

JMT/CS/035/2023-24

Date: 26 September, 2023

To, The Compliance Officer Bombay Stock Exchange Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Scrip Code - 513691	To, The Compliance Officer, National Stock Exchange of India Ltd. Exchange Plaza Bandra Kurla Complex, Bandra Mumbai-400 051 Scrip Code: JMTAUTOLD
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**Sub.: Submission of Audited Standalone Financial Results of JMT AUTO LTD
for the quarter/year ended 31st March, 2022 along with Limited Review Report**

Dear Sir,

Pursuant to Reg 33 of the SEBI Listing Regulations, we enclose hereto, the Audited Standalone Financial Results of JMT AUTO LTD for the quarter/year ended 31st March, 2022 along with the Limited Review taken on record by the Erstwhile Resolution Professional / Member of Monitoring Committee of the Company for the purpose of facilitating compliance.

The Monitoring Committee has been formed pursuant to Approved Resolution Plan vide Order of Hon'ble NCLT, New Delhi Bench dated 21st August, 2023, in the matter of Corporate Insolvency Resolution Process of JMT AUTO Limited.

You are hereby requested to take the same on record and oblige.

Thanking you,

For **JMT AUTO LIMITED**

.....
(Mona K Bahadur)
COMPANY SECRETARY
Encl: As above

CIN : L42274DL1997PLC270939

Corporate Office & Works :

C-19-20, 7th Phase, Industrial Area,
Adityapur, Jamshedpur-832 109, Jharkhand, India
Phone : +91-657-8626379 / 8626333
Fax : +91-657-2200749, E-mail : jmt.auto@amtek.com
Website : www.jmtauto.com

Registered Office :

3 LSC, Pamposh Enclave
Guru Nanak Market
Opp. LSC Market
New Delhi - 110048
Phone : +91 9234602083

JMT AUTO LIMITED

Regd. Office : 3, L S C Pomposh Enclave, Guru Nanak Market, Opp. L S C Market, New Delhi - 110 048.
Audited Standalone Financial Results for the Quarter/ Year ended March 31, 2022

(Rupees in lakhs)

Sl. No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31-Mar-22 *Audited	31-Dec-21 Un-Audited	31-Mar-21 *Audited	31-Mar-22 Audited	31-Mar-21 Audited
1	Revenue					
	a. Revenue from operations	503.32	1,502.38	3,419.67	6,213.91	10,522.13
	b. Other Income	18.94	31.38	109.87	87.32	210.22
	Total Income	522.26	1,533.76	3,529.54	6,301.23	10,732.35
2	Expenses					
	a. Cost of materials consumed	(114.95)	286.14	1,246.79	782.51	3,929.77
	b. Changes in inventories of finished goods and work-in-progress	3,687.77	(170.88)	22.71	4,495.12	403.37
	c. Employee benefits expense	583.36	464.20	735.85	2,020.14	2,150.71
	d. Finance Cost	278.17	486.57	531.12	1,845.02	2,162.48
	e. Depreciation and amortization expense	214.71	299.31	340.48	1,112.65	1,360.51
	f. Impairment	8,970.80	-	-	8,970.80	-
	g. Other expense	329.57	416.77	1,681.84	3,088.60	5,535.69
	Total expenses	13,949.43	1,782.11	4,558.79	22,314.84	15,542.53
3	(Loss)/ profit before exceptional items and tax(1-2)	(13,427.17)	(248.35)	(1,029.25)	(16,013.61)	(4,810.18)
4	Exceptional items	-	-	(5,251.01)	-	(5,251.01)
5	(Loss)/ profit before tax (3+4)	(13,427.17)	(248.35)	(6,280.26)	(16,013.61)	(10,061.19)
6	Tax expense:					
	(a) Current Tax	-	-	-	-	-
	(b) Previous Year Tax	-	-	170.83	-	170.83
	(c) Deferred tax	-	-	(720.46)	-	(786.51)
	Total tax expenses/ (income)	-	-	(549.63)	-	(615.68)
7	(Loss)/ profit for the period/ year (5-6)	(13,427.17)	(248.35)	(5,730.63)	(16,013.61)	(9,445.51)
8	Other Comprehensive Income (net of tax)					
	(i) Item that will not be reclassified to profit or loss	-	-	38.65	-	38.65
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	(10.05)	-	(10.05)
	Total Other Comprehensive Income	-	-	28.60	-	28.60
9	Total Comprehensive (loss)/ income for the period/ year (7+8)	(13,427.17)	(248.35)	(5,702.03)	(16,013.61)	(9,416.91)
10	Paid-up Equity Share Capital (Face Value Rs. 1/- Per Share)	5,038.32	5,038.32	5,038.32	5,038.32	5,038.32
12	Earnings per share*					
	a) Basic	(2.67)	(0.05)	(1.14)	(3.18)	(1.87)
	b) Diluted	(2.67)	(0.05)	(1.14)	(3.18)	(1.87)

*The figures for the quarter ended 31st March 2022 and 2021 are the balancing figures between the Audited figures in respect of full financial year and published year to date figures upto third quarter of the relevant financial year.

For JHS Associates LLP
Chartered Accountants
Firm Registration No: 133288W / W100099

For JMT Auto Limited

Tasnim Tankiwala
Partner
Membership No: 108263

Sanjay Tiku
Wholetime Director

Date: 26.09.2023
Place: Mumbai

Sandeep Singh
Chief Financial Officer

Taken on record for facilitating compliance purpose:

Pardeep Kumar Sethi
Erstwhile Resolution Professional / Member of Monitoring Committee of JMT Auto Limited
(Demitted office of RP vide NCLT order dated 21.08.2023)
IBBI Registration no. IBBI/IPA-001/IP-P00711/2017-2018/11265

Date: 26.09.2023
Place: Mumbai

JMT Auto Limited
Standalone Statement of Assets & Liabilities as at 31st March, 2022

Rupees in Lakhs)

