Rupees in Lakhs)

| Particulars                               | As at 31.3.2019 | As at 31.3.2018 |
|---|-----------------|-----------------|
| Cash in Hand                              | 6.59            | 6.88            |
| <b>Balance with Schedule Banks</b>        |                 |                 |
| -Current accounts                         | 270.89          | 95.20           |
| -EEFC Account                             | 2.96            | 0.08            |
| <b>Earmarked Balances</b>                 | 155.08          | —               |
| -Balance in banks against unpaid dividend | 5.85            | 7.81            |
| <b>Total</b>                              | <b>441.38</b>   | <b>109.97</b>   |

\*Cash and Cash Equivalents as on 31st March 2019 and 31st March 2018 includes restricted bank balances of Rs. 5.85 Lakhs and Rs. 7.81 Lakhs respectively. The restricted is primarily on account of cash and bank balances held on account of Unpaid Dividends.

**Note No. 10 OTHER CURRENT FINANCIAL ASSETS**

(Rupees in Lakhs)

| Particulars                  | As at 31.3.2019 | As at 31.3.2018 |
|------------------------------|-----------------|-----------------|
| Staff advances               | 14.80           | 17.77           |
| Interest accrued on deposits | 38.59           | 41.20           |
| Security Deposit             | 23.88           | 23.88           |
| <b>Total</b>                 | <b>77.27</b>    | <b>82.85</b>    |

**Note No. 11 OTHER CURRENT ASSETS**

(Rupees in Lakhs)

| Particulars                                       | As at 31.3.2019 | As at 31.3.2018 |
|---|-----------------|-----------------|
| <b>Loans &amp; Advances*</b>                      |                 |                 |
| <b>Unsecured, Considered Good:</b>                |                 |                 |
| Advance to parties                                | 3,239.67        | 4,333.22        |
| Prepaid expenses                                  | 78.63           | 76.51           |
| Balance with Revenue Authorities (Indirect taxes) | 660.99          | 903.84          |
| Income Tax refund                                 | 18.50           | —               |
| <b>Total</b>                                      | <b>3,997.80</b> | <b>5,313.57</b> |



**Note No. 12 ASSETS HELD FOR SALE**

(Rupees in Lakhs)

| Particulars                   | As at 31.3.2019 | As at 31.3.2018  |
|-------------------------------|-----------------|------------------|
| <b>Assets held for sale</b>   | 16,380.37       | 16,380.37        |
| <b>Less: De consold</b>       | 16,380.37       | –                |
| <b>Balance</b>                | –               | 16,380.37        |
| Property, plant and equipment |                 | 4,718.33         |
| Intangible assets             |                 | 5,012.78         |
| Other non current Assets      |                 | 155.33           |
| Inventories                   |                 | 1,933.22         |
| Trade receivables             |                 | 3,935.60         |
| Cash and cash equivalents     |                 | 335.16           |
| Other current assets          |                 | 289.95           |
| <b>Total</b>                  |                 | <b>16,380.37</b> |

**Note No. 13 SHARE CAPITAL**

(Rupees in Lakhs)

| Particulars   | As at 31.3.2019 | As at 31.3.2018 |
|---|-----------------|-----------------|
| <b>Authorized</b>                                     |                 |                 |
| 525000000 (525,000,000 Equity Shares of Re. 1 each)   | 5,250.00        | 5,250.00        |
| <b>Total</b>  | <b>5,250.00</b> | <b>5,250.00</b> |
| <b>Issued, Subscribed and Paid - Up</b>               |                 |                 |
| <b>Equity Shares</b>                                  |                 |                 |
| (31.03.2019: 503,832,140 Equity Shares of Re. 1 each) | 5,038.32        | 5,038.32        |
| (31.03.2018: 503,832,140 Equity Shares of Rs. 1 each) | –               | –               |
| <b>Total</b>  | <b>5,038.32</b> | <b>5,038.32</b> |

**Note No. 13.1** The reconciliation of the number of shares outstanding and the amount of share capital as at 31.03.2019, and 31.03.2018 is set out below:

**Equity Shares**

(Rupees in Lakhs)

| Particulars                        | As at 31.3.2019       |                   | As at 31.3.2018       |                   |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|
|                                    | Number of Shares      | Amount (In Lakhs) | Number of Shares      | Amount (In Lakhs) |
| Number of shares at the beginning  | 503.832.140.00        | 5,038.32          | 503.832.140.00        | 5,038.32          |
| Add: Shares Issued during the year | –                     | –                 | –                     | –                 |
| <b>Number of Shares at the end</b> | <b>503.832.140.00</b> | <b>5,038.32</b>   | <b>503,832,140.00</b> | <b>5,038.32</b>   |



**Note No. 13.2 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note No. 13.3 Shares held by holding/ultimate holding company and or their subsidiaries/associates**

| Particulars               | As at 31.3.2019 | As at 31.3.2018 |
|---------------------------|-----------------|-----------------|
| Amtek Auto Limited        | 33,64,12,200    | 33,64,12,200    |
| WLD Investments Pvt. Ltd. | 2,50,00,000     | 2,50,00,000     |

**Note No. 13.4 Rights, preferences and restrictions attached to shares**

| Particulars             | As at 31.3.2019     |               | As at 31.3.2018     |               |
|-------------------------|---------------------|---------------|---------------------|---------------|
|                         | Number of Shares    | % of Holding  | Number of Shares    | % of Holding  |
| <b>1. Equity Shares</b> |                     |               |                     |               |
| Amtek Auto Limited      | 33,64,12,200        | 66.77%        | 33,64,12,200        | 66.77%        |
| Lts Investment Fund Ltd | 2,80,92,267         | 5.58%         | 2,80,92,267         | 5.58%         |
|                         | <b>36,45,04,467</b> | <b>72.35%</b> | <b>36,45,04,467</b> | <b>72.35%</b> |

**Note No. 13.5 Details of bonus shares issued during the last five years (In Numbers)**

| Nature        | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|---------------|------------|------------|------------|------------|------------|
| Equity Shares | Nil        | Nil        | Nil        | Nil        | Nil        |

