

August 31, 2019

**The National Stock Exchange of India**  
“Exchange Plaza” Bandra Kurla Complex,  
Bandra East,  
Mumbai – 400 051  
(Scrip Code – SHIVAMAUTO)

**The BSE Limited**  
Phiroje Jeejeebhoy Towers  
Dalal Street Fort  
Mumbai – 400 001  
(Scrip Code – 532776)

**Subject: Notice of 14<sup>th</sup> Annual General Meeting (AGM), Remote e-voting and Intimation of Book Closure of the Company for the Financial year 2018-19.**

In compliance with the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that the Fourteenth Annual General Meeting of the members of Shivam Autotech Limited will be held at 12.00 noon on Wednesday, the 25<sup>th</sup> day of September 2019 at Club Nirvana Patio, Block - K, Nirvana Country, Sector – 50, Gurgaon – 122018, Haryana, to transact the business as contained in the notice of the meeting.

The Company is providing remote e-voting facility, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for transacting all the business items as mentioned in the Notice of 14<sup>th</sup> Annual General Meeting of the Company.

It is further notified that pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Registers of the Company shall remain closed from Tuesday, 17<sup>th</sup> September, 2019 to Wednesday, 25<sup>th</sup> September, 2019 (both days inclusive) for the purpose of Annual General Meeting.

You are kindly requested to take the above information on record.

Thanking you.

Yours truly,  
For Shivam Autotech Limited

  
**Shivani Kakkar**  
(Company Secretary)  
M. No. 25097



Copy to:

1. National Securities Depository Limited  
4<sup>th</sup> Floor, Trade World,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai – 400 013
2. Central Depository Services (India) Limited  
28<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers  
Dalal Street Fort  
Mumbai – 400 001

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Ref. No. ....

Dated .....

Date: August 31, 2019

Ms. Shivani Kakkar  
Company Secretary  
Shivam Autotech Limited  
10, 1<sup>st</sup> Floor, Emaar Digital Greens, Tower A,  
Sector 61, Golf Course Extension Road,  
Gurugram, Haryana-122102

Sub: Dispatch of 14<sup>th</sup> AGM notice and Annual Report of your Company.

Dear Madam,

This is to confirm that dispatch of 5779 copies of 14<sup>th</sup> Annual Report 2018-19 of your Company has been completed on August 31, 2019 by the permitted mode to all the shareholders as per the list shared.

Thanking You

Yours Sincerely,  
For Super Fast Mailing Services

P.K. SHRIVASTVA  
Authorised Signatory

Shivani

---

**From:** narender.negi@mcsregistrars.com  
**Sent:** Saturday, August 31, 2019 3:28 PM  
**To:** 'shivani'  
**Cc:** cs@shivamautotech.com  
**Subject:** Notice of the 14th AGM and Annual Report for FY 2018-19 – Shivam Autotech Ltd.

Madam

We confirm that email campaign has been started by now.

Thanks & regards,

Narender Singh Negi  
Manager (SR)

**MCS**

**MCS Share Transfer Agent Ltd.**

CIN No. U67120WB2011PLC165872

F-65, 1st, Floor, Okhla Industrial Area, Phase-I

New Delhi-110 020

Ph: +91 11 41406149.

E-mail : [narender.negi@mcsregistrars.com](mailto:narender.negi@mcsregistrars.com)

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



वृक्ष बचाएं, अत्यधिक आवश्यक होने पर ही इस मेल का प्रिंट लें।

Save a tree. Don't print this e-mail unless it's really necessary.

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**From:** MCS Share Transfer Agent Limited  
**Sent:** Saturday, August 31, 2019 2:58 PM  
**To:** narender.negi@mcsregistrars.com  
**Subject:** Notice of the 14th AGM and Annual Report for FY 2018-19 – Shivam Autotech Ltd.

**SHIVAM AUTOTECH LIMITED**

**Regd. Office: 10, 1st Floor, Tower A, Emaar Digital Greens,  
Sector – 61, Golf Course Extension Road,**

**Gurugram, Haryana – 122102**

**CIN:L34300HR2005PLC081531 Tel: +91 124 4698700 Fax: +91 124 4698798**

**e-mail: [info@shivamautotech.com](mailto:info@shivamautotech.com) website: [www.shivamautotech.com](http://www.shivamautotech.com)**

Dated: August 31, 2019

**Name : MANISHA . KOCHAR**

**Folio No./DP & Client ID : 1201090000671629**

**Seq. No. : 5780**



Dear Shareholder,

**Sub.: Notice of the 14th AGM and Annual Report for FY 2018-19**

We are pleased to inform you that the 14th Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, September 25, 2019 at 12.00 Noon at Club Nirvana Patio, Block- K, Nirvana Country, Sector – 50, Gurugram – 122018, Haryana.

Pursuant to Section 101 of the Companies Act, 2013 read with Rules 18 and 20 of the Companies (Management and Administration) Rules, 2014 and 'Green Initiative in Corporate Governance' taken by the Ministry of Corporate Affairs, we are hereby sending the Annual Report of your Company, inter-alia, containing the Notice of 14th AGM, Board's Report, Secretarial Audit Report, Auditors' Report, Audited Financial Statements, etc., for the financial year ended 31st March, 2019. Please click on the following link:

**Annual Report 2018-2019**

<http://www.shivamautotech.com/cpage.aspx?mpgid=15&pgidtrail=33>

The aforesaid documents are also available on the Company website [www.shivamautotech.com](http://www.shivamautotech.com). If you are also desirous of receiving physical copy of Annual Report, the same will be furnished free of cost, after receipt of request in this regard.

**Remote E-voting:**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are pleased to provide the Remote e-voting facility to the members to cast their vote electronically on all the resolutions set forth in the Notice of the AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide this facility.

Members shall take note of the e-voting facility available during the following period:

- Commencement of e-voting: From 09:00 a.m. (IST) on September 22, 2019.
- End of e-voting: Up to 5:00 p.m. (IST) on September 24, 2019.

The cut-off date (i.e. the record date) for the purpose of e-voting is September 18, 2019. Please read the instructions mentioned in the Notice of AGM before exercising the vote.

The facility for voting shall also be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.

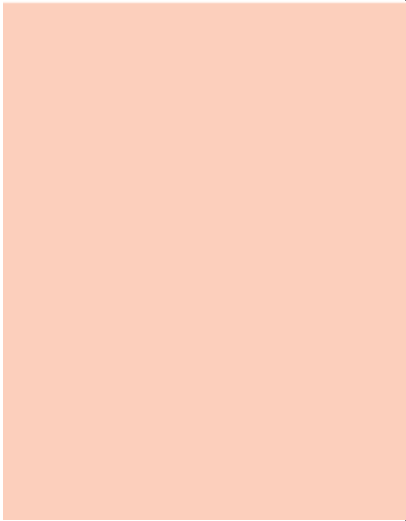
The Company has appointed Mr. Satyender Kumar, Practising Company Secretary (FCS 4087), Gurugram to scrutinize remote e-voting process and the voting at the AGM venue in a fair and transparent manner.



**ANNUAL  
REPORT**

2018-2019





# C o n t e n t s —



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## ABOUT US

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Shivam Autotech Limited, a well respected name in the Manufacturing Industry, is one of the largest manufacturers of transmission gears and shafts in India, serving leading automobile manufacturers as their strategic and supply chain partner. From manufacturing gears for motorcycles way back in 1999 to developing critical components for Two Wheelers, Automobiles, Commercial Vehicles and Aerospace, the company has come a long way and diversified into multiple verticals and initiated exports too.

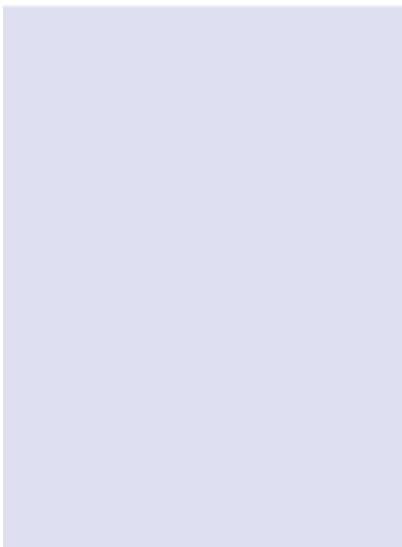
Headquartered in Gurugram, Haryana the company at present employs 3000+ people and has expanded from a single solution to a diverse range of pioneering products.

Shivam has religiously focused on indigenization of the manufactured products to give stimulus to “Make in India,” and constantly focused on innovation. This in turn has helped its clients to save precious foreign exchange for the country, implement Hon’ble Prime Minister Modi’s ‘Make in India’ Vision, Improved the manufacturing lead time for customers and created cost effective products with high benchmarks.

The company manufactures and markets components that include Transmission Gears & Shafts, Auto-electrical Components, Steering Components and Various Precision Engineering Components. Shivam Autotech Limited has been serving a large number of national and international automobile manufacturers as their principal partner over the years.

With robust in-house Design and R&D capabilities and continuous collaboration with worldwide manufacturing leaders who are technologically advanced, Shivam brings this state-of-the-art knowledge into component manufacturing which eventually benefits all its customers.

---







ROHTAK PLANT



MANESAR PLANT, GURUGRAM



## MANUFACTURING LOCATIONS



HARIDWAR PLANT



VEMAGAL PLANT, KOLAR



BINOLA PLANT, GURUGRAM

# BUSINESS VERTICALS

AEROSPACE



OFF-ROAD VEHICLE



AUTOMOBILE



TWO-WHEELER



COMMERCIAL VEHICLE



NON-AUTOMOTIVE



Growth is never by mere chance. It is a result of meticulous planning, continuous effort and diligent forces working together.

At Shivam, these attributes lie at the vortex of all that we do. And the belief in these has enabled us to expand to newer business verticals over the years. From humble beginning of manufacturing gears for motorcycles, we have navigated our path to multiple other verticals over the years.