Particulars		Standalone	
		As at 31.03.2022	As at 31.03.2021
(A) ASSETS			
1 Non-current assets			
(a)	Property, plant and equipment	7,778.29	9,461.18
(b)	Capital work-in-progress	-	14.50
(c)	Right-of-use assets	-	372.17
(d)	Intangible assets	-	11.71
(e)	Investment in subsidiaries, associates and joint ventures	-	656.80
(f)	Financial assets	-	-
(i)	Investments	-	6.15
(ii)	Loans	86.62	699.96
(iii)	Other financial assets	58.43	55.72
(g)	Other non-current assets	-	53.00
	Sub total-Non-current assets	7,923.35	11,331.20
2 Current assets			
(a)	Inventories	595.83	10,947.87
(b)	Financial assets		
(i)	Trade receivables	163.26	1,341.92
(ii)	Cash and cash equivalents	52.74	26.98
(iii)	Other Bank Balances	-	-
(iv)	Loans	-	2.99
(v)	Other financial assets	164.47	49.18
(c)	Income tax assets (net)	-	116.89
(d)	Other current assets	28.04	767.18
	Sub total-Current assets	1,004.34	13,253.01
TOTAL-ASSETS		8,927.69	24,584.21
(B) EQUITY AND LIABILITIES			
1 Equity			
(a)	Equity share capital	5,038.32	5,038.32
(b)	Other equity	(18,272.68)	(2,259.07)
	Sub total-Equity	(13,234.36)	2,779.25
2 Liabilities			
Non-current liabilities			
(a)	<u>Financial liabilities</u>		
	-Borrowings	-	1,209.94
(b)	Provisions	409.19	409.19
(c)	Deferred tax liabilities (net)	-	-
	Sub total-Non-current liabilities	409.19	1,619.13
Current liabilities			
(a)	<u>Financial liabilities</u>		
	-Borrowings	15,311.99	13,723.94
	-Trade payables		
	(i) Total outstanding dues of Micro & small enterprises	-	-
	(ii) Total outstanding dues other than Micro & small enterprises	2,430.14	3,146.53
	-Other financial liabilities	3,076.38	2,750.33
(b)	Other current liabilities	931.62	562.30
(c)	Provisions	2.72	2.72
	Sub total-Current liabilities	21,752.86	20,185.83
TOTAL EQUITY AND LIABILITIES		8,927.69	24,584.21
<p>For JHS Associates LLP Chartered Accountants Firm Registration No: 133288W / W100099</p> <p>Tasnim Tankiwala Partner Membership No: 108263</p> <p>Date: 26.09.2023 Place: Mumbai</p>		<p>For JMT Auto Limited</p> <p>Sanjay Tiku Wholetime Director</p> <p>Sandeep Singh Chief Financial Officer</p> <p>Taken on record for facilitating compliance purpose:</p> <p>Pardeep Kumar Sethi Erstwhile Resolution Professional / Member of Monitoring Committee of JMT Auto Limited (Demitted office of RP vide NCLT order dated 21.08.2023) IBBI Registration no. IBBI/IPA-001/IP-P00711/2017-2018/11265</p> <p>Date: 26.09.2023 Place: Mumbai</p>	

JMT AUTO LIMITED
Standalone Cash Flow Statement for the Year ended 31 March 2022

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Loss before tax:	(16,013.62)	(10,061.19)
Adjustments for:		
Add: Depreciation & Amortisation	1,112.65	1,360.51
Add: Financial Expenses	1,845.02	2,150.80
Add: Impairment	8,970.80	
Add: Loss allowance for bad & doubtful debts	-	113.77
Less: Profit on sales of Property Plant & Equipments	-	(88.73)
Less: Interest Received & Other Income	-	(51.66)
Cash flow from Operating activities before changes in following asset and liability	(4,085.14)	(6,576.50)
Change in Operating Assets and Liabilities:		
(Increase)/Decrease in Inventories	4,570.40	1,205.78
(Increase)/Decrease in Trade Receivables	1,028.02	1,836.02
(Increase)/Decrease in Other Non- Current Assets	53.00	15.46
(Increase)/Decrease in Other Current Assets	797.33	549.56
Increase/(Decrease) in Trade Payable	857.01	2,282.46
Increase/(Decrease) in Current Liabilities	(21.02)	959.53
Increase/(Decrease) in Provisions	-	55.13
Cash generated from operating activities	3,199.60	327.44
Income Tax Paid (net of refund)		(8.02)
Net cash inflow/ (outflow) from operating activities	3,199.60	319.42
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of Propert, Plant and Equipment	-	(33.55)
Payment for purchase of Capital work in progress	-	(3.82)
Interest Received	-	43.53
Proceed from sale of Property, Plant and Equipment	(1.57)	159.04
(Purchase) / Sales of investments (Net)	(5.01)	-
Net Cash inflow/ (outflow) from Investing activities	(6.58)	165.20
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) /Disbursement of borrowings (net)	(1,322.24)	182.46
Finance Charges Paid	(1,845.02)	(772.70)
Net Cash inflow/ (outflow) from financing activities	(3,167.26)	(590.24)
Net cash inflow/ (outflow) during the year (A+B+C)	25.76	(105.62)
Cash & cash equivalents at the beginning of the year (D)	26.98	132.60
Cash & cash equivalents at the end of the year (D+E)	52.74	26.98

Components of cash & cash equivalents at the end of the year

(Rupees in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash on Hand	-	1.22
Refer Note No 8B		
Balance with Schedule Banks	-	-
Refer Note No 8B		
-Current accounts	52.74	25.76
- Fixed Deposits	-	-
Other Bank Balances	-	-
Refer Note No 8C		
-Balance in banks against unpaid dividend	-	-
Cash and cash equivalents as per Cash Flow Statement	52.74	26.98

For JHS Associates LLP
Chartered Accountants
Firm Registration No: 133288W / W100099

For JMT Auto Limited

Tasnim Tankiwala
Partner
Membership No: 108263

Sanjay Tiku
Wholetime Director

Date: 26.09.2023
Place: Mumbai

Sandeep Singh
Chief Financial Officer

Taken on record for facilitating compliance purpose:

Pardeep Kumar Sethi
Erstwhile Resolution Professional / Member of Monitoring Committee of JMT Auto Limited
(Demitted office of RP vide NCLT order dated 21.08.2023)
IBBI Registration no. IBBI/PA-001/IP-P00711/2017-2018/11265

Date: 26.09.2023
Place: Mumbai

JMT AUTO LIMITED

NOTES TO THE STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 March 2022

1. The above audited standalone financial results have been prepared by company's officials and CFO and thereafter taken on record by the Erstwhile Resolution Professional / member of Monitoring Committee. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and year ended 31 March 2022.
2. The Honourable National Company Law Tribunal, New Delhi ('NCLT') on 23 February 2022 admitted the Corporate Insolvency Resolution Process ('CIRP') application filed against the Company and appointed Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ('the Code'). Further, the committee of creditors during the CIRP in its first meeting held on 22 March 2022, has appointed Mr. Pardeep Kumar Sethi as the Resolution Professional (RP) to manage the affairs of the Company. As per section 17 (1)(b) of IB Code, 2016 the powers of board of directors of the corporate debtor shall stand suspended and be exercised by the Interim Resolution Professional / Resolution Professional (RP).
3. The Financial Results for the quarter and year ended 31 March 2022 have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") 34 "Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and read with relevant rules issued there under and other accounting principles generally accepted in India. The financial results may not be complete to include all the impact and all the disclosure of the information required to be included and disclosed in relation to the past transactions impacting the statement of Profit and Loss and recoverability of receivables and ascertainment of the fair value of the assets/liabilities and hence these Standalone Financial results could be materially misstated to that extent.

The results continue to have substantive dependence on the accuracy and reliability of the accounting information that was made available to the Erstwhile RP / member of Monitoring Committee by the erstwhile management. While conducting the review of these statements, specific inquiries were made with regards to the brought forward balances of assets and liabilities as on 1 April 2021.