**Note No. 13.4 RESERVES & SURPLUS**

(Rupees in Lakhs)

| Particulars                                  | As at 31.3.2019   | As at 31.3.2018  |
|--|-------------------|------------------|
| Capital Reserve                              |                   |                  |
| Opening Balance as on 01.04.2018             | 24,136.13         | 24,136.13        |
| Inter Transfer                               | (23,610.63)       | —                |
| <b>Closing Balance as on 31.03.2019</b>      | <b>(A) 525.50</b> | <b>24,136.13</b> |
| Securities Premium Reserve                   |                   |                  |
| Opening Balance as on 01.04.2018             | 599.41            | 599.41           |
| Addition/(deduction) during the period (net) | —                 | —                |
| <b>Closing Balance as on 31.03.2019</b>      | <b>(B) 599.41</b> | <b>599.41</b>    |



|   |            |                  |
|---|------------|------------------|
| <b>General Reserve</b>  |            |                  |
| Opening Balance as on 01.04.2018                                |            | 1,109.33         |
| Acquired due to Acquisition                                     |            | –                |
| Addition/(deduction) during the period (net)                    |            | (28.50)          |
| <b>Closing Balance as on 31.03.2018</b>                         | <b>(C)</b> | <b>1,080.83</b>  |
| <b>Profit &amp; Loss Account</b>                                |            |                  |
| Opening Balance as on 01.04.2018                                |            | (24,373.52)      |
| Acquired due to Acquisition                                     |            | –                |
| Addition/(deduction) during the period (net)                    |            | (1,750.77)       |
| Transfer of retained earnings on de-consolidation of Subsidiary |            | 34,242.15        |
| <b>Surplus available for appropriation</b>                      | <b>(D)</b> | <b>8,117.87</b>  |
| <b>Equalisation Reserve</b>                                     |            |                  |
| Opening Balance as on 01.04.2018                                |            | (442.54)         |
| Addition/(deduction) during the period (net)                    |            | 442.54           |
| <b>Closing Balance as on 31.03.2018</b>                         | <b>(E)</b> | <b>–</b>         |
| <b>Capital Reserve in pursuance of consolidation</b>            |            |                  |
| Opening Balance as on 01.04.2018                                |            | –                |
| Inter-Transfer  |            | –                |
| De-consolidated during the year                                 |            | –                |
| Addition during the year  |            | 2,305.32         |
| <b>Closing Balance as on 31.03.2019</b>                         | <b>(F)</b> | <b>2,305.32</b>  |
| <b>Other Comprehensive Income</b>                               |            |                  |
| Opening Balance as on 01.04.2018                                |            | (6,662.91)       |
| De-consolidated during the year                                 |            | 6,599.01         |
| Addition/(deduction) during the period (net)                    |            | 436.94           |
| <b>Closing Balance as on 31.03.2019</b>                         | <b>(G)</b> | <b>373.04</b>    |
| <b>Total (A+B+C+D+E+F+G)</b>                                    |            | <b>13,001.96</b> |

**Note No. 14 LONG TERM BORROWINGS**

(Rupees in Lakhs)

| Particulars                         | As at 31.3.2019 | As at 31.3.2018 |
|-------------------------------------|-----------------|-----------------|
| <b>SECURED LOANS</b>                |                 |                 |
| Term Loans                          |                 |                 |
| From Banks & Financial Institutions | 5,167.77        | 4,754.63        |
| <b>Total</b>                        | <b>5,167.77</b> | <b>4,754.63</b> |

Note: All long term loans are secured by first pari passu charge over entire fixed assets of the Company both present and future along with second pari passu charge on entire current assets of the Company.





**Note No. 15 LONG TERM PROVISIONS**

(Rupees in Lakhs)

| Particulars                                | As at 31.3.2019 | As at 31.3.2018 |
|--|-----------------|-----------------|
| <b>(i) Provision for Employee Benefits</b> |                 |                 |
| Gratuity                                   | 152.37          | 18.12           |
| Leave Encashment                           | 86.78           | 65.02           |
| <b>(ii) Others</b>                         |                 |                 |
| Other provision                            | 75.05           | 68.57           |
| <b>Total</b>                               | <b>314.20</b>   | <b>151.71</b>   |

**Note No. 16 DEFERRED TAX LIABILITIES (Net)**

(Rupees in Lakhs)

| Particulars  | As at 31.3.2019 | As at 31.3.2018 |
|--|-----------------|-----------------|
| <b>Deferred Tax Liabilities</b>  |                 |                 |
| On account of Depreciation of Fixed assets<br>(Including 1602.92 acquired through acquisition) | 2,548.38        | 1,163.55        |
| <b>Deferred Tax Asset</b>  |                 |                 |
| Provision for Gratuity   | (53.24)         | 16.45           |
| Provision for Compensated absence  | (32.29)         | 3.20            |
| On account of carry forward losses/amortisation expenses                                       | (85.53)         | 19.64           |
| <b>Net Deferred Tax Liability</b>  | <b>2,462.84</b> | <b>1,183.19</b> |

**Note No. 17 SHORT TERM BORROWINGS**

(Rupees in Lakhs)

| Particulars                               | As at 31.3.2019 | As at 31.3.2018 |
|---|-----------------|-----------------|
| <b>SECURED LOANS</b>                      |                 |                 |
| <b>Bank Borrowing for Working Capital</b> |                 |                 |
| - From Banks                              | 9,550.38        | 8,792.59        |
| <b>Total</b>                              | <b>9,550.38</b> | <b>8,792.59</b> |

**Note No. 18 TRADE PAYABLES**

(Rupees in Lakhs)

| Particulars   | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|---------------------|---------------------|
| (A) Total o/s dues of Micro and Small Enterprises   | —                   | —                   |
| (a) The principle amount relating to micro and small enterprises  | —                   | —                   |
| (b) The interest amount due but not paid  | —                   | —                   |
| (c) The amount of the interest paid by the buyer in terms of<br>section 16 of the Micro, Small and Medium | —                   | —                   |



|   |                 |                 |
|---|-----------------|-----------------|
| (d) The amount of the interest due and payable for the period of delay in making payment                  | —               | —               |
| (e) The amount of the interest accrued and remaining unpaid at the end of each accounting year            | —               | —               |
| (f) The amount of further interest remaining due and payable even in the succeeding year, until such date | —               | —               |
| <b>(B) Total o/s dues of creditor other than micro and small enterprises</b>                              |                 |                 |
| Trade Payables (Including acceptances)  | 6,505.04        | 4,025.41        |
| <b>Total</b>  | <b>6,505.04</b> | <b>4,025.41</b> |

Note: The company has not received any communication from all of its suppliers/service providers in response to letters issued by the company, confirming whether or not they are registered under the MSME ACT 2006. In the absence of any positive confirmation from the supplier/service provider, the information as required to be disclosed under the MSME ACT 2006 could not be determined.