**PRODUCT RANGE**



Steering Component



Alternator Components



Transmission Gears & Shafts



Starter Motor Components

After Market



We believe in the utmost safety and stability of our riders. In order to achieve that, we have introduced the state-of-the-art German Braking System using German Technology.

It is a braking system which enables you to apply both brakes at once with just a lever, enhancing the rider's safety by improving the stability of the vehicle and reducing the braking distance by 20%.





Shivam Autotech Limited manufactures precision components for a wide array of national & international clientele including Hero MotoCorp Ltd.,

Bosch Limited, Denso India Limited, Munjal Showa Limited, Mando Automotive India Limited, Maruti Suzuki India Limited, Mitsuba Sical India Limited, Indian Nippon Electricals Limited, Lucas TVS, Hilti, Robert Bosch Steering Private Limited and many more.

With strong focus on international expansion, the client base of Shivam is gradually moving towards global clients besides the domestic ones already being served.

# AWARDS & CERTIFICATIONS

Over the years, Shivam Autotech Limited has been honored with prestigious industry awards and certifications that bear a clear testimony to the level of quality, continuous innovation adherence to delivery schedule and its stature with OEMs.

- Certificate of Quality Assurance Compliance by Hyundai Motor India Limited
- Award for Supplier of the year by Mando Automotive India Pvt Limited
- Certificate of Appreciation for superior performance in the field of 2 Wheeler Engine Development by Maruti Suzuki India Limited (FY15-16, FY16-17 and FY17-18, FY18-19)
- Award & Certificate of Excellence from SEG Automotive for best Ramp up Support
- Award for Outstanding performance in Quality by Denso India Limited
- Award for Excellence in Quality & Performance by Bosch
- Award for Best support for the year by Mitsuba
- Direct Online Supplier Award by Hero & Bosch
- ISO/TS:16949, ISO:14001 and OHSAS:18001
- SAP ACE award by SAP





MR. NEERAJ MUNJAL

## MANAGING DIRECTOR'S COMMUNIQUE

Shivam Autotech Limited has undergone a significant evolution in the past 20 years as we have pursued our vision to become nation's leading manufacturer of transmission gears and shafts. As we evolved, we strengthened our mission to drive consistent innovation and state-of-art technology as part of our manufacturing ethos.

Our founder's business legacy was built around augmenting flexibility in environments that create stakeholder value, maintain ethical approach in all dealings, work hard consistently, focus on expansiveness to drive scale and sustain the speed to attain market share. Being a Munjal Group entity, we have followed these teachings diligently and continued to drive our organization's vision towards achieving our set goals.

The Automotive Mission Plan 2026 by the Government aims at growing the Indian automotive industry by 3.5 to 4 times of the current value of USD 74 billion to USD 260-300 billion. With a boisterous aim of making India amongst the top 3 automotive industries in the world contributing to over 12% of India's GDP, generating more than 65 million more jobs; this truly will become the engine that will propel our country to the next level.

The year gone by has been challenging and rewarding at the same time for us. With an annual turnover of 637 cr. in 2018-19, we have tried to maintain a steady pace.

Moving forward into the future, we will continue to work on our business mission through integrated initiatives on multiple fronts as an enterprise. With our two new state-of-the-art manufacturing units in Bangalore and Rohtak, we have been able to build capacities and capabilities to create indigenous customized products to meet our customer's need.

Being an integral part of the 'Make In India' initiative of the Government, we see ourselves as a global manufacturing solution in the auto component segment, and on this note I am proud to mention that apart from 2 wheeler components, we diversified our manufacturing into various verticals and have developed and customized products for automobiles, off road vehicles and aerospace.

Shivam has got world class facilities across different geographical locations in India. The capacity is already ramped up and as soon as the auto-sector demand revival occurs in India, it will be well-poised to carve a decent market share backed by technology-aided manufacturing facilities already built-up.

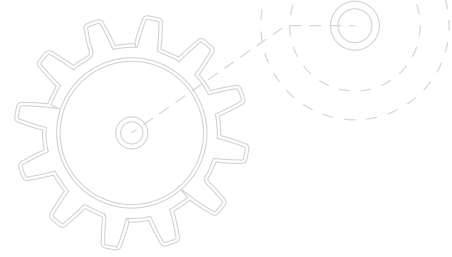
With a path well defined, we will continue to strive toward our vision of industry leadership with a conscious commitment towards eco-sensitivity and sustainability in manufacturing and business.

I would like to take this opportunity to formally thank our customers, partners and valued stakeholders for their continued patronage and trust on us and also would like to extend my appreciation to the entire Shivam family for building on our vision every single day.

**Thank you.**

**Neeraj Munjal**  
Managing Director





# CORPORATE INFORMATION

## **BOARD OF DIRECTORS**

### **CHAIRMAN**

Mr. Sunil Kant Munjal

### **MANAGING DIRECTOR**

Mr. Neeraj Munjal

### **DIRECTORS**

Mr. Bhagwan Dass Narang

Mr. Surrinder Lal Kapur

Dr. Vinayshil Gautam

Dr. Anil Kumar Gupta, Director-Technical

Mrs. Charu Munjal, Executive Director

### **FINANCE TEAM**

Mr. Davendra Ujlayan, VP-Finance

Ms. Shivani Kakkar, Company Secretary

### **STATUTORY AUDITORS**

NSBP & Co.,

Chartered Accountants,

New Delhi

Firm Registration No. 001075N

### **INTERNAL AUDITORS**

N. Kochhar & Co.,

Chartered Accountants,

New Delhi

Firm Registration No. 0101429N

### **SECRETARIAL AUDITORS**

Satyender Kumar & Associates

Company Secretaries

Gurugram, Haryana

COP No. 5189

FCS No. 4087

### **BANKERS**

IDFC First Bank Ltd.

Kotak Mahindra Bank Ltd.

YES Bank Ltd.

HDFC Bank Ltd.

### **REGISTERED OFFICE**

10, 1<sup>st</sup> Floor, Tower A, Emaar Digital Greens,  
Sector – 61, Golf Course Extension Road,  
Gurugram, Haryana – 122102

### **BINOLA PLANT**

58<sup>th</sup> Km. Stone, Delhi-Jaipur Highway

Village: Binola-122413, Distt. Gurugram, Haryana

### **HARIDWAR PLANT**

Plot No. 3, Industrial Park-II, Phase-1,

Village Salempur Mehdood,

District Haridwar, Uttarakhand-249402

### **MANESAR PLANT**

Plot No. 1, Sector 5, IMT Manesar

Gurugram -122050, Haryana

### **BANGALORE PLANT**

Plot No. 98, Vemmangal Industrial Area

Kolar - 563101, Karnataka

### **ROHTAK PLANT**

Plot No. 9, Sector 30A, IMT Rohtak

District Rohtak -124001, Haryana

### **REGISTRAR & TRANSFER AGENTS**

MCS Share Transfer Agent Limited

F-65, First Floor, Okhla Industrial Area,

Phase 1, New Delhi - 110020



## NOTICE

Notice is hereby given that the **14<sup>th</sup> Annual General Meeting** of the Members of **SHIVAM AUTOTECH LIMITED** will be held on Wednesday, the 25<sup>th</sup> day of September, 2019 at 12:00 Noon at Club Nirvana Patio, Block- K, Nirvana Country, Sector – 50, Gurugram – 122018, Haryana to transact the following business:

### A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Balance Sheet as at March 31, 2019, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditor's thereon.

**“RESOLVED THAT** the Audited Financial Statements including Balance Sheet as at March 31, 2019 and the Statement of Profit & Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditor's thereon, as circulated to the members and now placed before the meeting be and are hereby considered and adopted.”

2. To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Charu Munjal (DIN 03094545), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

### B. SPECIAL BUSINESS

3. Re-appointment of Mr. Sunil Kant Munjal (DIN 00003902) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee of the Company, Mr. Sunil Kant Munjal (DIN 00003902), who was appointed

as an Independent Director and holds office upto the conclusion of this Annual General Meeting, being eligible and in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years from the date of the 14<sup>th</sup> Annual General Meeting for a term upto the conclusion of 19<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar year 2024.”

4. Re-appointment of Mr. Bhagwan Dass Narang, (DIN 00826573) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee of the Company, Mr. Bhagwan Dass Narang (DIN 00826573), who was appointed as an Independent Director and holds office upto the conclusion of this Annual General Meeting, being eligible and who shall attain the age of 75 years and in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years from the date of the 14<sup>th</sup> Annual General Meeting for a term upto the conclusion of 19<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar year 2024.”

5. Appointment of Retd. Justice Vikramajit Sen (DIN: 00866743) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:



**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee of the Company, Retd. Justice Vikramajit Sen (DIN: 00866743) who was appointed as an Additional (Non-Executive and Independent) Director of the Company pursuant to the Section 161 and other applicable provisions with effect from August 8, 2019 to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years, from the date of appointment.

6. Appointment of Dr. Anil Kumar Gupta (DIN: 002643623) as Non-Executive Director of the Company and in this regard to consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee of the Company, Dr. Anil

Kumar Gupta (DIN: 002643623) who was appointed as an Additional (Non-Executive) Director of the Company pursuant to the Section 161 and other applicable provisions with effect from August 9, 2019 to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, liable to retire by rotation, to hold office for a term of 5 (five) consecutive years, from the date of appointment.