4. Initiation of Corporate Insolvency Resolution Process (CIRP):

Axis Bank Limited, in its capacity as the financial creditor of JMT Auto Limited (JMTAL 'Corporate Debtor'), filed an application under Section 7 of the Insolvency and Bankruptcy Code ('IBC'), 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble Adjudicating Authority, i.e. National Company Law Tribunal, at New Delhi ('Hon'ble NCLT New Delhi') for initiation of Corporate Insolvency Resolution Process ('CIRP') for the Corporate Debtor under the provisions of the Insolvency and Bankruptcy Code 2016. The said Application of Axis Bank Limited has since been admitted by the Hon'ble NCLT New Delhi vide its order dated 23 February 2022 ("Order") and the CIRP has commenced from the date of the order.

The Hon'ble NCLT New Delhi Bench vide its order dated 23 February 2022 ('CIRP Commencement Order') inter alia appointed, Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) of the Corporate Debtor to

conduct the CIRP and to exercise all powers and subject and carry out all duties as envisaged under the provisions of the IBC.

The Committee of Creditors constituted by the IRP, at its first meeting convened on 22 March 2022, unanimously resolved to retain the IRP Mr. Pardeep Kumar Sethi as the Resolution Professional of JMTAL. In accordance with Section 22(3)(a) of IBC, a letter confirming the appointment of Mr. Pardeep Kumar Sethi as the RP of JMTAL was filed with the Hon'ble NCLT New Delhi Bench by the CoC.

The Hon'ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution plan of JMTAL. Accordingly, Mr. Pradeep Kumar Sethi ceased to act as RP of JMTAL from the receipt of the order. The statement of financial results and notes to accounts have been taken on record by the Erstwhile RP / member of Monitoring Committee for the limited purpose of facilitating the compliance process without going into the authenticity and correctness in any respect.

5. The above financial results for the quarter and year ended 31 March 2022 ("the Statement") have been taken on record by the Erstwhile Resolution Professional / member of Monitoring Committee Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 based on data and information gathered by him from the employees retained in the Accounts Department and supervised by Mr. Sandeep Singh (CFO) It is pertinent to note that the Erstwhile Resolution Professional / member of Monitoring Committee made all practicable and reasonable efforts from time to time to facilitate information/data from the officials of the Company in relation to the preparation of the statements of the company and also the information required by the auditors for the purpose of carrying out the audit of the results of the company. It is to be noted that any data pertaining to the financial statements up to 31 March 2022 provided to the auditors for the purpose of audit, pertain to the period prior to the initiation of CIRP and therefore, while facilitating the collection and dissemination of the said information, the Erstwhile Resolution Professional / member of Monitoring Committee has relied upon and assumed the accuracy/veracity of the data/information provided by the officials of the company, suspended directors, and the records of the company made available to the Erstwhile Resolution Professional / member of Monitoring Committee, which the Erstwhile Resolution Professional / member of Monitoring Committee has assumed are in conformity with the applicable law and present a true and fair view of the position of the company as of the dates and for the period indicated therein. Accordingly, the Erstwhile Resolution Professional / member of Monitoring Committee shall be absolved from the responsibility of accuracy, veracity and sufficiency or completeness of such information. Readers and users of these statements are advised to do their due diligence before arriving at any conclusions. The Erstwhile Resolution Professional / member of Monitoring Committee has taken on record the financial results with a view to facilitate the CIRP Process and facilitate the statutory requirements without any liability of the same.
6. The financial results for the quarter and year ended 31 March 2022 have been prepared basis the trial balance as on period ended 31 March 2022 which is on the basis of the carrying balance of assets and liabilities as on 31 March 2021 and Books of accounts and information available from 1st April 2021 to 31 March 2022 . Financial results for the quarter and Year ended 31 March 2022 encompasses significant exceptions/adjustments arising from the discrepancies in the closing balances reported in the financial results for the quarter and year ended 31 March 2021, errors and omissions in the book of accounts and the numerous transactions undertaken prior to the commencement of CIRP when the powers of supervising and directing the affairs of the Company were vested with the Board of Directors. Accordingly, the best judgement assessment and estimation of closing balances as on 31 March 2022

have been done to the extent possible but the accuracy and reliability of these balances cannot be assured or verified by Erstwhile RP / member of Monitoring Committee. With respect to the financial results for the period ended 31 March 2022; the Erstwhile RP / member of Monitoring Committee has taken on record the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

- i. The Erstwhile RP / member of Monitoring Committee has taken on record the results in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Erstwhile RP / member of Monitoring Committee in terms of Section 233 of the Code
 - ii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Erstwhile RP / member of Monitoring Committee including, his authorized representatives and advisors;
 - iii. The Erstwhile RP / member of Monitoring Committee, to comply with applicable laws pertaining to the publication of financial results, has relied upon the information, records, documents, books of accounts and bank statements to the extent available. The financial results for the period ended 31 March 2022 have been taken on record by the Erstwhile RP / member of Monitoring Committee solely on the basis of and relying on the aforesaid records and documents despite the challenging circumstances. Accordingly, the Erstwhile RP / member of Monitoring Committee is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.
7. The Company is engaged in the business of auto component manufacturing and its customers are based out in a multiple geographical locations. However, in the absence of relevant records and information we are unable to identify geographical segment wise information as per the requirement of Ind AS 108 – “Operating Segments”.
The Information reported for assessment of performance of business and allocation of resources is identified as a single segment i.e. Automotive Components under Ind AS 108 -"Operating Segments".
8. On account of loans being reclassified as Non-Performing Assets (NPA) by IDBI Bank and Axis Bank, interest has been provided for in the books of accounts at the rates as used for the previous year 31 March 2021 plus penal interest if applicable for each facility availed by the company. In case of borrowings taken from SBI and Bank of India, the accounts were not classified as NPA as on March 31, 2022 hence the interest has been provided as per the Bank statements. However as on the date of signing the financials all the lenders have classified borrowings as NPA. The Financial Claims have been restated as per claims submitted by the Lenders upto CIRP date. Further, the Hon’ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution of the Company and hence interest provision has not been made from the commencement of the CIRP period.
9. In view of uncertain nature of projects, complex situations, performance issues, deterioration in client relationship, delays in contracts execution, probability of liquidated damages likely to devolve, unsettled or unaccepted claims, BG invocations, arbitrations, pending legal disputes, non-availability of balance confirmation from customers and vendors, penalties levied by various governmental authorities, outcome of CIRP, etc; there is a high probability of substantial write down in the amounts receivable and other current assets in the subsequent quarters. The management will assess the situation at the year end and will give impact of any impairment, as may be required.

10. Effective 01 April 2019 the company has adopted Ind AS 116- 'Leases' under modified simplified approach without adjustment of comparatives. The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

For the balance in ROU account of Rs 351.67 lakhs no underlying details as regards the number of leases covered, cash outflow on account of lease rentals and other relevant details required to calculate the ROU asset have been provided by the Erstwhile management of the Company. The same has been impaired by management on the basis of Valuation report under IBC 2016.