**Note No. 19 Other Financial Liabilities (Rupees in Lakhs)**

| Particulars                              | As at 31.3.2019 | As at 31.3.2018 |
|--|-----------------|-----------------|
| Current Maturity of Long Term Borrowings | 2,743.82        | 2,082.21        |
| Unpaid Dividend                          | 5.85            | 7.81            |
| Interest accrued & due on borrowings     | 1,023.77        | 37.04           |
| Interest Due But Not Paid                | 186.73          | 1.51            |
| <b>Total</b>                             | <b>3,960.17</b> | <b>2,128.57</b> |

**Note No. 20 OTHER CURRENT LIABILITIES (Rupees in Lakhs)**

| Particulars                 | As at 31.3.2019 | As at 31.3.2018 |
|-----------------------------|-----------------|-----------------|
| Other Liabilities           | 3,317.75        | 80.87           |
| Creditors for capital goods | 152.09          | 101.81          |
| Statutory Payable           | 357.13          | 15.11           |
| <b>Total</b>                | <b>3,826.97</b> | <b>197.80</b>   |

**Note No. 21 SHORT TERM PROVISIONS (Rupees in Lakhs)**

| Particulars                     | As at 31.3.2019 | As at 31.3.2018 |
|---------------------------------|-----------------|-----------------|
| Provision for Employee Benefits | 41.17           | 2.68            |
| <b>Total</b>                    | <b>41.17</b>    | <b>2.68</b>     |



**Note No. 22 CURRENT TAX LIABILITY** (Rupees in Lakhs)

| Particulars              | As at 31.3.2019 | As at 31.3.2018 |
|--------------------------|-----------------|-----------------|
| Provision for Income Tax | –               | 382.17          |
| <b>Total</b>             | <b>–</b>        | <b>382.17</b>   |

**Note No. 23 ASSETS/ LIABILITIES HELD FOR SALE** (Rupees in Lakhs)

| Particulars                              | As at 31.3.2019  | As at 31.3.2018  |
|--|------------------|------------------|
| <b>Liabilities held for sale</b>         | <b>34,024.94</b> | <b>34,024.94</b> |
| <b>Less : DE consold during the year</b> | <b>34,024.94</b> | <b>–</b>         |
| <b>Balance</b>                           | <b>–</b>         | <b>34,024.94</b> |
| Borrowings                               | –                | 26,089.18        |
| Trade Payables                           | –                | 2,372.41         |
| Provisions                               | –                | 156.05           |
| Other Financial Liabilities              | –                | 5,089.21         |
| Other Current Liabilities                | –                | 318.09           |
| <b>Total</b>                             | <b>–</b>         | <b>34,024.94</b> |

**Note No. 24 REVENUE FROM OPERATIONS** (Rupees in Lakhs)

| Particulars            | For the year Ended 31.3.2019 | For the year Ended 31.3.2018 |
|------------------------|------------------------------|------------------------------|
| Sales of Products      | 54,775.88                    | 32,713.36                    |
| Other Sales & Services | 2,983.33                     | 2,010.66                     |
| <b>Total</b>           | <b>57,759.21</b>             | <b>34,724.02</b>             |

**Note No. 25 OTHER INCOME** (Rupees in Lakhs)

| Particulars                              | For the year Ended 31.3.2019 | For the year Ended 31.3.2018 |
|--|------------------------------|------------------------------|
| Interest Income                          | 58.56                        | 38.26                        |
| Net Gain on Foreign currency transaction | 132.58                       | 119.13                       |
| Misc Income-Export Incentive             | 0.23                         | 52.70                        |
| Other Misc. Income                       | 56.28                        | (158.51)                     |
| <b>Total</b>                             | <b>247.66</b>                | <b>51.59</b>                 |



**Note No. 26 COST OF MATERIAL CONSUMED**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Opening Stock of Raw Material                      | 2,254.59                        | 1,537.71                        |
| Adjustment on account of acquisition of subsidiary | 6,622.87                        | —                               |
| <b>Add : Purchases of Raw Material</b>             | 24,057.43                       | 14,794.28                       |
|  | <b>32,934.89</b>                | <b>16,331.99</b>                |
| <b>Less : Closing Stock of Raw Material</b>        | 2,580.40                        | 2,254.59                        |
| Foreign currency movement                          | (5,970.41)                      | —                               |
| <b>Total</b>                                       | <b>24,384.08</b>                | <b>14,077.40</b>                |

**Note: 26.1 Imported and Indigenous Raw materials**

(Rupees in Lakhs)

| Particulars   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| <b>Raw material</b>   |                                 |                                 |
| Consumption of imported Raw material<br>(Percentage of Consumption of Raw Material)         | —<br>0.00%                      | —<br>0.00%                      |
| Consumption of similar domestic Raw material<br>(Percentage of Consumption of Raw Material) | 24,384.08<br>100.00%            | 14,077.40<br>100.00%            |
| <b>Total Consumption of Raw material</b>  | <b>24,384.08</b>                | <b>14,077.40</b>                |

**Note No. 27 CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS & STOCK IN TRADE**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| <b>Opening Stock as on 01-04-2017</b>                |                                 |                                 |
| - Work in Progress                                   | 9,681.64                        | 9,179.16                        |
| - Finished Goods                                     | 407.69                          | 395.66                          |
| - Adjustment on account of acquisition of subsidiary | 1,273.73                        | —                               |
| <b>Less : Closing Stock as on 31-03-2018</b>         |                                 |                                 |
| - Work in Progress                                   | 11,084.32                       | 9,681.64                        |
| - Finished Goods                                     | 1,540.25                        | 407.69                          |
| Foreign currency movement                            | (54.01)                         | —                               |
| <b>Total</b>   | <b>(1,315.53)</b>               | <b>(514.51)</b>                 |
| Less : Transferred to Exceptional items              | 380.00                          | —                               |
| <b>Total</b>   | <b>(1,695.53)</b>               | <b>(514.51)</b>                 |



**Note No. 28 Employee Benefit Expenses**

(Rupees in Lakhs)

| Particulars                                   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Salaries and Wages*                           | 9,525.55                        | 1,850.56                        |
| Other Contribution and staff welfare expenses | 262.14                          | 215.64                          |
| <b>Total</b>                                  | <b>9,787.69</b>                 | <b>2,066.19</b>                 |

\*Including director's salary Rs 61.01 Lakhs in 2019 and Rs 60.07 Lakhs in 2018

**Note No. 29 Finance Costs**

(Rupees in Lakhs)

| Particulars                            | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Short term loan                        | 2,403.07                        | 1,147.46                        |
| Long term loan                         | 505.26                          | 753.31                          |
| Interest on dismantling                | (13.75)                         | —                               |
| Interest for Employee Benefit Expenses | 5.99                            | —                               |
| <b>Total</b>                           | <b>2,900.56</b>                 | <b>1,900.77</b>                 |

**Note No. 30 Depreciation and Amortisation Expenses**

(Rupees in Lakhs)

| Particulars                   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|-------------------------------|---------------------------------|---------------------------------|
| Depreciation and Amortisation | 3,147.46                        | 2,858.19                        |
| <b>Total</b>                  | <b>3,147.46</b>                 | <b>2,858.19</b>                 |

**Note No. 31 Other Expenses**

(Rupees in Lakhs)

| Particulars                             | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| <b>A) Manufacturing Expenses</b>        |                                 |                                 |
| Consumables & Store spares              | 2,720.99                        | 2,232.94                        |
| Power & Fuel                            | 5,852.95                        | 4,735.05                        |
| Freight Inwards                         | 227.08                          | 213.16                          |
| Labour Charges & Job Work               | 6,676.32                        | 4,820.50                        |
| Repairs of Plant & Machinery            | 769.87                          | 218.27                          |
| Other Manufacturing Expenses            | 253.66                          | 226.09                          |
| <b>Total Manufacturing Expenses (A)</b> | <b>16,500.87</b>                | <b>12,446.01</b>                |