7. To consider and approve payment of minimum remuneration to Executive Directors and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such other necessary approvals, consents or permission as may be required, the consent of the Members of the Company be and is hereby accorded to pay minimum remuneration to the Managing Director and Whole-time Director(s) for any financial year commencing from April 01, 2019 till March 31, 2022, in cases where the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**Place: Gurugram**

**Date: August 08, 2019**

**Registered Office:**

10, 1<sup>st</sup> Floor, Tower A, Emaar Digital Greens,  
Sector – 61, Golf Course Extension Road,  
Gurugram, Haryana - 122102

CIN: L34300HR2005PLC081531

e-mail: [info@shivamautotech.com](mailto:info@shivamautotech.com)

website: [www.shivamautotech.com](http://www.shivamautotech.com)

Tel: +91 124 4698700 Fax: +91 124 4698798

**By Order of the Board of Directors  
For Shivam Autotech Limited**

**Sd/-  
Shivani Kakkar  
Company Secretary  
Membership No. 25097**





## NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote (on a poll only) instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxies in order to be valid must be deposited at the company's registered office not later than 48 hours before the commencement of the meeting. A proxy form is enclosed herewith.**

**A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other member. The holder of proxy shall prove his identity at the time of attending the Meeting.**
3. For the convenience of the members, attendance slip, proxy form and the route map of the venue of the Meeting are annexed herewith in the Annual Report. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting along with their copies of the Annual Report.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution, authorising their representatives to attend and vote at the Annual General Meeting.
5. As required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars relating to Mrs. Charu Munjal, Director retiring by rotation and whose re-appointment is being proposed at the forthcoming Annual General Meeting, is enclosed in the Annexure attached to this Notice.
6. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 29, 2017.
7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 17, 2019 to Wednesday, September 25, 2019 (both days inclusive).
8. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their email addresses either with the Company/Registrar or with the Depository Participant(s). The Company requests all its shareholders to kindly provide their email addresses along with client ID/Folio No. and number of shares as reference to the following email addresses with subject as "Shivam Autotech Limited – Member Email ID" at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com). Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.

The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

Members of the Company who have registered their email addresses are also entitled to receive such communication in physical form upon making a request for the same, by any permissible mode, free of cost. For any communication, the members may also send requests to the Company's investor email id: [cs@shivamautotech.com](mailto:cs@shivamautotech.com).
9. Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven consecutive years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The details of unpaid amounts as per provisions of Section 124 of the Companies Act, 2013 are uploaded on the website of the Company.

The dividend declared by the Company for the financial year 2011-12, of which Rs. 5,27,856/- has remain unpaid/unclaimed shall be transferred to IEPF on or before November 30, 2019. Accordingly, members



who have not encashed their Dividend Warrant(s) are requested to approach the Company for releasing the dividend upon completion of necessary formalities for the same in lieu of such warrant(s). Unclaimed/unpaid final dividend for the financial year 2011-12, which is due for transfer to IEPF, should be claimed by the members before October 31, 2019. After that date, no claim shall lie against the Company, in respect of the said amount.

Due dates for transfer of unclaimed/unpaid dividends for the financial year ending March 31, 2012 and thereafter to IEPF:

FY ended	Last date of payment to shareholder / Due date	Last Date of transfer to IEPF
March 31, 2012	October 31, 2019	November 30, 2019
March 31, 2013	October 30, 2020	November 29, 2020
March 31, 2014	November 04, 2021	December 04, 2021
March 31, 2015	October 15, 2022	November 14, 2022
March 31, 2016	November 04, 2023	December 04, 2023

10. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2018-19, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. December 05, 2018. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link:

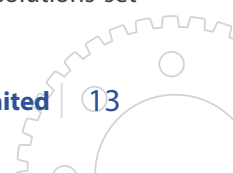
[http://www.shivamautotech.com/Uploads/image/134imguf\\_Is\\_transferred\\_IEPF\\_Dec2018.pdf](http://www.shivamautotech.com/Uploads/image/134imguf_Is_transferred_IEPF_Dec2018.pdf)

The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

11. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Company's Registrar and Transfer Agents for lodging claim for refund of shares and / or dividend from the IEPF Authority.
12. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shares of a listed entity can only be transferred in demat form w.e.f. April 1, 2019 except in cases of transmission or transposition. Thus, the Company, during the year, had sent letters to the members requesting to get their

holdings dematerialized. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

13. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar. In view of SEBI Circular dated April 20, 2018, the Company, during the year, had sent three letters and/or reminders to the members for updation of PAN and bank account details.
14. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/investors for making payment of dividends in electronic mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective Depository Participants for the shares held in dematerialized form and with the Registrar in respect of shares held in physical form.
15. The documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) from 11:00 a.m. to 1:00 p.m. upto the date of AGM. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the Meeting, so that the information required may be made available at the meeting.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by CDSL, on all the resolutions set forth in this Notice.



In order to enable its members, who do not have the access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for remote e-voting are given here in below. Resolution(s) passed by members through Ballot Forms or remote e-voting is / are deemed to have been passed as if they have been passed at the AGM.

17. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at business closing hours on August 17, 2019.
18. The shareholders shall have one vote per equity share held by them. The facility of remote e-voting would be provided once for every Folio/ Client ID, irrespective of the number of joint holders.
19. The Board of Directors of the Company (the "Board") at its meeting held on August 08, 2019 have appointed CS Satyender Kumar, (Membership No. FCS4087), Satyender Kumar & Associates, Company Secretaries, Gurugram as the Scrutinizer for conducting the voting process (physical & remote e-voting) in a fair and transparent manner in accordance with law.
20. The scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of two witnesses not in employment of the Company and furnish, a Consolidated Scrutinizer's Report to the Chairman of the Company or a person duly authorised by him within 48 hours of conclusion of the general meeting.
21. The Results declared alongwith the Consolidated Scrutinizer's Report shall be placed on the Company's website [www.shivamautotech.com](http://www.shivamautotech.com) and on the website of CDSL after the result is declared by the Chairman or
- viii. If you are a first time user follow the steps given below:

a person duly authorised by him and communicated to the NSE and BSE Limited.

22. The scrutinizer's decision on the validity of e-voting and poll at AGM shall be final and binding.

#### Instructions for Remote Voting through electronic mode

- i. The remote voting period begins on 09:00 A.M. on Sunday, September 22, 2019 and ends 05:00 P.M. on Tuesday, September 24, 2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, September 14, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. 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.

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>





- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the Company Name on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. 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.
- xix. Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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 a 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.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. 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.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

### ITEM NO. 3

Mr. Sunil Kant Munjal, was born on December 14, 1957. He joined the Board of Directors of the Company on February 14, 2006. He has rich experience in Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring etc.

Pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, Mr. Sunil Kant Munjal was appointed as an Independent Director of the Company to hold office upto the conclusion of the 14<sup>th</sup> Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sunil Kant Munjal as an Independent Director. Based on the report of performance evaluation of Mr. Sunil Kant Munjal and on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 08, 2019, has recommended the re-appointment of Mr. Sunil Kant Munjal for the approval by the shareholders of the Company for a period of 5 years from the date of ensuing AGM for a term upto the conclusion of 19<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar year 2024, not being liable to retire by rotation, as provided in the Resolution.

In the opinion of the Board, he fulfills the conditions specified in the said Act and is Independent of the management. The Company has received a declaration from Mr. Sunil Kant Munjal confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The requisite details of Mr. Sunil Kant Munjal are provided in Annexure A to the Notice.

Except Mr. Sunil Kant Munjal, none of the Directors and Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested, in the Special Resolution as set out at Item No. 3.

The resolution is accordingly recommended for the approval of the Members as a Special resolution.

### ITEM NO. 4

Mr. Bhagwan Dass Narang, was born on April 12, 1945. He joined the Board of Directors of the Company on February 14, 2006. He is a Post Graduate in Agricultural Economics and brings with him rich banking experience.

Pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, Mr. Bhagwan Dass Narang was appointed as an Independent Director of the Company to hold office upto the conclusion of the 14<sup>th</sup> Annual General Meeting.

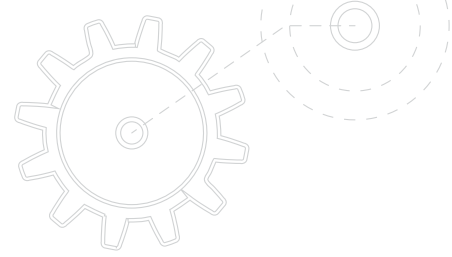
The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail services of Mr. Bhagwan Dass Narang as an Independent Director. Based on the report of performance evaluation of Mr. Bhagwan Dass Narang and on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 08, 2019, has recommended the re-appointment of Mr. Bhagwan Dass Narang for the approval by the shareholders of the Company for a period of 5 years from the date of ensuing AGM for a term upto the conclusion of 19<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar year 2024, not being liable to retire by rotation, as provided in the Resolution.

In the opinion of the Board, he fulfills the conditions specified in the said Act and is independent of the management. The Company has received a declaration from Mr. Bhagwan Dass Narang confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The requisite details of Mr. Bhagwan Dass Narang are provided in Annexure A to the Notice.

Except Mr. Bhagwan Dass Narang, none of the Directors and Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested, in the Special Resolution as set out at Item No. 4.

The resolution is accordingly recommended for the approval of the Members as a Special resolution.



## ITEM NO. 5

Pursuant to the provisions of Section 149, 150, 152 and 161 and other applicable provisions of the Companies Act, 2013, Retd. Justice Vikramajit Sen, on the recommendation of Nomination and Remuneration Committee, was appointed by the Board of Directors as an Additional and Independent Director of the Company w.e.f. August 08, 2019 for a term of five years, not liable to retire by rotation, subject to the approval of Members at the 14th Annual General Meeting.

Retd. Justice Vikramajit Sen is a graduate from St. Stephen's College in History (Hons.) and LLB from Delhi University. He has practiced in all courts of Delhi, primarily in High Court and handled civil, arbitration and commercial disputes. He has been senior counsel for the Union of India in the High Court of Delhi. Currently, he is serving as the Chairperson of the Broadcasting Content Complaints Council (BCCC), Chairman of the BSE Limited and Director in other companies as well.

The requisite details of Retd. Justice Vikramajit Sen are provided in Annexure A to the Notice.