11. Balances with banks is as per information, records and bank statements made available to the Erstwhile RP / member of Monitoring Committee. Any difference in the amount of bank balances with books of accounts and Bank statements, the reconciliation of the same has been prepared by the employees retained in the accounts department by the Erstwhile RP / member of Monitoring Committee and the same is relied upon.
12. As a part of CIRP, financial creditors, operational creditors, workmen, government agencies and employees of the company were called upon to submit their claims to the RP in terms of the applicable provisions of Insolvency and Bankruptcy Code, 2016. Claim submitted by the financial creditors, operational creditors, workmen and employees have been verified and admitted by the RP. Operational creditors, workmen and employees payables are not reinstated on the basis of the claims received under Corporate Insolvency Resolution Process due to certain practical difficulties. However, Financials Creditors claims have been reinstated in the books as on 31 March 2022. Below is the final summary of claims received and admitted by RP upto 27 December 2022.

Particulars	Amount Claimed ((Dues as on 23 rd February 2022) (INR in Crores)	Amount Admitted (Dues as on 23 rd February 2022) (INR in Crores)
Financial Creditors	168.40	168.36
Operational Creditors	26.11	23.38
Workmen and employees claim	10.44	10.30
Government Dues	43.22	18.72
Total	248.16	220.76

13. During the period ended company has not provided for any onerous contracts. As the company is in the CIRP as on the date of preparation of financial results and review thereof, claim in respect of onerous contract, if any, will only be through claims submitted as per the provision of the IBC, 2016. As the operational claims are not reinstated in the books, no provision is currently made in the books of accounts.

14. Cash in Hand

In respect of Cash Balances, the same has been derived basis the entries reflecting in books of accounts provided by the Erstwhile management. The Erstwhile Resolution Professional / member of Monitoring Committee while taking charge of the company did not find any cash in possession of the company. Hence, cash balance as reflected in the books of accounts of Rs. 1.03 Lakhs is written off to the statement of profit and loss.

15. Investments

The Investments as at 31st March 2022 is valued on the basis of the Valuation Reports received from the valuers appointed under CIRP. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year

16. Prepaid Expenses

In the absence of detailed listing of prepaid expenses carried forward in the financial statement and non-availability of relevant records and information, we are not able to comment on the amount of prepaid expenses to be carried forward as at 31 March 2022 of INR 20.31 Lakhs and hence the same is charged to the statement of profit and loss.

17. Provisions for post- employment benefits – Gratuity and Leave encashment made in the books of account are not in line with the Ind AS 19. As the management has not conducted any actuarial valuation for the Gratuity and Leave Encashment, the Erstwhile RP / member of Monitoring Committee is unable to ascertain the effect of Gratuity and Leave Encashment provision on the financials. It is pertinent to note that all the claims of the employees including gratuity and leave encashment will be dealt with in accordance with the provision of the IBC Act, 2016.

In the absence of information, no further provision has been made during the year for Gratuity and Leave Encashment

18. The Company has not prepared and presented consolidated audited financial results for the quarter and year ended 31 March 2022 as required under Section 129 sub-section 3 of the Companies Act, 2013 due to nonavailability of financial information of subsidiaries and associates.

19. Balances of Trade Receivable, Trade Payable, Loans and Advances and other balances of assets and liabilities are recognised as per books of account, information, documents and records available and are subject to confirmation and reconciliation, if any. However, in the absence of relevant records and information the accuracy of balances for the year ended 31 March 2022 cannot be verified and may be materially misstated to that extent. These balances are impaired based on the valuation report obtained under the provisions of the IBC, 2016.

20. Balance with Government authorities:

The company has no detailed listing available for balance recoverable from various governmental authorities. In the absence of relevant information and records, the amount reflected as receivables from governmental authorities may be materially misstated. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year

21. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no provision for interest paid/payable under this Act has been created during the period ended 31 March 2022.

Trade payables to MSME for Pre-CIRP period are required to be processed through Operational creditor claims as per provisions of IBC. Accordingly, all such dues prior to CIRP period as reflected in books of accounts are reclassified as Trade payable to others.

22. In the absence of reconciliation between the purchase amount reflected in the purchase register and the amount reflected in the financial results, the completeness and accuracy of the amount of purchases and balance of creditors for purchases cannot be ascertained and the same may be materially misstated. It is pertinent to note that the amount payable to the operational creditors prior to the CIRP date will be dealt with in accordance with the provision of the IBC Act, 2016.

As regards the amount of input tax credit (ITC) claimed by the company no adequate back up documents or underlying records are available to substantiate the same and hence the amount of ITC claimed by the company may be materially misstated.

23. Audit Fees:

Audit fees for the quarter and year ended 31 March 2022 provided for at year end, as the same is conducted post the CIRP date and hence is forming part of CIRP cost.

24. Assets

The management has tested all its assets like Property Plant & Equipment, Intangibles, Capital Work in Progress, Capital Advances, Investments, Loans and Advances, Indirect Tax Receivables and all the other assets like Security Deposit etc for impairment. Provision for impairment, has been created as per the valuation required to be conducted as per IBC, 2016.

25. Expected Credit Loss (ECL) for Trade Receivable:

In absence of information with regard to the quantitative parameters like age of the receivables, past default trends, etc , the Erstwhile RP / member of Monitoring Committee has not assessed the ECL for Trade receivables. Trade Receivable as at 31st March 2022 is valued on the basis of the Valuation Reports received from the valuers appointed under CIRP. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year.

26. Gratuity and Leave Encashment

Provisions for post- employment benefits – Gratuity and Leave encashment made in the books of account are not in line with the Ind AS 19. As the management has not conducted any actuarial valuation for the Gratuity and Leave Encashment the effect of Gratuity and Leave Encashment provision on the financial results is unascertainable.

27. Deferred tax liabilities:

In the absence of relevant information and records Deferred Tax has not been calculated for the quarter and year ended 31 March 2022.

28. Inventory

We were not appointed as auditor of the company until after 31 March 2022 and thus did not observe the counting of physical inventories at the end of the period ended 31 March 2022. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2022 which are included in the balance sheet at INR 6,377.47 Lakhs, by using other audit procedures. Consequently we were unable to determine whether any adjustment to this amount was necessary. Further no physical verification of stock was conducted by the erstwhile management as at 31 March 2022.

Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from the Accounting Standards prescribed under

section 133 of the Companies Act, 2013. The Erstwhile RP / member of Monitoring Committee has taken the value of the inventory as on 31 March 2022 basis the valuation report obtained as per the requirement of the IBC 2016. As the valuation report does not provide the details in value of stock on individual basis i.e. value of Raw material, work in progress and finished goods, the impairment in the value of inventory is done on an overall basis.

29. PPE, CWIP & Intangible Assets

The PPE, Intangible Assets and Capital Work in Progress as at 31st March 2022 is valued on the basis of the Valuation Reports received from the valuers appointed under CIRP. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year.