**B) Administrative Expenses & Selling Expenses**

|  |                  |                  |
|--|------------------|------------------|
| Auditor's Remuneration                                 | 14.00            | 14.50            |
| Bank Charges   | 93.52            | 66.19            |
| Business promotion Expenses                            | 17.20            | 5.74             |
| Insurance Charges                                      | 150.06           | 66.24            |
| Membership & Subscription Exp.                         | 0.83             | 0.68             |
| Rate, Fee & Taxes                                      | 10.72            | 34.89            |
| Rent   | 778.31           | 14.39            |
| Repairs of Building & Others                           | 261.51           | 227.36           |
| Telephone, Postage & Courier Expenses                  | 7.73             | 15.40            |
| Travelling & Conveyance                                | 181.94           | 162.97           |
| Freight Outwards                                       | 347.88           | 337.91           |
| Car/ Bus hire charges                                  | 71.17            | 70.66            |
| Miscellaneous Exp                                      | 473.48           | 704.33           |
| Bad/Doubtful Debts                                     | 522.63           | —                |
| Office and administration expenses                     | 125.89           | —                |
| Legal & Professional Expenses                          | 286.39           | —                |
| <b>Selling &amp; Distribution Expenses</b>             |                  |                  |
| Discount Allowed                                       | 1,127.23         | 47.48            |
| <b>Total Administrative &amp; Selling Expenses (B)</b> | <b>4,470.50</b>  | <b>1,768.74</b>  |
| <b>Total (A + B)</b>                                   | <b>20,971.37</b> | <b>14,214.75</b> |

**Note No. 31.1 Auditors' Remuneration**

(Rupees in Lakhs)

| Particulars              | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--------------------------|---------------------------------|---------------------------------|
| <b>Auditors Payments</b> |                                 |                                 |
| As Auditor               | 14.00                           | 14.50                           |
| <b>Total</b>             | <b>14.00</b>                    | <b>14.50</b>                    |

**Note No. 31.2 Expenditure in Foreign Currency**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--------------|---------------------------------|---------------------------------|
| Travelling   | 5.71                            | 1.96                            |
| <b>Total</b> | <b>5.71</b>                     | <b>1.96</b>                     |

Note: Travelling expenditure in foreign currency includes directors travelling.



**Note No. 31.3 Value of Imports calculated on C.I.F basis**

(Rupees in Lakhs)

| Particulars                | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|----------------------------|---------------------------------|---------------------------------|
| Components and spare parts | 105.68                          | 88.19                           |
| Capital goods              | —                               | 14.70                           |
| <b>Total</b>               | <b>105.68</b>                   | <b>102.89</b>                   |

**Note No. 31.4 Earnings in Foreign Exchange**

(Rupees in Lakhs)

| Particulars   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Export/Deemed Export of Goods Calculated on F.O.B basis | 6,877.53                        | 8,202.16                        |
| <b>Total</b>  | <b>6,877.53</b>                 | <b>8,202.16</b>                 |

**Note No. 31.5 Contingent Liabilities and Commitments (To the extent not provided for)**

(Rupees in Lakhs)

| Particulars   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| i) Bank Guarantees Issued by bank on company's behalf   | 80.59                           | 80.59                           |
| ii) Any amount that the company may be liable to pay on finalisation of legal cases pending against the company | Amount no ascertainable         | Amount no ascertainable         |
| ii) Capital Cenvat availed in EOU Unit, Dharwad   | 444.00                          | 444.00                          |
| <b>Total</b>  | <b>524.59</b>                   | <b>524.59</b>                   |

**Note No. 31.6 Imported and Indegenion Spares Parts and Components**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| <b>Spares parts and components</b>   |                                 |                                 |
| Consumption of imported spares parts and components<br>(Percentage of Consumption of Spare Parts and Components)         | 102.85<br>3.78%                 | 119.93<br>5.37%                 |
| Consumption of similar domestic spares parts and components<br>(Percentage of Consumption of Spare Parts and Components) | 2,618.14<br>96.22%              | 2,113.01<br>94.63%              |
| <b>Total</b>   | <b>2,720.99</b>                 | <b>2,232.94</b>                 |



**Note No. 31.7 Capital Commitments**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net) | 147.10                          | —                               |
| <b>Total</b>   | <b>147.10</b>                   | <b>—</b>                        |

**Note No. 32 Exceptional Items**

(Rupees in Lakhs)

| Particulars                                      | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| <b>Diminution in Value of Old Stock</b>          | (380.00)                        | —                               |
| Provision for Dismantling written back           | 11.67                           | —                               |
| Depreciation overcharged in previous years       | 699.00                          | —                               |
| <b>Income Tax expense for the current period</b> | <b>330.67</b>                   | <b>—</b>                        |

**Note No. 33 Provision for Taxation**

(Rupees in Lakhs)

| Particulars                                      | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| <b>Income Tax Expense :</b>                      |                                 |                                 |
| 1. Current Tax                                   | 46/24                           | 536.53                          |
| 2. Previous year Income Tax                      | —                               | 36.91                           |
| 3. Mat credit utilized                           | —                               | —                               |
| 4. Deferred Tax                                  | (162.46)                        | (479.93)                        |
| <b>Income Tax expense for the current period</b> | <b>(116.22)</b>                 | <b>93.51</b>                    |

**Note No: 34 Other Comprehensive Income (OCI)**

(Rupees in Lakhs)

| Particulars  | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| <b>Effects of transition of Ind AS on Defined Benefit Plans:</b>                 |                                 |                                 |
| Items that will not be reclassified to Profit and Loss                           |                                 |                                 |
| i) Reclassification of actual gains/(losses), arising in respect of Earned Leave |                                 | —                               |
| ii) Deferred Tax effect  |                                 | —                               |
| i) Reclassification of actual gains/(losses), arising in respect of Grauity      | 408.16                          | 0.55                            |
| ii) Deferred Tax effect  | 28.78                           | (0.17)                          |
| <b>Total</b>   | <b>436.94</b>                   | <b>0.38</b>                     |





**Note No: 35 PROFIT / (LOSS) FROM DISCONTINUED OPERATIONS**

(Rupees in Lakhs)

| Particulars   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Revenue   | –                               | 18,356.73                       |
| Less: Expenses  | –                               | 8,129.12                        |
| <b>Profit /(Loss ) for the period before tax</b>            | –                               | <b>10,227.62</b>                |
| Less: Tax Expenses  | –                               | (127.29)                        |
| <b>Profit /(Loss ) for the period after tax</b>             | –                               | <b>10,354.91</b>                |
| Items that will be reclassified to profit and loss Account: | –                               | (3,240.28)                      |
| <b>Other Comprehensive Income</b>                           | –                               | <b>(3,240.28)</b>               |
| <b>Total Comprehensive Income for the period</b>            | –                               | <b>7,114.63</b>                 |