It is proposed that Retd. Justice Vikramajit Sen be appointed as an Independent Director of the Company for a term of five consecutive years i.e. from August 8, 2019 to August 7, 2024 and he shall not be liable to retire by rotation.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Retd. Justice Vikramajit Sen as an Independent Director. Accordingly, the Board recommends the passing of resolution set out in Item No. 5 as an Ordinary Resolution.

In the opinion of the Board, he fulfills the conditions specified in the said Act and is independent of the management. The Company has received a declaration from Retd. Justice Vikramajit Sen confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Retd. Justice Vikramajit Sen, none of the Directors and Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested, in the Ordinary Resolution as set out at Item No. 5

## ITEM NO.6

Pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013, Dr. Anil Kumar Gupta, on the recommendation of Nomination and Remuneration Committee, was appointed by the Board of Directors as an Additional Director (Non-Executive) of the Company w.e.f. August 09, 2019 for a term of five years, liable to retire by rotation, subject to the approval of Members at the 14th Annual General Meeting.

Dr. Anil Kumar Gupta is a well-respected Engineer cum Scientist, having in depth knowledge of Mechanical and Metallurgical Engineering, with special expertise in Metal Forming Processes, including technology development of light weighted materials and composites.

Dr. Anil Kumar Gupta holds Doctorate in Engineering from University of Delhi. He is the Fellow of Indian National Academy of Engineering (FNAE), Fellow of Institution of Engineers (India), (FIE) and Fellow of Metrology Society of India (FMSI). He was the member of Research Councils of different engineering laboratories of CSIR. Dr. Anil Kumar Gupta was also awarded AICTE-INAE Distinguished Visiting Professorship at the Dept. of Metallurgical Engineering and Materials Science, IIT, Kharagpur and IIT (BHU), Varanasi. He also held Chairmanship and membership of different committees of Bureau of Indian Standard (BIS).

The requisite details of Dr. Anil Kumar Gupta are provided in Annexure A to the Notice.

Dr. Anil Kumar Gupta was associated with the Company as Whole-Time Director of the Company designated as Director – Technical till August 08, 2019. Now, it is proposed that Dr. Anil Kumar Gupta be appointed as a Non-Executive Director of the Company for a term of five consecutive years i.e. from August 9, 2019 to August 8, 2024 and he shall be liable to retire by rotation.

In the opinion of the Board, he fulfils the conditions specified in the said Act.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Dr. Anil Kumar Gupta as Non-Executive Director. Accordingly, the Board recommends the passing of resolution set out in Item No. 6 as an Ordinary Resolution.





**ITEM NO. 7**

The Companies Act, 2013 specifies the limits for remuneration, which can be paid to the managerial personnel of the Company in case of inadequacy of profits or no profits and in view of the same, it is proposed to obtain shareholder's approval for payment of minimum remuneration to Managing Director and Whole – Time Director(s) of the Company subject to the ceiling set out under Section II of Part II of Schedule V of the Companies Act, 2013 and subject to such other necessary approvals, consents or permission as may be required.

Mr. Neeraj Munjal and Mrs. Charu Munjal may be deemed to be concerned / interested in this Resolution.

The resolution is accordingly recommended for the approval of the Members as a Special Resolution.

**Place: Gurugram**

**Date: August 08, 2019**

**Registered Office:**

10, 1<sup>st</sup> Floor, Tower A, Emaar Digital Greens,  
Sector – 61, Golf Course Extension Road,  
Gurugram, Haryana - 122102

CIN: L34300HR2005PLC081531

e-mail: [info@shivamautotech.com](mailto:info@shivamautotech.com)

website: [www.shivamautotech.com](http://www.shivamautotech.com)

Tel: +91 124 4698700 Fax: +91 124 4698798

**By Order of the Board of Directors  
For Shivam Autotech Limited**

**Sd/-  
Shivani Kakkar  
Company Secretary  
Membership No. 25097**

## ANNEXURE – A

### INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Director	Mrs. Charu Munjal	Mr. Sunil Kant Munjal
<b>DIN</b>	03094545	00003902
<b>Date of Birth</b>	04-June-1972	14-Dec-1957
<b>Date of Appointment</b>	28-May-2013	14-Feb-2006
<b>Qualifications</b>	Diploma in Textile Designing	Commerce Graduate from University of Delhi and trained as a Mechanical Engineer
<b>Experience in Specific functional areas</b>	Exposure in creative designing and marketing field.	Rich experience in Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring etc.
<b>No. of years of Experience</b>	19 years	38 years
<b>Terms and Conditions of appointment/re-appointment</b>	She was re-appointed as Whole-time Director w.e.f. from August 13, 2018 for a term of 5 years, liable to retire by rotation. The other terms and conditions are available at <a href="http://www.shivamautotech.com">www.shivamautotech.com</a>	He is being re-appointed as an Independent Director with effect from the ensuing AGM which is scheduled to be held on September 25, 2019 for a further term of five consecutive years, till the conclusion of the 19 <sup>th</sup> Annual General Meeting to be held in the year 2024, not liable to retire by rotation. The other terms and conditions are available at <a href="http://www.shivamautotech.com">www.shivamautotech.com</a>
<b>Relationship with other Directors/Key managerial Personnel (if any)</b>	Spouse of Mr. Neeraj Munjal (Managing Director)	None
<b>List of Companies in which outside Directorship held*</b>	1. Munjal Showa Limited	1. DCM Shriram Limited 2. Rockman Industries Limited 3. Hero Steels Limited 4. Hero INC. BV 5. Escorts Limited
<b>Chairman / Member of Committees of Board of directors of other companies in which he/she is a director**</b>	-	1. Hero Steels Limited-Audit Committee Member 2. DCM Shriram Limited- Audit Committee Member
<b>No. of Board Meetings attended during the year</b>	Details mentioned in the Corporate Governance Report	Details mentioned in the Corporate Governance Report
<b>No of Shares held</b>	Nil	NIL

Name of Director	Mr. Bhagwan Dass Narang	Retd. Justice Vikramajit Sen
DIN	00826573	00866743
Date of Birth	12-Apr-1945	31-Dec-1950
Date of Appointment	14-Feb-2006	08-Aug-2019
Qualifications	Post Graduate in Agricultural Economics	Graduated with Honours in History, LL.B from faculty of Laws (First Division)
Experience in Specific functional areas	Banking Experience	Retired Chief Justice of High Court of Karnataka, Retired Judge of Supreme Court of India, and Chairperson of the Broadcasting Content Complaints Council
No. of years of Experience	37 years	30 years
Terms and Conditions of appointment/re-appointment	He is being re-appointed as an Independent Director with effect from the ensuing AGM which is scheduled to be held on September 25, 2019 for a further term of five consecutive years, till the conclusion of the 19 <sup>th</sup> Annual General Meeting to be held in the year 2024, not liable to retire by rotation. The other terms and conditions are available at <a href="http://www.shivamautotech.com">www.shivamautotech.com</a>	He is being appointed as an Independent Director w.e.f. from August 8, 2019 for a term of 5 years, not liable to retire by rotation. The other terms and conditions are available at <a href="http://www.shivamautotech.com">www.shivamautotech.com</a>
Relationship with other Directors/Key managerial Personnel (if any)	NONE	NONE
List of Companies in which outside Directorship held*	<ol style="list-style-type: none"> <li>1. DISH TV India Limited</li> <li>2. VA Tech Wabag Limited</li> <li>3. Karvy Stock Broking Limited</li> <li>4. Karvy Financial Services Limited</li> <li>5. Dynamic Mining SAS Guinea</li> </ol>	<ol style="list-style-type: none"> <li>1. BSE Limited</li> <li>2. DCM Shriram Limited</li> </ol>
Chairman / Member of Committees of Board of directors of other companies in which he/she is a director**	<ol style="list-style-type: none"> <li>1. Karvy Financial Services Limited- Audit Committee Member</li> <li>2. Karvy Stock Broking Limited- Audit Committee Chairman</li> <li>3. Dish TV India Limited- Audit Committee Chairman</li> <li>4. VA Tech Wabag Limited- Audit Committee Member</li> </ol>	-
No. of Board Meetings attended during the year	Details mentioned in the Corporate Governance Report	-
No of Shares held	NIL	NIL



Name of Director	
DIN	Dr. Anil Kumar Gupta 002643623
Date of Birth	02-April-1951
Date of Appointment	09-August-2019
Qualifications	Doctorate in Engineering and Fellow of Indian National Academy of Engineering (FNAE).
Experience in Specific functional areas	Creating value addition and complex sub- systems / systems. In-depth knowledge of metallurgical engineering.
No. of years of Experience	47 years
Terms and Conditions of appointment/re-appointment	He is being appointed as an Additional Director (Non-Executive) w.e.f. from August 9, 2019 for a term of 5 years, liable to retire by rotation. He has served as a Whole-time director and resigned w.e.f. August 8, 2019. The other terms and conditions are available at <a href="http://www.shivamautotech.com">www.shivamautotech.com</a>
Relationship with other Directors/Key managerial Personnel (if any)	NONE
List of Companies in which outside Directorship held*	-
Chairman / Member of Committees of Board of directors of other companies in which he/she is a director**	-
No. of Board Meetings attended during the year	-
No of Shares held	NIL

\* Excluding private limited companies

\*\* Only Audit Committee & Stakeholders Relationship Committee considered

Place: Gurugram

Date: August 08, 2019

Registered Office:

10, 1<sup>st</sup> Floor, Tower A, Emaar Digital Greens,  
Sector – 61, Golf Course Extension Road,

Gurugram, Haryana - 122102

CIN: L34300HR2005PLC081531

e-mail: [info@shivamautotech.com](mailto:info@shivamautotech.com)

website: [www.shivamautotech.com](http://www.shivamautotech.com)

Tel: +91 124 4698700 Fax: +91 124 4698798

By Order of the Board of Directors  
For Shivam Autotech Limited

Sd/-

Shivani Kakkar

Company Secretary

Membership No. 25097

## BOARD'S REPORT

Dear Members,

Your Directors are pleased to present before you, the 14<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019.