30. Employee Provisions:

Employee/workmen dues recorded in the books of accounts are based on the company policy and after considering their attendance and leave records. In the absence of relevant information such as the employee resignation date and salary details the liability of gratuity and leave encashment is not ascertainable and not provided for as at 31 March 2022. In the absence of information the existing provisions made upto March 2021 are continued and being reflected in this quarterly financial statements. Subsequently the company has gone into CIRP, under IBC and all claims of the employees, including that for leave encashment and gratuity will be entertained only through claims submitted by the employees. Further all statutory dues applicable in relation to employee related expenditure like Employee State Insurance Scheme, Provident Fund, TDS on salary, etc, has been booked to the extent information available in the records with the management for the quarter and year ended 31 March 2022. No other statutory dues payable to the employees are accounted for in the absence of relevant information with the Erstwhile RP / member of Monitoring Committee and impact of such non-compliance in form of interest and penalty is currently not quantified by the Erstwhile RP / member of Monitoring Committee in the financial statements during the year..

31. CSR Payable:

The company has made provision towards CSR liability payable to the extent of Rs. 40.91 Lakhs in the previous year. The required details in relation to these payables are not made available by the Erstwhile management of the Company. Further, it is pertinent to note that the claim towards CSR payable will not form part of the claims to be submitted by the creditors as per Section 53 of the IBC Act and hence the same is written back in the books of accounts..

32. Statutory Dues

Statutory dues represent withholding taxes payable on salary, vendor payments, profession tax, provident fund, GST dues, etc. provided on the basis of information, records and information available with the Erstwhile Resolution Professional / member of Monitoring Committee. No other statutory dues payable to the employees are accounted for in the absence of relevant information with the Erstwhile RP / member of Monitoring Committee and impact of such non-compliance in form of interest and penalty is currently not quantified by the Erstwhile RP / member of Monitoring Committee in the financial statements during the year.

33. Summary of Transactions falling with the meaning of Section 43 to section 66 of Insolvency and Bankruptcy code, 2016

SN	Particulars	INR in crs
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1	Transaction entered with group/ related entity lead to monetary loss, which could have been avoided amounting to Rs. 73.28 crores	73.28
2	Purchase of Fixed Assets from Related Party amounting to Rs. 10.74 crores, Invoice date appears to be of 2015-16 & 2016-17, which is booked in 2019-20, with narrations of closing entry. No underlying documents provided for the said transactions	10.74
3	Investment in an entity in 2015-16, fetched no returns or value to CD amounting to Rs. 7.00 as investment loss and unknown notional loss	7.00
4	Falsification and mis-representation to stake holders including financial creditors by way of inflated inventory in books as compared to actuals in existence as per inspection report of RP Team, the gap is amounting to Rs. 33 crores	33.00
5	Sale of Fixed Assets in FY 2020-21 without obtaining NOC from the term lenders/ Working Capital Lenders, also no underlying documents on such sale of fixed assets amounting to Rs. 1.59 crores	1.59
Total Amount amongst all Respondents		125.61

Sr. No	Additional for Respondent 1	INR in crs
1	Excess Management Remunerations amounting to Rs. 0.76 crores as allowed under Companies Act, 2013	0.76

34. Income Tax Provision

In absence of relevant information, documents and records, provision for current tax expense and tax expenses on amounts recognized in other comprehensive income is not calculated, to that extent the figure for provision for tax is materially misstated.

35. Revenue from Operations:

Revenue from operations for the quarter ended and year ended 31 March 2022 has been recognised basis the information and records available with the management and relied upon by the Erstwhile RP / member of Monitoring Committee. In the absence of adequate and conclusive evidence on the completeness and accuracy of the revenue, the same may be materially misstated.

36. Other Expenses

Other Expenses for the quarter and year ended 31 March 2022 has been provided on basis the information and records available with the management and relied upon by the Erstwhile RP / member of Monitoring Committee. In the absence of adequate and conclusive evidence on the completeness and accuracy of the expenses, the same may be materially misstated.

37. Going Concern:

Due to on-going CIRP i.e. 23rd February, 2022 and the substantial financial stress, the going concern basis of preparation of these financial results could be materially affected. .IRP had tried to raise interim funds to run the operations but the requisite approval did not come through COC.

The Company has accumulated losses of INR 18,272.68 Lakhs and the Company has registered net loss of INR 16,013.61 Lakhs during the year ended 31 March 2022 and net loss of INR 9416.91 Lakhs for the previous year (FY 2020-21) (including provision for finance cost and depreciation).

The above-mentioned conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Statement of the Company have been prepared on a going concern basis as the resolution plan for the revival of the Company has been approved by the COC and filed with NCLT on 20 January 2023.

The Hon'ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution plan of JMTAL. Accordingly, Mr. Pradeep Kumar Sethi ceased to act as RP of JMTAL from the receipt of the order. The statement of financial statements and notes to accounts have been taken on record by the Erstwhile RP / member of Monitoring Committee for the limited purpose of facilitating the compliance process without going into the authenticity and correctness in any respect.

38. Non-Compliance of applicable laws and regulations:

As a consequence of the matters described above and various other matters discussed in these financial statements, the company is not in compliance with various laws and regulations even before the CIRP was initiated, including certain requirement of the Companies Act, 2013, FEMA, Provident Funds, Income Tax, GST, etc. Erstwhile RP / member of Monitoring Committee is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine the impact/consequences, including financial and operational impact, of such non compliances on the company. Pending final determination and assessment thereof, no adjustments have been made to these financial statements.

39. Contingent Liabilities and Commitments (to the extent not provided for) (Rupees in Lakhs)

Particulars	As at 30.06.2021	As at 31.03.2021
Bank Guarantees issued by bank on company's behalf	19.36	19.36
Capital Cenvat availed in EOU units, Dharwad	444.00	444.00
Defaults in case of TDS due to short deduction/short payment	20.08	-
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net)	43.00	43.00
Contingent Claim Amount (wrt to Government dues)- GST	1341.40	-
Contingent Claim Amount (wrt to Government dues)- Excise	1082.37	-
Contingent Claim Amount (wrt to delayed submission not considered)	111.93	-

40. The figure for the corresponding previous year has been restated / regrouped wherever necessary and information was available, to make them comparable with the current period. Wherever the regrouping information were not available, current year's figures are posted as per the available information.
41. Audit for the previous year ended 31 March 2021 and review for the quarter ended 31 March 2021 was conducted by M/S Rajesh Goel and Associates. The audited figures for the previous year and reviewed figures for the quarter ended 31 March 2021 has been relied upon by the incoming auditors.
42. The Financial results for quarter ended on 31st March 2022 were prepared by the Erstwhile management of the Company, however, Mr. Sandeep Singh Surya, CFO has refused to place his signatures referring to the resignation tendered by him and Whole Time Director has not responded towards signing the financial results.

Further, the Hon'ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution of JMTAL. Accordingly, Mr. Pradeep Kumar Sethi ceased to act as RP of JMTAL from the receipt of the order. The statement of financial results and notes to accounts have been taken on record by the Erstwhile RP / member of Monitoring Committee for the limited purpose of facilitating the compliance process without going into the authenticity and correctness in any respect.