**Note No: 36 EARNINGS PER SHARE**

(Rupees in Lakhs)

| Particulars   | For the year<br>Ended 31.3.2019 | For the year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| <b>BASIC</b>  |                                 |                                 |
| Average number of equity shares (Face Value Rs. 1/- each) for basic EPS               | 5,038.32                        | 5,038.32                        |
| Profit/(Loss) after tax for the Year from continuing operations (Rupees in Lakhs)     | (1,313.83)                      | 77.92                           |
| EPS for continuing operations (Rs Per Share)  | (0.26)                          | 0.02                            |
| Profit/(Loss) after tax for the Year from dis-continuing operations (Rupees in Lakhs) | –                               | 7,114.63                        |
| EPS for dis-continuing operations (Rs Per Share)                                      | –                               | 1.41                            |
| Profit/(Loss) after tax for the Year from dis-continuing operations (Rupees in Lakhs) | (1,313.83)                      | 7,192.55                        |
| EPS for continuing and discontinued operations (Rs Per Share)                         | (0.26)                          | 1.43                            |
| <b>DILUTED</b>  |                                 |                                 |
| Average number of equity shares (Face Value Rs. 1/- each) for basic EPS               | 5,038.32                        | 5,038.32                        |
| Profit/(Loss) after tax for the Year from continuing operations (Rupees in Lakhs)     | (1,313.83)                      | 77.92                           |
| EPS for continuing operations (Rs Per Share)  | (0.26)                          | 0.02                            |
| Profit/(Loss) after tax for the Year from dis-continuing operations (Rupees in Lakhs) | –                               | 7,114.63                        |
| EPS for dis-continuing operations (Rs Per Share)                                      | –                               | 1.41                            |
| Profit/(Loss) after tax for the Year from dis-continuing operations (Rupees in Lakhs) | (1,313.83)                      | 7,192.55                        |
| Diluted EPS for continuing and discontinued operations (Rs Per Share)                 | (0.26)                          | 1.43                            |

**Note No: 37 RELATED PARTY TRANSACTION**

In accordance with the requirements of Indian Accounting Standard (Ind AS-24) the names of the related parties where control exists and /or with whom transactions have taken place during the period and description of relationships as identified and certified by the management are as hereunder:

| Name of the related party      | Relationship       |
|--------------------------------|--------------------|
| Amtek Auto Limited             | Holding Company    |
| Amtek Mattelic Systems Pte Ltd | Subsidiary Company |



**B Related party transaction:**

| Particulars                                       | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| a) Purchase of material/ finished goods           | 56.96                           | 335.99                          |
| b) Sale of finished goods and Job working         | -                               | -                               |
| c) Services availed including Job charges         | -                               | -                               |
| d) Investment made                                | 0.09                            | -                               |
| e) Purchase of Fixed Assets                       | -                               | -                               |
| f) Sale of Fixed Asse                             | -                               | -                               |
| g) Total of transactions during the year          | 57.05                           | 335.99                          |
| h) Loans Taken                                    | -                               | -                               |
| i) Loans repaid                                   | -                               | -                               |
| Interest Expense                                  | -                               | -                               |
| Balance at the end of the year                    | -                               | -                               |
| j) Other payables                                 | -                               | -                               |
| k) Receivables                                    | 640.71                          | 641.96                          |
| l) Loans Outstanding (including interest accrued) | -                               | -                               |

**Note : 38 Analysis of assets and liabilities over which control was lost or not consolidated during the year:  
Amtek Machining Systems Pte Ltd.**

(Rupees in Lakhs)

| Particulars   | Amtek Machining<br>Systems Pte Ltd. |
|---|-------------------------------------|
| <b>Assets classified as held for sale/Assets included in disposal group(s) held-for-sale</b>      | 16,380.37                           |
| <b>TOTAL-ASSETS</b>   | <b>16,380.37</b>                    |
| <b>Liabilities classified as held for sale/Assets included in disposal group(s) held-for-sale</b> | 34,024.94                           |
| <b>Sub Total Liabilities</b>  | <b>34,024.94</b>                    |
| <b>Net Assets/(Liabilities) de-consolidated</b>   | <b>(17,644.57)</b>                  |
| Gain / (Loss) on de-consolidation   | -                                   |
| Consideration received  | -                                   |
| Net Assets/(Liabilities) attributable to jmt Auto Limited   | (17,644.57)                         |
| <b>Cumulative reserves transferred to consolidated statement of profit and loss:</b>              |                                     |
| Capital reserve on consolidation  | <b>23610.63</b>                     |
| Equalisation Reserve  | (442.54)                            |
| General Reserve   | 28.50                               |
| Debenture Redemption Reserve  | (34,242.15)                         |
| <b>Total reserves transferred to consolidated statement of profit and loss</b>                    | <b>(11,045.56)</b>                  |
| Reclassification of actuarial gains/(losses)  | (6,599.01)                          |
| Net Profit / (Loss) on de-consolidation   | (17,644.57)                         |



**Note : 39 Employee Benefits (Ind AS-19)**

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

| Particulars                            | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Discount rate                          | 7.65%                           | 7.70%                           |
| Future Salary Escalation Rate          | 7.00%                           | 7.00%                           |
| Average Remaining working life (Years) | 20.04                           | 20.84                           |
| Retirement Age                         | 58/ 60 years                    | 58/ 60 years                    |

**Gratuity (Funded)**

**i. Change in Net Defined Benefit obligations:**

*(Rupees in Lakhs)*

| Particulars   | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Net Defined Benefit liability as at the start of the period     | 409.40                          | 345.60                          |
| Service Cost  | 41.34                           | 39.39                           |
| Past service cost - plan amendments                             | –                               | 8.90                            |
| Net Interest Cost (Income)                                      | 31.32                           | 25.07                           |
| Actuarial ( Gain) /Loss on obligation                           | 90.59                           | 4.13                            |
| Benefits Paid directly by the enterprise                        | (0.69)                          | (2.53)                          |
| Benefits paid from plan assets                                  | (4.70)                          | (11.16)                         |
| <b>Present Value of Obligations as at the end of the period</b> | <b>567.26</b>                   | <b>409.40</b>                   |

**ii. The Amount Recognised in the Income Statement.**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Service Cost                                       | 41.34                           | 48.29                           |
| Net Interest Cost                                  | 1.37                            | 1.29                            |
| Expected Return on plan assets                     | –                               | –                               |
| Net Actuarial (Gain)/ Loss recognized in the year  | –                               | –                               |
| <b>Expenses recognised in the Income Statement</b> | <b>42.71</b>                    | <b>49.58</b>                    |