### Financial Highlights

The Company's financial performance, for the year ended March 31, 2019 is summarized below:

*(Rupees in Lacs)*

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Gross Sales & Other Income	63695.15	56,685.15
<b>Profit before Depreciation and Interest</b>	<b>8377.70</b>	<b>7940.33</b>
Depreciation	4875.70	4126.90
Interest	4871.76	4570.45
<b>Profit before Taxation</b>	<b>(1369.76)</b>	<b>(757.03)</b>
Provision for Taxation (Deferred & Current)	451.69	(633.89)
<b>Profit after Taxation</b>	<b>(1821.45)</b>	<b>(123.13)</b>

### State of Company's Affairs and Future Outlook

During the financial year 2018-19, revenue from operations was Rs. 63,695.15 lacs as compared to Rs. 56,685.15 lacs in 2017-18, registering an increase of 12%.

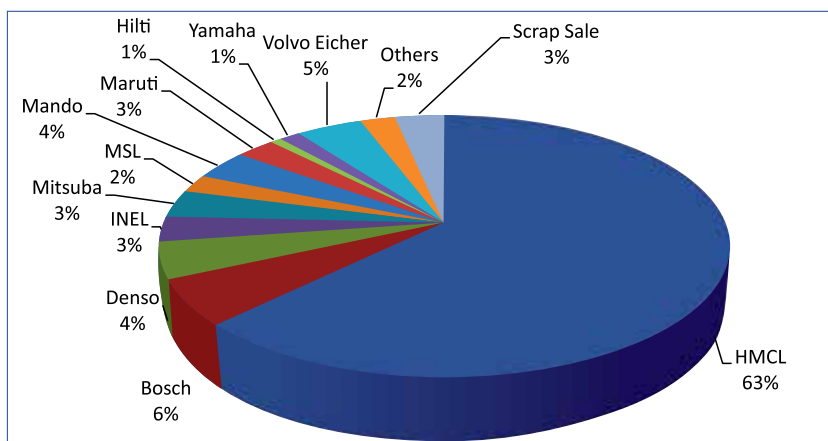
Due to unfavorable conditions and strong headwinds faced by automobile industry for the last two years, there has been cascading effect on the operations of the Company. As a result, despite modest increase in turnover, performance of the Company remained sub-optimal as pressure on the margins continued. Before interest, depreciation and taxes, there is operational profit of Rs. 8377.70 Lacs in year 2018-19 from Rs. 7940.33 Lacs in 2017-18.

While the external environment especially in auto sector continues to be challenging, the operational capabilities and technology based manufacturing facilities will help the Company improved its performance in near future. Auto-Sector revival and favorable government policies will be essential to propel the operations of the Company. Now with the general elections in India, repeating the mandate for a stable government, the environment is ripe for further economic boost.

### Business Overview

With the state of art manufacturing facilities, the Company is functioning successively to strengthen its Customer Base. Hero MotoCorp Limited (HMCL) is the major customer. The Sales to other Customers like Bosch, Denso, Mando, INEL, Mitsuba, Yamaha, ZF, Hilti, Volvo Eicher and Maruti etc. has increased compared to last year but not significantly. As a consequence, the ramp up of operations at newer plants viz. Kolar and Rohtak has not happened significantly. This has affected the bottomline of the Company.

The graphical representation of customer wise sales is as follows:





The operations in the coming year will be driven by the overall demand in the auto sector.

By expanding the customer base company is de-risking the dependence on single customer. Five different plants in various parts of the country will enable company to cater its customer through PAN India basis.

### **Awards & Accolades**

The Company is proud recipient of the following Awards as shown in Awards & Accolades Section:

1. Awarded for the 'Good Business Support' for the year 2018 by Mitsuba Sical India Private Limited.
2. Award and Certificate of Excellence from SEG Automotive for recognition in Ramp up Support for year 2018.
3. Certificate of Appreciation from Maruti Suzuki India Limited in recognition of superior performance in the field of 2 Wheeler Engine Capacity Enhancement in year 2018-19
4. Certificate for Green Awards – Green Business and Sustainability 2019 from Green Globecare for waste paper recycling in year 2018-19.

### **Transfer to General Reserve**

During the year under review, the Company has not transferred any amount to General Reserves. The closing balance amount of Reserves and Surplus of Rs. 15,267.70 (Previous year Rs. 17,094.78 Lacs) will be retained as surplus in the Statement of Profit and Loss.

### **Shifting of Registered Office**

During the year under review, the Registered Office of the Company has been shifted from NCT of Delhi to State of Haryana vide order dated June 04, 2019 of Central Government (Powers delegated to Regional Director). The Board of Directors of the Company has approved shifting of Registered Office to Gurugram, Haryana at new premises w.e.f. June 11, 2019. New CIN - L34300HR2005PLC081531 has been issued by the Ministry of Corporate Affairs, Registrar of Companies, NCT of Delhi & Haryana on July 18, 2019.

### **Dividend**

The Board of Directors have not recommended any dividend for the financial year 2018-19.

The Register of Members and Share Transfer Books shall remain closed from Tuesday, September 17, 2019 to Wednesday, September 25, 2019 (both days inclusive).

### **Holding Company**

The promoters of the Company i.e. Dayanand Munjal Investments Private Limited (DMIPL) hold 74,795,950 equity shares of Rs. 2/- each which represents 74.80% of the paid up equity capital of the Company.

Your company continues to be a subsidiary company of DMIPL.

### **Subsidiary Companies, Joint Ventures Or Associate Companies**

The Company neither has any subsidiaries, joint ventures or associate companies nor any company have become or ceased to be its subsidiaries, joint ventures or associate companies during the year under review.

### **Management Discussion and Analysis report**

A detailed discussion on the business performance and future outlook forms part of Management Discussion and Analysis Report, which is separately attached as **Annexure- A** to this Board's Report.

### **Board of Directors**

#### **a) Meeting of Board of Directors**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the Financial Year 2018-19, 5 meetings of the Board of Directors of the Company were held on May 30, 2018, August 13, 2018, November 5, 2018, February 6, 2019 and March 12, 2019. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

#### **b) Appointment/re-appointment of Directors**

Mrs. Charu Munjal, (DIN:03094545) Whole Time Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

Your Company has appointed Retd. Justice Vikramajit Sen (DIN: 00866743) as an Additional Director of the Company in the category of Non-Executive and Independent Director effective August 08, 2019 to hold office upto the date of ensuing Annual General Meeting of the Company. The Board recommends his appointment as an Independent Director of the Company for a term of 5 years from August 08, 2019 to August 07, 2024.

#### **c) Changes in Directors and Key Managerial Personnel**

During the year under review and between the end of the Financial Year and date of this report, the following are the changes in Directors and Key Managerial Personnel of the Company:-

- i. Dr. Anil Kumar Gupta (DIN:02643623) has resigned from the designation of Whole Time Director w.e.f. August 08, 2019.
- ii. Dr. Anil Kumar Gupta (DIN:02643623) is appointed as Non-Executive Director of the Company





w.e.f. August 09, 2019. The Board recommends the appointment of Dr. Anil Kumar Gupta as Non-Executive Director, liable to retire by rotation, pursuant to Section 152 of the Act.

- iii. The Board has recommended for reappointment of Mr. Sunil Kant Munjal (DIN: 00003909) and Mr. Bhagwan Dass Narang (DIN: 00826573) as Independent Director(s) of the Company, not liable to retire by rotation and to hold office for a second term of 5 consecutive years with effect from the ensuing Annual general meeting upto the conclusion of the 19<sup>th</sup> Annual General Meeting to be held in the year 2024.
- iv. During the year under review, Mr. Surrinder Lal Kapur (DIN: 00033312), Independent Director of the Company has resigned from the directorship w.e.f March 31, 2019. The Board placed on record its appreciation for the guidance and support provided by Mr. Kapur during his tenure with the Company.

The Company has received notices in writing, from Mr. Sunil Kant Munjal, Mr. Bhagwan Dass Narang, Retd. Justice Vikramajit Sen and Dr. Anil Kumar Gupta respectively under Section 160 of the Act proposing their own candidature as Directors of the Company.

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

Brief resume and other details of directors who is proposed to be appointed/re-appointed as a Director of your Company, have been furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

The appointment/re-appointments form part of the Notice of the Fourteenth Annual General Meeting and the relevant Resolutions are recommended for your approval.

#### **Key Managerial Personnel**

Mr. Neeraj Munjal (DIN: 00037792), Managing Director & CEO, Mr. Davendra Ujjayan, Chief Financial Officer and Ms. Shivani Kakkar, Company Secretary & Compliance Officer are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There are no changes in the Key Managerial Personnel of the Company.

#### **d) Declaration by Independent Director**

The Company has received necessary declaration from all Independent Directors under Section 149

(7) of the Companies Act, 2013 that they meet the criteria of Independence laid down in Section 149(6) of Companies Act, 2013 and Listing Regulations.

In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made thereunder and Listing Regulations and are independent of the management.

#### **e) Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under the Listing Regulations, the Board is required to carry out an Annual Evaluation of its own performance, Board's committees and Individual Directors.

The performance of the Board as a whole, it's Committee(s) and Individual Directors including the Chairman of the Board, was evaluated by a questionnaire formulated by the Company.

The questionnaire was formulated based on the following criteria:

- The Board composition and structure,
- Effectiveness of board processes,
- Information and functioning,
- The composition of committees,
- Effectiveness of committee meetings,
- The contribution of the individual director to the Board and committee meetings
- Preparedness of Directors on the issues to be discussed,
- Meaningful and constructive contribution of Directors and their inputs in meetings

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

#### **f) Separate Meeting of Independent Directors**

In terms of requirements under Schedule IV of the Companies Act 2013 and Listing Regulations, a separate meeting of Independent Directors was held on February 6, 2019. 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.



g) **Policy on Directors' remuneration and other details**

The Company's policy on Directors' remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Board's report.