For JHS Associates LLP
Chartered Accountants
FRN: 133288W / W100099

For, JMT Auto Limited

Tasnim Tankiwala
Partner

Sanjay Tiku
Wholetime Director

Date: 26.09.2023
Place: Mumbai

Sandeep Singh
Chief Financial Officer

Taken on record for facilitating compliance purpose:

Pardeep Kumar Sethi
Erstwhile RP / member of Monitoring Committee
of JMT Auto Limited
(Demitted office of RP vide NCLT order dated
21.08.2023)
IBBI Reg. No. IBBI/IPA-001/IP-P00711/2017-
2018/11265

Place: Mumbai
Date: 26.09.2023

INDEPENDENT AUDITORS' REVIEW REPORT ON STANDALONE AUDITED FINANCIAL RESULTS FOR QUARTER AND YEAR ENDED 31 MARCH 2022 OF JMT AUTO LTD PURSUANT TO REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Insolvency Professional
JMT Auto Ltd.

Introduction

1. We have reviewed the accompanying statement of standalone audited financial results of **JMT AUTO LTD ("the Company")**, for the quarter and year ended 31 March 2022 ("**the Statement**"), being submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Honorable National Company Law Tribunal, New Delhi ('NCLT') on 23 February, 2022 admitted the Corporate Insolvency Resolution Process ('CIRP') application filed against the Company and appointed Mr. Pardeep Kumar Sethi having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ('the Code'). Further, the committee of creditors constituted during the CIRP in its first meeting held on 22 March 2022, has appointed Mr. Pardeep Kumar Sethi as the RP to manage the affairs of the Company. As per section 17 (1)(b) of IB Code, 2016 the powers of board of directors of the corporate debtor shall stand suspended and be exercised by the Resolution Professional. The underlying results pertaining to the quarter and year under review were under the Board of Directors, whose powers now stand suspended on the initiation of CIRP under the Insolvency and Bankruptcy Code, 2016.

The Hon'ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution plan of JMTAL. Accordingly, Mr. Pardeep Kumar Sethi ceased to act as RP of JMTAL from the receipt of the order. The statement of financial results and notes to accounts have been taken on record by the Erstwhile RP for the limited purpose of facilitating the compliance process without going into the authenticity and correctness in any respect.

3. The audited Standalone Financial Results are the responsibility of the Company's Management, inter-alia the persons looking after accounts & finance functions, the CFO, the Officers & the Board of Directors and should be approved by the Company's Board of Directors. The accompanying audited Standalone Financial Results mainly pertain to the quarter and year ended 31 March 2022, where the Board of Directors holds the responsibility for the financial transactions under the review period. However, the suspended Board of Directors have not provided requisite clarifications for the financial transactions reflected in the results neither were they able to provide sufficient audit documentation to us for the purpose of this Limited Review.

These Financial Results mainly pertain to the period when Corporate Insolvency Resolution Process (CIRP) had not commenced and Mr. Pardeep Kumar Sethi ("**Erstwhile Resolution Professional**") was not appointed by the Hon'ble NCLT, wherein the Board of Directors was actively engaged in the affairs of the company and were charged with governance and hence would have been signed by them. However, in absence of management representations from the Board of Directors and

Registered Office

C-701, Mary Ellen,
Ceasars Cross Road,
Amboli, Andheri (W),
Mumbai - 400 058
Tel : +91 98 2005 1936

Mumbai Office

504, 5th Floor, Meadows,
Sahar Plaza Complex, Andheri-Kurla
Road, J.B. Nagar, Andheri East,
Mumbai - 400 059
Tel : +91 80970 95060

Vadodara Office

3rd Floor, TNW Business Centre,
Above Mcdonald's, Near Manisha
Cross Road, Old Padra Road,
Vadodara - 390 007
Tel : +91 26 5233 3698 / 230 4800

Kolkata Office

Suite No. 402, 4th Floor,
Vardhan Complex,
25A Camac Street,
Kolkata - 700 016
Tel : +91 98 3115 0209

Delhi Office

306, DLF Centre,
Savitri Cinema Complex,
Greater Kailash - II,
New Delhi 110048
Tel : +91 11 41437282

Key Managerial Persons, the audited financial results and notes to accounts have been prepared by company officials and supervised by Mr. Sandeep Singh Surya, CFO. However, CFO has refused to place his signatures referring to the resignation placed by him on August 23, 2023. Also, there has been no response from the Whole Time Director. Hence, the Erstwhile Resolution Professional has taken on record the financial results in order to facilitate the CIR Process and facilitate the statutory compliances with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“Listing Regulations”), without any liability of the same.

Audited Standalone Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, “(Ind AS 34) Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these audited Standalone Financial Results based on our review. On account of the matters described in **paragraph 6** below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for opinion on these audited Standalone Financial Results and hence we do not express an opinion on these audited Standalone Financial Results.

4. For the purpose of this review, we have relied upon the standalone financial results prepared by the Erstwhile management of the Company and provided to us by the Erstwhile RP to facilitate conduct of Limited Review and to comply with the duty conferred upon him by the IBC, 2016. It is noteworthy that the Erstwhile RP has inserted a note, as part of notes to accounts, set out in Note No. 5 & 6, as per which financial results have been reviewed by him based on data and information gathered by him from the employees retained in the Accounts Department and supervised by Mr. Sandeep Singh (CFO). It is pertinent to note that the Erstwhile Resolution Professional made all practicable and reasonable efforts from time to time to facilitate information/data from the officials of the Company in relation to the preparation of the statements of the company and also the information required by the auditors for the purpose of carrying out the audit of the results of the company. It is to be noted that any data pertaining to the financial statements up to 31 March 2022 provided to the auditors for the purpose of audit, mainly pertain to the period prior to the initiation of CIRP and therefore, while facilitating the collection and dissemination of the said information, the Erstwhile Resolution Professional has relied upon and assumed the accuracy/veracity of the data/information provided by the officials of the company, suspended directors, and the records of the company made available to the Erstwhile Resolution Professional, which he has assumed are in conformity with the applicable law and present a true and fair view of the position of the company as of the dates and for the period indicated therein and that he should be absolved from the responsibility of accuracy, veracity and sufficiency or completeness of such information. As per the said note, the Erstwhile RP has taken on record the standalone audited financial results only to facilitate the CIRP process without any liability of the same. To the extent the Erstwhile RP has disclaimed his liability with respect to accuracy, veracity and sufficiency or completeness of information provided to him by the officials of the Company, the standalone audited financial results may suffer from issues of accuracy, veracity, sufficiency, completeness or reliability. [Relevant observations upon the extent of veracity of the audited yearly standalone financial results have been made in the below paragraph 6, 7 & 8 of this Section.]