**iii. Other Comprehensive Income (OCI)**

*(Rupees in Lakhs)*

| Particulars  | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Net cumulative unrecognized actuarial gain/(loss) opening        | 90.59                           | (4.13)                          |
| Actuarial gain / (loss) for the year on DBO                      | –                               | –                               |
| Actuarial gain /(loss) for the year on Asset                     | 1.64                            | 4.68                            |
| Net Actuarial (Gain)/ Loss recognized in the year                | –                               | –                               |
| <b>Unrecognized actuarial gain/(loss) at the end of the year</b> | <b>92.23</b>                    | <b>0.55</b>                     |



iv. Balance Sheet and related analyses

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Present Value of Obligation at the end of the year        | (567.26)                        | (409.40)                        |
| Fair Value of Plan Assets                                 | 414.89                          | 391.28                          |
| Unfunded Liability/Provision in Balance Sheet             | –                               | –                               |
| Unrecognised Actuarial (Gain) / Losses                    | –                               | –                               |
| <b>Unfunded Liability Recognised in the Balance Sheet</b> | <b>(152.37)</b>                 | <b>(18.12)</b>                  |

v. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

| Particulars                                      | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Current Liability (Amount due within one year)   | –                               | –                               |
| Non Current Liability (Amount due over one year) | (152.37)                        | (18.12)                         |
| <b>Total</b>                                     | <b>(152.37)</b>                 | <b>(18.12)</b>                  |

Leave Encashment (Unfunded)

i. Table Showing Change in Benefit obligations:

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Present value of obligation as at the start of the period       | 67.70                           | 76.94                           |
| Current Service Cost  | 19.02                           | 18.35                           |
| Interest Cost   | 4.62                            | 5.35                            |
| Actuarial ( Gain) /Loss on obligation                           | 16.35                           | (23.73)                         |
| Benefits Paid   | (15.29)                         | (9.21)                          |
| <b>Present Value of Obligations as at the end of the period</b> | <b>92.40</b>                    | <b>67.70</b>                    |

ii. The Amount Recognised in the Income Statement.

(Rupees in Lakhs)

| Particulars   | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Service Cost  | 19.02                           | 18.35                           |
| Net Interest Cost   | 4.62                            | 5.35                            |
| Expected Return on plan assets                              | –                               | –                               |
| Net Actuarial (Gain)/ Loss recognized in the period         | –                               | –                               |
| <b>Expenses (Income) recognised in the Income Statement</b> | <b>23.64</b>                    | <b>23.70</b>                    |



**iii. Other Comprehensive Income (OCI) (Rupees in Lakhs)**

| Particulars  | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Net cumulative unrecognized actuarial gain/(loss) opening        | –                               | –                               |
| Actuarial gain / (loss) for the year on DBO                      | –                               | –                               |
| Actuarial gain /(loss) for the year on Asset                     | –                               | –                               |
| Net Actuarial (Gain)/ Loss recognized in the year                | (16.35)                         | 23.73                           |
| <b>Unrecognized actuarial gain/(loss) at the end of the year</b> | <b>(16.35)</b>                  | <b>23.73</b>                    |

**iv. Balance Sheet and related analyses (Rupees in Lakhs)**

| Particulars   | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|---|---------------------------------|---------------------------------|
| Present Value of Obligation at the end of the year        | 92.40                           | 58.46                           |
| Fair Value of Plan Assets                                 | –                               | –                               |
| Ununded Liability/Provision in Balance Sheet              | (92.40)                         | 58.46                           |
| Unrecognised Actuarial (Gain) / Losses                    | –                               | –                               |
| <b>Unfunded Liability Recognised in the Balance Sheet</b> | <b>(92.40)</b>                  | <b>(58.46)</b>                  |

**v. Bifurcation of PBO at the end of year in current and non current. (Rupees in Lakhs)**

| Particulars                                      | For the Year<br>Ended 31.3.2018 | For the Year<br>Ended 31.3.2017 |
|--|---------------------------------|---------------------------------|
| Current Liability (Amount due within one year)   | (5.62)                          | (2.68)                          |
| Non Current Liability (Amount due over one year) | (86.78)                         | (65.02)                         |
| <b>Total</b>                                     | <b>(92.40)</b>                  | <b>(67.70)</b>                  |



**Note : 40 Tax Expenses**

a) Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2019:

(Rs. In Lakhs)

| Particulars  | For the Year<br>Ended 31.3.2019 | For the Year<br>Ended 31.3.2018 |
|--|---------------------------------|---------------------------------|
| Profit / (Loss) before tax for the year                                  | (1,458.82)                      | 171.05                          |
| At India's statutory income tax rate of 34.9440% (Previous Year 34.608%) | (509.77)                        | 59.20                           |
| a) Income exempt from tax/items not deductible                           |                                 |                                 |
| e) Earlier year taxes  |                                 |                                 |
| h) Others  | 422.33                          | 34.31                           |
| <b>At the effective income tax rate of 0% (Previous Year -4.67%)</b>     | <b>(87.45)</b>                  | <b>93.51</b>                    |
| Income tax expense reported in the statement of profit and loss          | (87.45)                         | 93.51                           |

b) Movement of deferred tax liability from beginning to end of financial year is as follows:

(Rs. In Lakhs)

| Particulars  | As at<br>31.3.2018 | Provided during<br>the year | As at<br>31.3.2019 |
|--|--------------------|-----------------------------|--------------------|
| Deferred tax liability:  |                    |                             |                    |
| a) Related to Property Plant and Equipments<br>(Including Addition due to Acquisition) | 1,163.55           | 1,384.83                    | 2,548.38           |
| <b>Total deferred tax liability</b>  | <b>1,163.55</b>    | <b>1,384.83</b>             | <b>2,548.38</b>    |
| <b>Deferred tax assets:</b>  |                    |                             |                    |
| a) Business Losses and unabsorbed depreciation for the year –                          |                    | 85.53                       | 85.53              |
| b) Amounts deductible on payment basis   | –                  | –                           | –                  |
| c) Others  | –                  | –                           | –                  |
| <b>Total deferred tax Assets</b>   | <b>–</b>           | <b>85.53</b>                | <b>85.53</b>       |
| Mat Credit Entitlement   | –                  | –                           | –                  |
| Deferred tax Assets/(Liability) (Net)  | <b>(1,163.55)</b>  | <b>(1,299.29)</b>           | <b>(2,462.84)</b>  |
| Recognised in Profit or Loss as 'tax expenses'   |                    |                             | (1,299.29)         |
| Recognised in Other Comprehensive Income   |                    |                             | 28.78              |
|  |                    |                             | <b>(1,270.52)</b>  |



**Note : 41 Financial assets and liabilities**

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

*(Rupees in Lakhs)*

|                              | Fair Value<br>Through Profit &<br>Loss A/C | Fair value through<br>other comprehensive<br>income | Amortised<br>cost | Total carrying<br>value |
|------------------------------|--|---|-------------------|-------------------------|
| <b>Financial Assets</b>      |  |   |                   |                         |
| Cash and cash equivalents    | –  | –   | 441.38            | 441.38                  |
| Trade receivables            | –  | –   | 5,967.97          | 5,967.97                |
| Other financial assets       | –  | –   | 768.31            | 768.31                  |
| <b>Total</b>                 | –  | –   | <b>7,177.67</b>   | <b>7,177.67</b>         |
| <b>Financial Liabilities</b> |  |   |                   |                         |
| Trade payables               | –  | –   | 6,505.04          | 6,505.04                |
| Borrowings                   | –  | –   | 14,718.15         | 14,718.15               |
| Other financial liabilities  | –  | –   | 3,960.17          | 3,960.17                |
| <b>Total</b>                 | –  | –   | <b>25,183.36</b>  | <b>25,183.36</b>        |