**Statutory Auditors and Auditor's Report**

NSBP & Co., Chartered Accountants, New Delhi (Firm Registration no. 001075N) were appointed as the Statutory Auditors of the Company for a term of five years as per the provisions of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, who will hold the office upto the conclusion of the 17<sup>th</sup> Annual General Meeting. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by the Auditors, NSBP & Co., Chartered Accountants, New Delhi, on the financial statements of the Company for the financial year 2018-19, is part of the Annual Report. There are no qualifications, reservation, adverse remark, observations, comments or disclaimer given by the Auditors in their Report.

Further, with regard to section 134(3)(ca) of the Companies Act, 2013, no frauds have been reported by the Auditors under section 143(12) of the said Act.

**Explanation to Auditors' Remarks**

The comments on statement of accounts referred to in the report of the auditors are self-explanatory.

**Share Capital**

During the year under review, the Issued, Subscribed and Paid-up Equity Share Capital as on March 31, 2019 was 10 Crores shares of Rs. 2/- each amounting to Rs. 20 Crore.

- a) Your Company has not issued shares with differential voting rights nor granted employee stock options nor sweat equity. And also the Company has not accepted or repaid any Debentures, Preference Share Capital and any Bond & Security during the financial year, and none of the Directors of the Company hold any shares or security of the Company. The Company does not have any Debentures, Preferential Shares as on March 31, 2019.
- b) Your company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

**Deposits**

During the year, the Company has not accepted any fixed deposit.

**Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the

Company has appointed Satyender Kumar & Associates, a proprietorship firm of Company Secretaries to undertake the Secretarial Audit of the Company. Secretarial Audit Report in prescribed format MR-3 are annexed as **Annexure – D** to this Board's Report.

**Explanation to Secretarial Audit Report**

Due to technical issues faced by the Registrar and Transfer Agents of the Company with Depository, the shares were transferred beyond the prescribed date.

The Company is taking effective steps that all statutory forms are filed within the prescribed time limit.

**Audit Committee**

The Audit Committee comprises mainly of Independent Directors and the composition is as under:

Mr. Bhagwan Dass Narang	-	Chairman
Dr. Vinayshil Gautam	-	Member
Mr. Sunil Kant Munjal	-	Member
Dr. Anil Kumar Gupta	-	Member

The terms of reference of the Audit Committee are wide enough to cover the matters specified for the Audit Committee under Listing Regulations as well as Section 177 of the Companies Act, 2013; the detailed terms of reference are as mentioned in the **Annexure B** to this Board Report.

During the year under review, the Board has accepted all recommendation of Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of the recommendation of the Audit Committee by the Board..

**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (NRC) has been constituted according to Section 178(5) of the Companies Act, 2013 and the composition is as under:

Dr. Vinayshil Gautam	-	Chairman
Mr. Bhagwan Dass Narang	-	Member
Mr. Sunil Kant Munjal	-	Member

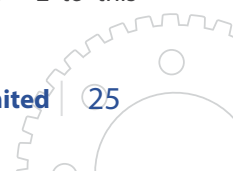
The detailed terms of reference are as mentioned in the **Annexure B** to this Board's Report.

**Corporate Social Responsibility (CSR) Policy**

The Corporate Social Responsibility Committee has been constituted as per the provisions of Section 135 of the Companies Act, 2013 and the composition is as under:

Mr. Bhagwan Dass Narang	-	Chairman
Dr. Anil Kumar Gupta	-	Member
Mrs. Charu Munjal	-	Member

The details about the policy indicating the activities to be undertaken by the Company, activities implemented by the company and the amount spent on CSR activities as per the provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure – E** to this Board's report.



### **Risk Management Policy**

In order to mitigate the risks, the Company has adopted the implementation of the risk management policy focusing on the elements of risks which in the opinion of the Board may threaten the existence of the company.

The Company has constituted a risk management committee, the constitution and the terms of reference of the same are mentioned in the **Annexure B** to this Board's Report.

### **Disclosure on Establishment of a Vigil Mechanism**

The Company has adopted a policy on vigil mechanism for directors and employees to report their genuine concerns or grievance to be the Vigilance and Ethics Officer. The policy is available on the company's website [www.shivamautotech.com](http://www.shivamautotech.com).

### **Material Changes Affecting the Financial Position of the Company**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and on the date of this report.

Your Company was able to raise the short-term/long term funds needed for its working capital related requirements & term loans for new capital expenditure at reasonable rates. By efficient management of working capital, the Company has been able to reduce some interest cost. The Company continues to focus on judicious management of its working capital. During the year under review, the financial position of the Company was quite satisfactory.

### **Significant or Material Orders passed by the Regulators**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### **Changes in the Nature of Business**

There is no change in the nature of the business of the Company during the Financial Year 2018-19.

### **Annual Return**

The Extract of Annual Return in Form MGT – 9 is enclosed herewith as **Annexure-H** forms part of this Report.

As required under the provisions of Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, a copy of the relevant Annual Return would be made available under the 'Notifications' section of the Company's website.

### **Particulars of Loan, Guarantees and Investments under Section 186 of the Companies Act, 2013**

The Company has neither given any loans/guarantees / provided security nor have any investments been made by the Company.

### **Particulars of Contracts or Arrangements with Related Parties**

All contracts /arrangements/transactions entered by the Company during the financial year with the related parties were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year under review, the Company had not entered into any contracts /arrangements/transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Suitable disclosure as required by the IND AS 24 has been made in the notes to the Financial Statements.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The Company continues to use the latest technologies for improving the productivity and quality of its products and components. The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are attached as **Annexure - C** to this Board's Report.

### **Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements**

Your company has adequate internal control for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations. The internal controls are complemented, on an on-going basis, by an extensive program of internal audits being implemented throughout the year. The internal controls are designed to ensure that the financial and other records of the company are reliable for preparing financial statement and other data for maintaining the accountability of assets in conformity with established accounting principles and that the assets of the company are adequately safe-guarded against any significant misuse or loss.

The Company also has an internal audit system which is conducted by an independent firm of Chartered Accountants. An extensive risk based programme of internal audits and management reviews provides assurance to the Board regarding the adequacy and efficacy of internal controls. The internal audit plan is also aligned to the business objectives of the Company which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework.

### **Listing**

The shares of your Company are listed at The National Stock Exchange of India Limited and The BSE Limited, and pursuant to the Listing Regulations, the Annual Listing fees for the year 2019-20 have been paid to them well before the due date i.e. April 30, 2019. The Company has also paid the annual custodian fees for the year 2019-20 in respect of Shares held in dematerialized mode to National Securities



Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations, as applicable.

### Corporate Governance

Your Company is committed to follow the highest standards and principles of Corporate Governance with all integrity and fairness. The Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

A certificate from the Practising Company Secretary regarding the compliance of the conditions of Corporate Governance by the Company stipulated under Listing Regulations is also attached to this Report.

Separate detailed chapters on Corporate Governance, Additional Shareholder information and Management Discussion and Analysis are attached herewith and form part of this Report. Declaration by CEO/CFO that the Board Members and Senior Management Personnel have complied with the Code of Conduct for the Financial Year 2018-19 is annexed with this report.

### Disclosures for Maintenance of Cost Records

Your company is not covered under subsection (1) of Section 148 of Companies Act, 2013 for maintenance of Cost records and accordingly such accounts and records are not required to be made and maintained.

### Prevention of Sexual Harassment Cases

As required under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with rules made thereunder, the Company has constituted an "Internal Complaints Committee" which is responsible for redressal of complaints related to sexual harassment. The necessary disclosure in terms of requirements of Listing Regulations in this regard is given below:

- a) Number of complaints filed during the financial year – Nil
- b) Number of complaints disposed of during the financial year – N.A.
- c) Number of complaints pending as at the end of the financial year – N.A.

### Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, as amended, with respect to the directors' responsibility statement, it is hereby confirmed:

- (i) That in preparation of annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to the material departures;

- (ii) That the directors' of the company have selected such accounting policies and applied them consistently and made judgements 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 March 31, 2019 and of the losses of the Company for the financial year ended March 31, 2019;
- (iii) That the directors' of the company have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) That the directors' of the company have prepared the annual accounts on a going concern basis.
- (v) That the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Managerial Remuneration

The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are provided in Corporate Governance Report attached as **Annexure – B** to this Board's Report.

### Particulars of Employees

The information required under Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure - F** to this Board's Report.

### Environment, Health & Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

The Company has taken an initiative to preserve environment by indulging in paper recycling activity. The paper recycling pertains to the processes of reprocessing waste paper for reuse. Recycling paper preserves trees and forests. Every ton of recycled paper saves about 17 trees. Recycled paper serves as an environmental friendly resource for paper manufacturers, saving costs and energy. *The Company has recycled approx. 4500 kgs of waste paper till March 31, 2019, contributing in saving 76 nos. of trees.*

The Company is committed to adhere to the highest standards of health and safety. It strives to provide its employees with a safe and healthy workplace. The Company continuous to focus on deploying behaviour based safety programmes and global safety standards

across its locations. The Company regularly conducts counselling and safety review meetings for the employees to appraise and educate them on the adoption of safety measures and avoidance of unsafe practices. Safe operating procedures, standards and systems have been laid down at all manufacturing locations. Prompt medical assistances are provided to its employees.

### Human Resource Development

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations. Objective appraisal systems based on key result areas (KRAs) are in place for staff members.

The Company strives to provide a work environment that attracts, develops and retains the best talent, promotes

a values-driven, high-performance culture embedding diversity and transformation.