Scope of Review

5. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to “Review of Interim Financial Information performed by Independent Auditor of the entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

6. Basis for Disclaimer of Opinion

We draw attention to:

We draw your attention to the fact that, these financial results mainly pertain to the period when the CIRP had not commenced and the Erstwhile Resolution Professional was not appointed by the Hon’ble NCLT. Prior to the commencement of CIRP, the Board of Directors, whose powers were subsequently suspended during the CIRP, had the oversight on the management of the affairs of the Company along with the KMPs. The primary purpose of publishing the financial results is for the compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“Listing Regulations”).

- a) For the current year under review, Revenue from operations, Other income, and expenses appearing as Direct expenses as well as Indirect expenses, has been recognized on basis of the information and records available with the management. In the absence of adequate and conclusive evidence on the completeness and accuracy of the revenue, other income and expenses, the same may be materially misstated and hence a disclaimer of opinion is expressed by us. Aspects such as non-availability of records as well as accounting & record keeping personnel, not working with the company at this time, contributed to the situation wherein an audit opinion could not be formed.
- b) As depicted in Note No. 38 of standalone audited financial results, the company is not in compliance with various laws and regulations even before the CIRP was initiated, including certain requirement of the Companies Act, 2013, FEMA, Provident Fund, Income Tax, GST, etc. The Erstwhile RP is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine the impact/consequences, including financial and operational impact, of such non compliances on the company. Pending final determination and assessment thereof, no adjustments have been made to these financial results. In absence of relevant information and records impact of non-compliances cannot be assessed or verified, we are unable to express an opinion on the same.

- c) Statutory dues represent withholding taxes payable on salary, vendor payments, profession tax, provident fund, GST dues, etc. provided on the basis of information, records and information available with the management and information, if any, to the extent available with the Erstwhile resolution professional for the quarter and year ended 31 March 2022. During the quarter and year ended 31 March 2022, no other statutory dues payable are accounted for in the absence of relevant information with the management and impact of such non-compliance in form of interest and penalty is currently not quantified in the financial results.
- d) In terms of the provisions of the Insolvency & Bankruptcy Code, 2016 (IBC) ("Code"), the Erstwhile Professional is required to undertake a review of certain transactions. Such review has been initiated and the Erstwhile RP is required to accordingly form an opinion and act on the observations and findings of such review in terms of the provisions of the Code. The Erstwhile RP has appointed Transaction auditors for auditing transactions falling with the meaning of section 43 to section 66 of the insolvency and bankruptcy code, 2016. These transactions have been disclosed by the Erstwhile RP in the financial statements without giving any impact of the same in any line item of the financial statement. Refer note No.33 of the standalone audited financial results.
- e) **Opening Balances**
- The financial statements of the Company for the corresponding year ended 31 March 2021 were audited by the predecessor Statutory Auditor M/S Rajesh Goel and Associates, who expressed qualified opinion vide their report dated 04th February 2022 and reliance has been placed by us on the same for the purpose of this report. We have been appointed as the Statutory Auditors of the Company vide resolution dated January 30, 2023 of the Committee of Creditors ('COC') meeting. We have performed our audit on the basis of books of accounts and other relevant records produced before us after the date of our appointment and on the basis of explanation and information provided to us by the Company and are not responsible for any events that occurred prior to our appointment.
- f) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and hence no provision for interest paid/payable under this Act has been created during the quarter and year ended 31 March 2022. It is pertinent to note that all payables prior to CIRP period will be dealt with in accordance with the provision of the Insolvency & Bankruptcy Code (IBC), 2016. Refer note No. 21 of the standalone audited financial results.
- g) The company has no detailed listing available for balance recoverable from various governmental authorities. In the absence of relevant information and records, the amount reflected as receivables from governmental authorities may be materially misstated. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year. Refer note No. 20 of the standalone audited financial results.
- h) **Employee Provisions:-** Employee/workmen dues recorded in the books of accounts are based on the company policy and after considering their attendance and leave records. In the absence of relevant information such as the employee resignation date and salary details the liability of gratuity and leave encashment is not ascertainable and not provided for as at 31

March 2022. In the absence of information, the existing provisions made upto March 2021 are continued and being reflected in this quarterly and yearly financial statements. Subsequently the company has gone into CIRP, under IBC and all claims of the employees, including that for leave encashment and gratuity will be entertained only through claims submitted by the employees. Refer note No. 30 of the standalone audited financial results.

- i) Interest on outstanding dues of banks & financial institutions have been provided at the rates used in previous year March 31, 2021 plus the penal interest applicable for each facility availed by the company. Refer note No. 8 of the standalone audited financial results.
- j) Employee/workmen dues booked in the books of accounts are based on the company policy and after considering their attendance and leave records. No other statutory dues payable to the employees are accounted for in the absence of relevant information with the Erstwhile RP and impact of such non-compliance in form of interest and penalty is currently not quantified by the Erstwhile RP in the financial statements during the year. Refer note No. 30 of the standalone audited financial results.
- k) The Company has not prepared and presented consolidated audited financial results for the quarterly and yearly ended 31 March 2022 as required under Section 129 sub-section 3 of the Companies Act, 2013 due to non-availability of financial information of subsidiaries and associates.
- l) The Company is engaged in the business of auto component manufacturing and its customers are based out in a multiple geographical locations. However, in the absence of relevant records and information we are unable to identify geographical segment wise information as per the requirement of Ind AS 108 – “Operating Segments”. Refer note No. 7 of the standalone audited financial results.
- m) Balances of Trade Receivable, Trade Payable, Loans and Advances and other balances of assets and liabilities are recognised as per books of account, information, documents and records available and are subject to confirmation and reconciliation, if any. However, in the absence of relevant records and information the accuracy of balances for the year ended 31 March 2022 cannot be verified and may be materially misstated to that extent. These balances are impaired based on the valuation report obtained under the provisions of the IBC, 2016.
- n) During the year company has not provided for any onerous contracts. As the company is in the CIRP as on the date of preparation of the financial results and review thereof, claim in respect of onerous contract, if any, will only be through claims submitted as per the provision of the IBC, 2016. As the operational claims are not reinstated in the books, no provision is currently made in the books of accounts. Refer note No. 13 of the standalone audited financial results.
- o) With respect to ECL for Trade Receivables, In absence of information with regard to the quantitative parameters like age of the receivables, past default trends, etc. , the management has not assessed the ECL for Trade receivables. The management has provided for the necessary impairment as per the valuation report. Refer note No. 25 of the standalone audited financial results.