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

*(Rupees in Lakhs)*

|                              | Fair Value<br>Through Profit &<br>Loss A/C | Fair value through<br>other comprehensive<br>income | Amortised<br>cost | Total carrying<br>value |
|------------------------------|--|---|-------------------|-------------------------|
| <b>Financial Assets</b>      |  |   |                   |                         |
| Cash and cash equivalents    | –  | –   | 109.97            | 109.97                  |
| Trade receivables            | –  | –   | 5,263.71          | 5,263.71                |
| Other financial assets       | –  | –   | 657.67            | 657.67                  |
| <b>Total</b>                 | –  | –   | <b>6,031.35</b>   | <b>6,031.35</b>         |
| <b>Financial Liabilities</b> |  |   |                   |                         |
| Trade payables               | –  | –   | 4,025.41          | 4,025.41                |
| Borrowings                   | –  | –   | 13,547.22         | 13,547.22               |
| Other financial liabilities  | –  | –   | 2,128.57          | 2,128.57                |
| <b>Total</b>                 | –  | –   | <b>19,701.19</b>  | <b>19,701.19</b>        |

**Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are 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 — Inputs 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 financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

**As at March 31, 2019**

*(Rupees in Lakhs)*

| Particulars                  | Level 1 | Level 2 | Level 3   | Total     |
|------------------------------|---------|---------|-----------|-----------|
| <b>Financial Assets</b>      |         |         |           |           |
| Cash and cash equivalents    | –       | –       | 441.38    | 109.97    |
| Trade receivables            | –       | –       | 5,967.97  | 5,263.71  |
| Other financial assets       | –       | –       | 768.31    | 574.82    |
| <b>Financial Liabilities</b> |         |         |           |           |
| Trade payables               | –       | –       | 6,505.04  | 6,505.04  |
| Borrowings                   | –       | –       | 14,718.15 | 14,718.15 |
| Other financial liabilities  | –       | –       | 3,960.17  | 3,960.17  |

**As at March 31, 2018**

*(Rupees in Lakhs)*

| Particulars                  | Level 1 | Level 2 | Level 3   | Total     |
|------------------------------|---------|---------|-----------|-----------|
| <b>Financial Assets</b>      |         |         |           |           |
| Cash and cash equivalents    | –       | –       | 109.97    | 109.97    |
| Trade receivables            | –       | –       | 5,263.71  | 5,263.71  |
| Other financial assets       | –       | –       | 657.67    | 657.67    |
| <b>Financial Liabilities</b> |         |         |           |           |
| Trade payables               | –       | –       | 4,025.41  | 4,025.41  |
| Borrowings                   | –       | –       | 13,547.22 | 13,547.22 |
| Other financial liabilities  | –       | –       | 2,128.57  | 2,128.57  |

**Note : 42 Financial risk Management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk, Considering on-going CIRP process, quantum of these risks are not ascertainable.

The company is exposed to market risk, credit risk and liquidity risk, The Company's senior management overseas the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:





**(A) 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 market prices. Market risk comprises three types of risk: Interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the company is currently carrying its loans at variable interest rates.

*(Rupees in Lakhs)*

| Particulars              | As at 31.3.2019 | As at 31.3.2018 |
|--------------------------|-----------------|-----------------|
| Variable rate borrowings | 17,461.98       | 15,629.43       |
| Fixed rate borrowings    | Nil             | Nil             |

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**Notes to Financial Statements for the year ended 31st March, 2019**

*(Rupees in Lakhs)*

| Particulars                 | Effect on Profit Before Tax |                 |
|-----------------------------|-----------------------------|-----------------|
|                             | As at 31.3.2019             | As at 31.3.2018 |
| Increase by 50 basis points | 87.31                       | 78.15           |
| Decrease by 50 basis points | (87.31)                     | 78.15           |

**b) Foreign currency risks**

Foreign risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payable and receivable denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

Natural Hedging – We are availing PCFC limit as a sub limit to our CC limits wherein on the basis of our export POs we get our INR loan converted into USD loan under the same overall credit limit. On the other hand we have USD receivable against our exports. Thus both these acts as a natural hedge wherein our dollar collection covers for our dollar loan repayment. We try to keep our PCFC loan and Export receivable at even level in order to have full coverage.

**i) Particulars of unhedged foreign currency exposure as at reporting date *(Rupees In Lakhs)***

| Particulars                                 | As at 31.03.2019  |                | As at 31.03.2018 |             |
|---|-------------------|----------------|------------------|-------------|
|   | (Rs.)             | (USD)          | (Rs.)            | (USD)       |
| Trade Debtors                               | 1,061.43          | 15.64          | 2,229.89         | 34.28       |
| Trade Creditors                             | 40.70             | 0.60           | 0.74             | 0.01        |
| Amount covered by natural hedge (PCFC Loan) | 2,221.13          | 32.13          | 1,751.80         | 26.93       |
| <b>Unhedged Foreign Currency Exposure</b>   | <b>(1,200.41)</b> | <b>(17.08)</b> | <b>477.35</b>    | <b>7.34</b> |



### Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rupees in Lakhs)

| Particulars     | Effect on Profit Before Tax |                  |
|-----------------|-----------------------------|------------------|
|                 | As at 31.03.2019            | As at 31.03.2018 |
| USD Sensitivity |                             |                  |
| Decrease by 5%  | 60.02                       | (23.87)          |
| Increase by 5%  | (60.02)                     | 23.87            |

### (B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions and other financial instruments.

#### Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of 'financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based 'on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

#### Financial assets that expose the entity to credit risk: –

(Rupees in Lakhs)

|                                   | As at 31.03.2019 | As at 31.03.2018 |
|-----------------------------------|------------------|------------------|
| Low credit risk on reporting date |                  |                  |
| Cash and cash equivalents         | 441.38           | 109.97           |
| Trade receivables                 | 5,967.97         | 5,263.71         |
| Investments                       | 717.22           | 713.27           |
| Loans(non-current)                | 691.04           | 574.82           |
| Loans(current)                    | 77.27            | 82.85            |
| Moderate credit risk              | –                | –                |
| High credit risk                  | –                | –                |

### Cash & Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

#### Trade Receivables

The company closely monitors the credit-worthiness of debtors through internal system that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.