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company’s thrust is on the promotion of talent internally through job rotation and job enlargement.

### Policies

The Listing Regulations mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website <http://www.shivamautotech.com>.

Following are the policies adopted by the company with their web links:

Policy	Web link
Code of Conduct	<a href="http://www.shivamautotech.com/Uploads/image/34imguf_SHIVAMCodeofConductforBM.pdf">http://www.shivamautotech.com/Uploads/image/34imguf_SHIVAMCodeofConductforBM.pdf</a>
Prohibition of Insider Trading	<a href="http://www.shivamautotech.com/Uploads/image/38imguf_insidertradingshimam.pdf">http://www.shivamautotech.com/Uploads/image/38imguf_insidertradingshimam.pdf</a>
Payment to Non- Executive Directors	<a href="http://www.shivamautotech.com/Uploads/image/33imguf_PaymenttoNED.pdf">http://www.shivamautotech.com/Uploads/image/33imguf_PaymenttoNED.pdf</a>
Nomination and Remuneration Policy	<a href="http://www.shivamautotech.com/Uploads/image/163imguf_15.nrc.pdf">http://www.shivamautotech.com/Uploads/image/163imguf_15.nrc.pdf</a>
Board Diversity Policy	<a href="http://www.shivamautotech.com/pdf/Board_Diversity_Policy.pdf">http://www.shivamautotech.com/pdf/Board_Diversity_Policy.pdf</a>
Records and Archives Policy	<a href="http://www.shivamautotech.com/pdf/records_and_archives_policy.pdf">http://www.shivamautotech.com/pdf/records_and_archives_policy.pdf</a>
Related Party Transaction Policy	<a href="http://www.shivamautotech.com/pdf/RPT_policy.pdf">http://www.shivamautotech.com/pdf/RPT_policy.pdf</a>
Anti-Harassment Policy	<a href="http://www.shivamautotech.com/pdf/Anti_harassment_Policy.pdf">http://www.shivamautotech.com/pdf/Anti_harassment_Policy.pdf</a>
Corporate Social Responsibility Policy	<a href="http://www.shivamautotech.com/pdf/CSR_POLICY.pdf">http://www.shivamautotech.com/pdf/CSR_POLICY.pdf</a>
Risk Management Policy	<a href="http://www.shivamautotech.com/pdf/Risk_Management_Policy.pdf">http://www.shivamautotech.com/pdf/Risk_Management_Policy.pdf</a>
Whistle Blower Policy	<a href="http://www.shivamautotech.com/pdf/Whistle_Blower_Policy.pdf">http://www.shivamautotech.com/pdf/Whistle_Blower_Policy.pdf</a>
Familiarization Policy	<a href="http://www.shivamautotech.com/cpage.aspx?mpgid=15&amp;pgidtrail=53">http://www.shivamautotech.com/cpage.aspx?mpgid=15&amp;pgidtrail=53</a>

### Secretarial Standards

During the year under review, your Company had complied with all the applicable Secretarial Standards.

### Acknowledgments

Your Company’s organisational culture upholds professionalism, integrity and continuous improvement across all functions as well as efficient utilisation of the Company’s resources for sustainable and profitable growth.

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government Authorities, Bankers, Customers, Suppliers and Business Associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company’s employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board  
Sd/-  
Neeraj Munjal  
Managing Director  
DIN: 00037792

For and on behalf of the Board  
Sd/-  
Charu Munjal  
Whole Time Director  
DIN: 03094545

Place: Gurugram  
Date: August 08, 2019



# ANNEXURE 'A' TO BOARD'S REPORT

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

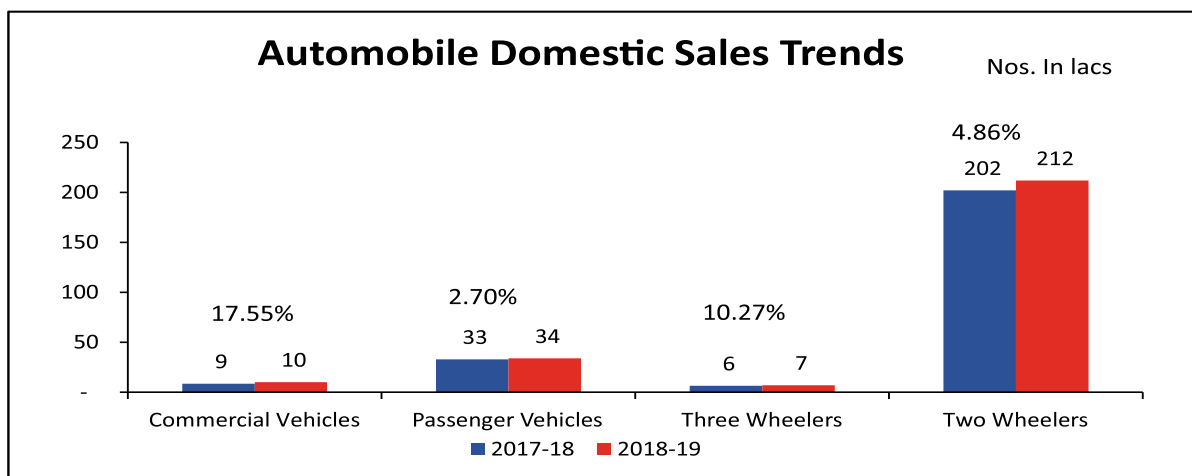
The slowdown in the Indian economy and in auto sector in particular, which has intensified since the second half of fiscal year 2018-19 has impacted the performance of the Company.

### Industry Structure and developments

Indian Automobile sector, which showed uninterrupted growth for last 15 years, has suddenly slowed down since the last quarter of fiscal year 2018-19. Due to slag in GDP growth rate of India and tight liquidity situation in the financial markets, the demand for two-wheelers in India has been affected. These challenging factors affecting the economic environment and the auto-industry has persisted in the beginning of current fiscal year and at the moment not showing any sign of improvement in near future.

In the market, the uncertainty due to entry of electric vehicles coupled with increased in the on road cost of two wheelers due to certain regulatory stipulations/requirements like increase insurance cost, increased vehicle registration charges, reduced flow of funding from banks and NBFC's to the retail sectors have accentuated the pressure in the two wheeler market in India. Passenger cars and commercial vehicles in which Companys' Components are being used are also in a slow-down phase and as a result have affected companies' operations both in volume and in profitability.

SIAM data showing Automobile Domestic Sales Trends for 2017-18 and for 2018-19 as mentioned below, would corroborate the above narrative of two-wheeler and four-wheeler in general.



In the short term, company's operations will be affected in line with the overall demand scenario in the auto-sector, some encouraging news on export market front is emerging and company hopes to make a good foray in export market in North America and Europe in coming two years.

### Government Initiatives

The automotive industry which is among the largest employment provider in India has been taking up with government rigorously to –

- Reduce the GST, which currently is very high @ 28%.
- To ensure that sufficient liquidity is available in the financial market to restore retail loan availability, currently which has choked up.

The above measures are essential to revive the sagged demand conditions affecting entire automobile industry across all segments.

### Market Size

The automobile industry in India is world's fourth largest, with the country currently being the world's 4th largest manufacturer of cars and 7<sup>th</sup> largest manufacturer of commercial vehicles in 2018. Indian automotive industry (including component manufacturing) is expected to reach Rs 16-18 trillion (US\$ 251.4-282.8 billion) by 2026. Two-wheelers dominate the industry and made up 81 per cent share in the domestic automobile sales in FY19.

Overall, Domestic automobiles sales increased at 6.71 per cent CAGR between FY13-18 with 26.27 million vehicles being sold in FY19. Domestic automobile production increased at 6.96 per cent CAGR between FY13-18 with 30.92 million vehicles manufactured in the country in FY19.

In FY19, 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 FY19, and is further expected increase to 10 million units by FY20.

According to SIAM data, the industry produced a total 30,915,420 vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-March 2019 as against 29,094,447 in April-March 2018, registering a growth of 6.26 percent over the same period last year.

### **Segment wise Domestic Sales**

The sale of Passenger Vehicles grew by 2.70 percent in April-March 2019 over the same period last year. Within the Passenger Vehicles, the sales of Passenger Cars, Utility Vehicle & Vans grew by 2.05 percent, 2.08 percent and 13.10 percent respectively in April-March 2019 over the same period last year.

The overall Commercial Vehicles segment registered a growth of 17.55 percent in April- March 2019 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) increased by 14.66 percent and Light Commercial Vehicles grew by 19.46 percent in April-March 2019 over the same period last year.

Three Wheelers sales increased by 10.27 percent in April-March 2019 over the same period last year. Within the Three Wheelers, Passenger Carrier sales registered a growth of 10.62 percent and Goods Carrier grew by 8.75 percent in April-March 2019 over April-March 2018.

Two Wheelers sales registered a growth at 4.86 percent in April-March 2019 over April-March 2018. Within the Two Wheelers segment, Scooters declined by (-) 0.27 percent, whereas Motorcycles and Mopeds grew by 7.76 percent and 2.41 percent respectively in April-March 2019 over April-March 2018.

### **Exports**

In April-March 2019, overall automobile exports grew by 14.50 percent. While Passenger Vehicles exports declined by (-) 9.64 percent, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 3.17 percent, 49.00 percent and 16.55 percent respectively in April-March 2019 over the same period last year.

### **Opportunities & Threats**

The Industry has a big challenge ahead with BS VI norms in the form of implementing OBD (on-board diagnostics), which is only present in four-wheelers until now. With

India set to go BS VI in April 2020, two-wheelers will see a significant loss in fuel efficiency due to 85 percent reduction in NOx. Thus, the impact of BS VI will see a drop in fuel economy in the range of 7-10 percent, primarily due to near stoichiometric engine operation coupled with stringent NOx limits. Industry is now studying and taking counter-measure to solve this issue.