- p) With respect to the Income Tax provision, In absence of relevant information and records, provision for current tax expense and tax expenses on amounts recognised in other comprehensive income for the quarter year ended 31 March 2022 is not calculated and provided for.
- q) The company had made provision towards CSR liability payable to the extent of Rs. 40.91 Lakhs in the previous year. The required details in relation to these payables have not been made available by the Erstwhile management of the Company. Further, it is pertinent to note that the claim towards CSR payable will not form part of the claims to be submitted by the creditors as per Section 53 of the IBC Act and hence the same is written back in the books of accounts. In the absence of relevant information and records we are unable to comment on the accuracy and completeness of the CSR provision made in the books of accounts. Refer note no 31 of the standalone audited financial results.
- r) In the absence of information about the lease arrangements entered into by the company, the impact of Ind AS 116 'Leases' which becomes applicable from 1 April 2019 is provided for by the company. For the balance in ROU account of Rs 351.67 lakhs no underlying details are available with the Erstwhile RP as regards the number of leases covered, cash outflow on account of lease rentals and other relevant details required to calculate the ROU asset. The same has been impaired by management on the basis of Valuation report under IBC 2016. Refer note No. 10 of the standalone audited financial results.
- s) As a part of CIRP, creditors of the company were called upon to submit their claims to the Erstwhile RP in terms of the applicable provisions of Insolvency and Bankruptcy Code, 2016. Claim submitted by the financial creditors, operational creditors, workmen and employees have been verified and admitted by the Erstwhile RP. Operational creditors, workmen and employees payables are not reinstated on the basis of the claims received under Corporate Insolvency Resolution Process due to certain practical difficulties. However, Financials Creditors claims have been reinstated in the books as on 31 March 2022. Refer note No. 12 of the standalone audited financial results.
- t) In the absence of reconciliation between the purchase amount reflected in the purchase register and the amount reflected in the financial results, the completeness and accuracy of the amount of purchases and balance of creditors for purchases cannot be ascertained and the same may be materially misstated. Refer note No. 22 of the standalone audited financial results.
- u) In the absence of relevant information and records, Deferred Tax has not been calculated for the quarter and year ended 31 March 2022.
- v) In respect of Cash Balances, the same has been derived basis the entries reflecting in books of accounts provided by the Erstwhile management. The Erstwhile Resolution Professional while taking charge of the company did not find any cash in possession of the company. Hence, cash balance as reflected in the books of accounts of Rs. 1.03 Lakhs is written off to the statement of profit and loss.

- w) The Investments as at 31st March 2022 is valued on the basis of the Valuation Reports received from the valuers appointed under CIRP. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year
- x) In the absence of detailed listing of prepaid expenses carried forward in the financial statement and non-availability of relevant records and information, we are not able to comment on the amount of prepaid expenses carried forward as at 31 March 2022. The same has been charged to the statement of profit and loss account as at the quarter and year ended 31 March 2022.
- y) The management has tested all its assets like Property Plant & Equipment, Intangibles, Capital Work in Progress, Capital Advances, Investments, Loans and Advances, Indirect Tax Receivables and all the other assets like Security Deposit etc for impairment. Provision for impairment, has been created as per the valuation required to be conducted as per IBC, 2016.
- z) The company has no detailed listing available for balance recoverable from various governmental authorities. In the absence of relevant information and records, the amount reflected as receivables from governmental authorities may be materially misstated. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year
- aa) The PPE, Intangible Assets and Capital Work in Progress as at 31st March 2022 is valued on the basis of the Valuation Reports received from the valuers appointed under CIRP. The difference between the carrying value and value as per the valuation report is shown as impairment gain / loss during the year.
- bb) We were not appointed as auditor of the company until after 31 March 2022 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2022 which are included in the balance sheet at INR 6,377.47 Lakhs, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary. Further no physical verification of stock was conducted by the erstwhile management as at 31 March 2022.

Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from the Accounting Standards prescribed under section 133 of the Companies Act, 2013. The Erstwhile RP has taken the inventory as on 31 March 2022 basis the valuation report obtained as per the requirement of the IBC 2016. As the valuation report does not provide the details in value of stock on individual basis i.e. value of Raw material, work in progress and finished goods, the impairment in the value of inventory is done on an overall basis.

- cc) In the absence of relevant and sufficient information, records and documents it is not possible for the Resolution professional to identify the related parties and the transactions with related parties and hence the accuracy and reliability of the related parties disclosure for the quarter and year ended 31 March 2022 cannot be assured or verified by Erstwhile RP and cannot be commented upon by us. Refer note No. 35 of the standalone audited financial statements.

dd) Due to non-availability/completeness of information on books of accounts and other documents & records of the Company, following cannot be ascertained in relation to Revenue, Expenses, Assets & Liabilities of the Company:

- i) Completeness and Accuracy of Expenses and Income
- ii) Existence and Accuracy of Assets and Liabilities

Also, due to non-availability of information on status of legal cases, demands notices from GST, Income Tax, TDS and any other notices from government authorities, additional Contingent Liability cannot be determined and hence not reported. Refer note No. 19 of the standalone audited financial statements.

ee) **Going Concern:**

Due to on-going CIRP i.e. 23rd February, 2022 and the substantial financial stress, the going concern basis of preparation of these financial results could be materially affected. .IRP had tried to raise interim funds to run the operations but the requisite approval did not come through COC.

The Company has accumulated losses of INR 18,272.68 Lakhs and the Company has registered net loss of INR 16,013.61 Lakhs during the year ended 31 March 2022 and net loss of INR 9416.91 Lakhs for the previous year (FY 2020-21) (including provision for finance cost and depreciation).

The above-mentioned conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Statement of the Company have been prepared on a going concern basis as the resolution plan for the revival of the Company has been approved by the COC and filed with NCLT on 20 January 2023.

The Hon'ble NCLT (New Delhi Bench) vide its order in I.A. 1067/ND/2023 of Axis Bank Limited versus JMT Auto Limited dated 21 August 2023 approved the resolution plan of JMTAL. Accordingly, Mr. Pradeep Kumar Sethi ceased to act as RP of JMTAL from the receipt of the order. The statement of financial statements and notes to accounts have been taken on record by the Erstwhile RP for the limited purpose of facilitating the compliance process without going into the authenticity and correctness in any respect.

7. Disclaimer of opinion:

Based on our review conducted as above, and the significance of matters described in **para 6 ("a" to "cc") above (including the non-quantification for the reasons stated therein)**, taking into consideration the ongoing investigation into various matters, pending assessment of legal compliances by the Company; possible impact thereof has not been quantified by the Erstwhile RP; and certain provisions accounted by the Company during the year period ended 31 March 2022 we have not been able to obtain sufficient appropriate evidence to provide a basis for our opinion as to whether the accompanying Audited Standalone Financial Results:

- i. are prepared in accordance with the recognition and measurement principles laid down in "Indian Accounting Standard 34 - Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and;

- ii. disclose the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed or that it contains material misstatements.

8. Other Matters:

We draw attention to the following matters in the standalone audited financial results:

- a) The Comparative IND AS financial information for the period ended 31 December 2020 and year ended 31 March 2021 are included in these reviewed Standalone Financial Results. Financial pertaining to the period ended 31 December 2020 and year ended 31 March 2021 was not reviewed by us and the predecessor auditors had issued qualified review report/ qualified audit report on the same.

For JHS Associates LLP

Chartered Accountants

Firm Registration No: 133288W / W100099

Tasnim Tankiwala

Partner

Membership No: 108263

Date: 26 September 2023

Place: Mumbai

UDIN: 23108263BGZYGZ5359