**Gross carrying amount of trade receivables: (Rupees in Lakhs)**

|                    | As at 31.03.2019 | As at 31.03.2018 |
|--------------------|------------------|------------------|
| Ageing             |                  |                  |
| Not due            |                  |                  |
| 0-180 days         | 5,917.94         | 4,683.88         |
| more than 180 days | 50.03            | 491.59           |

**(C) Liquidity risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

*(Rupees in Lakhs)*

|   | As at 31.03.2019 | As at 31.03.2018 |
|---|------------------|------------------|
| Floating rate                                 |                  |                  |
| (a) Expiring within one year                  |                  |                  |
| Working Capital (Fund Based & Non Fund Based) | 576.35           | 1,856.76         |
| (b) Expiring beyond one year (Bank loans)     |                  |                  |
| Long Term Borrowing                           | -                | -                |

**The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments**
**As at 31st March, 2019 (Rupees in Lakhs)**

| Particulars   | 0 to<br>1 year   | 1 to<br>2 years | 2 to<br>5 years | More than<br>5 years | Total            |
|---|------------------|-----------------|-----------------|----------------------|------------------|
| Contractual maturities of Long Term borrowings        | 1,640.11         | 1,271.52        | 1,452.66        | -                    | 4,364.29         |
| Contractual maturities of Short Term borrowings       | 9,550.38         | -               | -               | -                    | 9,550.38         |
| Contractual maturities of trade payables              | 6,505.04         | -               | -               | -                    | 6,505.04         |
| Contractual maturities of other financial liabilities | 1,210.50         | -               | -               | -                    | 1,210.50         |
| Unpaid Dividend                                       | 5.85             | -               | -               | -                    | 5.85             |
| <b>TOTAL</b>  | <b>18,911.88</b> | <b>1,271.52</b> | <b>1,452.66</b> | <b>-</b>             | <b>21,636.06</b> |

**As at 31st March, 2018 (Rupees in Lakhs)**

| Particulars   | 0 to<br>1 year   | 1 to<br>2 years | 2 to<br>5 years | More than<br>5 years | Total            |
|---|------------------|-----------------|-----------------|----------------------|------------------|
| Contractual maturities of Long Term borrowings        | 2,082.21         | 1,611.87        | 3,142.76        | -                    | 6,836.84         |
| Contractual maturities of Short Term borrowings       | 8,792.59         | -               | -               | -                    | 8,792.59         |
| Contractual maturities of trade payables              | 4,025.41         | -               | -               | -                    | 4,025.41         |
| Contractual maturities of other financial liabilities | 38.55            | -               | -               | -                    | 38.55            |
| Unpaid Dividend                                       | 7.81             | -               | -               | -                    | 7.81             |
| <b>TOTAL</b>  | <b>14,946.56</b> | <b>1,611.87</b> | <b>3,142.76</b> | <b>-</b>             | <b>19,701.19</b> |



**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

*(Rupees in Lakhs)*

| Particulars                     | As at 31.03.2019 | As at 31.03.2018 |
|---------------------------------|------------------|------------------|
| Borrowings                      | 13,914.67        | 15,629.42        |
| Trade payables                  | 6,505.04         | 4,025.41         |
| Less: Cash and cash equivalents | 441.38           | 109.97           |
| Net debt                        | 20,861.09        | 19,764.80        |
| Equity                          | 5,038.32         | 5,038.32         |
| Capital and net debt            | 25,899.42        | 24,803.12        |
| Gearing ratio                   | 80.55%           | 79.69%           |

Note : 43 The previous year figures have been regrouped/reclassified, wherever considered necessary to the current year presentation.

**As per our report of even date attached**

**For and on behalf of the Board**

**For Raj Gupta & Company**

**Chartered Accountants**

ICAI Firm Regd. No. 000203N

**(Abhishek Gupta)**

(Partner)

M.No. 530433

Place : New Delhi,

Dated : 04th June, 2019

sd/-

**Sanjay Tiku**

Director

sd/-

**Gautam Malhotra**

Director

sd/-

**Sandeep Singh Surya**

Chief Financial Officer

sd/-

**Mona K Bahadur**

Company Secretary

**JMT AUTO LIMITED**

Regd Office: 3, LSC, Pamposh Enclave, Guru Nanak Market, Opp LSC Market, New Delhi-110 048

Website: www.jmtauto.com ,Email:jmt.auto@amtek.com, Phone: 0657-6626340

**(CIN L42274DL1997PLC270939)**

 Name of the member(s) :  
 Registered address :  
 Email Id :  
 Folio/DP ID- Client ID No.:

I/We being the member(s) of .....shares of the above named Company hereby appoint:

- (1) Name : ..... Address: .....  
 E-mail Id: ..... Signature ..... or failing him;
- (2) Name: ..... Address: .....  
 E-mail Id: ..... Signature ..... or failing him;

 as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on Thursday **26th September 2019 at 12:30 p.m.** at Mapple Emerald, NH8, Rajokri, New Delhi-110038 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated below:

| Item No. | RESOLUTIONS  | Optional |         |
|----------|--|----------|---------|
|          |  | For      | Against |
|          | <b>ORDINARY BUSINESS</b>   |          |         |
| 1.       | To consider and adopt :- (a) the audited financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019, and the reports of the Auditors thereon; |          |         |
| 2.       | To appoint a Director in place of <b>Gautam Malhotra (DIN-00157488)</b> , who retires by rotation and being eligible, offers himself for re- appointment   |          |         |
| 3.       | To appoint a Director in place of <b>John E Flintham (DIN-01463500)</b> , who retires by rotation and being eligible, offers himself for re- appointment.  |          |         |
|          | <b>SPECIAL BUSINESS</b>  |          |         |
| 4.       | Ratification of Remuneration of Cost Auditors for FY 2019-20   |          |         |
| 5.       | Approval for Related Party Transactions for FY 2019-120  |          |         |

Signed this ..... day of ..... 2019

Signature of Shareholder

 Revenue  
Stamp

Signature of Proxy Holder(s)

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.
- For the resolutions, Statement and Notes, please refer to the Notice of the 32<sup>nd</sup> Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.

**JMT AUTO LIMITED**

Regd Office: 3, LSC, Pamposh Enclave, Guru Nanak Market, Opp LSC Market, New Delhi-110 048  
Website: www.jmtauto.com ,Email:jmt.auto@amtek.com, Phone: 0657-6626340  
**(CIN L42274DL1997PLC270939)**

**ATTENDANCE SLIP**  
(to be handed over at the Registration Counter)

Folio No./DP ID-  
Client ID No.:

No. of Shares :

I/We hereby record my/our presence at the 32<sup>nd</sup> Annual General Meeting of the Company being held on Thursday, **26<sup>th</sup> September 2019 at 12:30 p.m.** at Mapple Emerald, NH8, Rajokri, New Delhi-110038.

.....  
Signature of the Proxy Holder(s)

.....  
Signature(s) of Member and Joint Members

**Note:**

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial period ended on 31.3.2019 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.3.2019 and Notice of Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

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# **JMT AUTO LIMITED**

**Regd Office:**

3, LSC, Pamposh Enclave, Guru Nanak Market, Opp LSC Market,  
New Delhi-110 048