It involves a lot of local learning between both OEMs and suppliers in adopting new technologies for Indian conditions. Further, the cost will become a priority area as the technology to upgrade to BS-VI will come at a price and in certain cases will involve change in material usage.

Further, Vehicle Electrification development needs call for systems integration of heat management, energy management, acoustics, software integration; predictive analysis; attribute engineering, vehicle package design, optimised electrical distribution, durable electronics, verification and validation.

### **Outlook**

Uncertainty prevailing in the environment due to thrust provided by the government in the budget towards fast moving EV will become a reality a bit too sooner, then entire industry in India will undergo a metamorphism and will affect all the existing vehicle manufactures and the components suppliers like our company.

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 Government will also set up incubation centre for start-ups working in electric vehicles space.

### **Internal Control System and its Adequacy**

Your Company has exhaustive internal control systems that are aligned to its business requirements. The Company regularly monitors the risks and has in place focused risk mitigation strategies. Internal and external audit teams continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

The Internal Auditor reports directly to the Board through Audit Committee. The Internal Auditor has been assigned with the tasks for setting up of Inventory norms, Inventory optimization, Scrap reconciliation, Common spare management, BOM correction and verification. The Internal





Auditor presents to the Audit Committee, the detailed analysis of the tasks assigned to them in every meeting of the Committee. The Audit Committee meets periodically to review the adequacy and efficacy of the internal control systems.

**Discussion on financial performance with respect to operational performance**

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The financials have been prepared considering the above requirements of applicable laws.

During the financial year 2018-19, revenue from operations was Rs. 63,695.15 lacs as compared to Rs. 56,685.15 lacs in 2017-18, registering an increase of 12%. Before interest, depreciation and taxes, there is operational profit of Rs. 8377.70 Lacs in year 2018-19 from Rs. 7940.33 Lacs in 2017-18.

**Key Financial Ratios**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios. Please note that there is no significant change of 25% or more in the Key Ratios viz. Debtors Turnover, Inventory Turnover, Interest Coverage Ratio, Current Ratio, and Operating Profit Margin, except for Net Profit Margin which has reduced to -2.87% in FY 2019 from -0.22% in FY 2018

and Debt Equity ratio which has been increased to 3.35 in FY 2019 from 2.64 in FY 2018.

**Change in Return on Net Worth**

S. No.	Particulars	FY2019	FY2018
i)	Return on Net Worth*	-10.55%	-0.64%

\*Return on Net Worth is computed as Net Profit by Average Net Worth. Decline in Return on Net Worth is primarily due to decline in Net Profit.

**Human Resources & Industrial Relations**

Your company has skilled and unskilled workforce to give a competitive edge in an ever-changing industry landscape. With well-developed, well-founded strategies and establish policies, standards and systems, such as recruitment, on-boarding, training, performance management, mediation, legal compliance, and compensation administration, your company keeps a focus on its Human Resource and continues to invest in a wide variety of HR activities for its sustainable growth and social objectives.

**Cautionary Statement**

Certain Statements in the Management Discussion and Analysis describing the company’s objectives, projections, estimates and expectations or predictions may be ‘forward looking statements’ within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

For and on behalf of the Board  
Sd/-  
Neeraj Munjal  
Managing Director  
DIN: 00037792

For and on behalf of the Board  
Sd/-  
Charu Munjal  
Whole Time Director  
DIN: 03094545

Place: Gurugram  
Date: August 08, 2019



## ANNEXURE 'B' TO BOARD'S REPORT

### REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), a report on Corporate Governance is given below:

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and Listing Regulations, as applicable to the Company. As have been seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements as stipulated in the applicable laws, including SEBI Listing Regulations.

#### **Kotak Committee on Corporate Governance**

With the aim of improving standards of Corporate Governance of listed companies in India, Securities and Exchange Board of India on May 9, 2018 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the report of the Kotak Committee on Corporate Governance, some of which became applicable from October 01, 2018 and many from April 01, 2019 respectively. The Company ensures that it incorporates the amendments introduced in the Listing Regulations and the same are complied with on or before the effective date.

#### **1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company's Corporate Governance philosophy derives from the values of integrity, excellence & responsibility. It emphasizes wealth creation for society, protection & interest enhancement for all stakeholders, without compromising the environment and health of society at large. This helps the company to perform better thus culminating into higher productivity of the corporate resources. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company adheres to the highest ethical standards which are combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, quality consciousness, customer satisfaction, and ethical governance practices.

The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations, as applicable, the details of which are as under:

#### **2. BOARD OF DIRECTORS**

The Board is entrusted with an ultimate responsibility of management, directions and performance of the Company. As its primary role is fiduciary in nature, the board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures. The Board exercises its duties with care, skill and diligence. It sets strategic goals and seeks accountability for their fulfilment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

**Committees of the Board:** The Board has constituted the following Committees viz. Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Each of the said Committee has been mandated to operate within a given framework.

##### **2.1 Composition of the Board**

The Board consists of eminent individuals from Industrial, Managerial, Technical, Financial and Banking background. The Company is managed by the Board of Directors in co-ordination with senior management team. The composition and strength of the Board is periodically reviewed to ensure that it remains aligned with statutory as well as business requirements.

The Listing Regulations mandate that for a Company with non-executive Chairman, atleast one – third (i.e. 33%) of the Board should be Independent Directors. As on March 31, 2019, our Board comprised of 6 (Six) directors consisting of Non-Executive and Independent Chairman, a Managing Director, two Whole-time Directors and



three Independent Directors including Chairman. Independent Directors constitute 50% of the Board's strength – more than the requirements of the Companies Act, 2013 and the Listing Regulations.

Mr. Neeraj Munjal, Managing Director belongs to the promoter family. Dayanand Munjal Investments Private Limited is holding Company under promoter category and owns 74.80% equity in the Company. Mrs. Charu Munjal and Dr. Anil Kumar Gupta<sup>^</sup> are Whole Time Director(s) of the Company designated as "Executive Director" and "Director (Technical)" respectively. Mr. Neeraj Munjal, Managing Director and Mrs. Charu Munjal, Whole Time Director being spouse are related to each other. Apart from these, the Board constitutes of Independent Directors namely Mr. Bhagwan Dass Narang and Dr. Vinayshil Gautam. These directors bring to the Board wide range of experience & skills.

*Mr. Surrinder Lal Kapur, Independent Director resigned from the Directorship of the Company with effect from March 31, 2019, due to operation of law and relevant provisions of the Listing Regulations. Regulation 17(1A) of the Listing Regulations which came into effect from April 1, 2019, provides that a listed company shall not appoint or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 years, unless shareholders' approval is taken. Mr. Kapur, being above the threshold age criteria, could not continue as Director of the Company pursuant to the aforesaid regulation. The Board appreciated the guidance and support provided by him during his tenure.*

*<sup>^</sup>Dr. Anil Kumar Gupta has resigned as Whole-Time Director of the Company w.e.f. August 08, 2019 and is appointed as Non-Executive Director w.e.f. August 09, 2019, subject to the approval of shareholders at ensuing Annual General Meeting.*

*Retd. Justice Vikramajit Sen has been appointed as Non-Executive Independent Director of the Company w.e.f. August 08, 2019, subject to the approval of shareholders at ensuing Annual General Meeting.*

## 2.2 Board / Committee Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

### Board Meetings and Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the Financial Year 2018-19, 5 (Five) meetings of the Board of Directors of the Company were held on May 30, 2018, August 13, 2018, November 5, 2018, February 6, 2019 and March 12, 2019. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013, Listing Regulations and the Secretarial Standards by the Institute of Company Secretaries of India.

The details of attendance of Directors in the Board meetings are as under:

Name of Directors	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Sunil Kant Munjal	5	4	Yes
Mr. Neeraj Munjal	5	5	Yes
Mrs. Charu Munjal	5	5	Yes
Mr. Bhagwan Dass Narang	5	5	Yes
Dr. Vinayshil Gautam	5	5	No
Dr. Anil Kumar Gupta	5	5	Yes
Mr. Surrinder Lal Kapur <sup>1</sup>	5	5	Yes

The information as required under Schedule II of the Listing Regulations is made available to the Board of Directors. Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions.

<sup>1</sup> Resigned w.e.f. March 31, 2019



### 2.3 Independent Directors

During the year, a separate meeting of the Independent Directors was held on February 06, 2019. All the Independent Directors were present at the Meeting and discussed among other matters, the performance of the Company and flow of information to the Board, competition strategy, leadership, strengths and weaknesses, governance, compliance, human resource matters, performance of Board as a whole and performance of the Executive Directors of the Board including the Chairman after considering the views of Executive and Independent Directors.

#### Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

#### Number of Independent Directorships

Pursuant to regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

### 2.4 Number of other board of directors or Committees in which the Director is a Member or Chairperson

In accordance with Regulation 26 of the Listing Regulations, none of the Directors holds directorship in more than 8 listed companies with effect from April 1, 2019. Further, none of them holds membership of more than 10 Committees of the Board nor any Director is a Chairman of more than 5 Committees of Board excluding private limited companies, foreign companies and companies under section 8 of the Companies Act 2013. All directors have informed about their Directorships, Committee memberships/Chairmanships including any change in their positions. Relevant details of the Board of Directors as on March 31, 2019 are given below:

Name	Category	No. of Directorships in listed entities including this listed entity	No. of Committee Memberships in Audit/ Stakeholder Committee including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entity including this listed entity
Mr. Sunil Kant Munjal <i>Chairman</i>	Independent	2	2	-
Mr. Neeraj Munjal <i>Managing Director</i>	Executive	1	1	-
Mrs. Charu Munjal <i>Executive Director</i>	Executive	2	-	-
Dr. Anil Kumar Gupta <i>Director - Technical</i>	Executive	1	2	-
Mr. Bhagwan Dass Narang	Independent	3	2	2
Dr. Vinayshil Gautam	Independent	1	2	-

None of the Independent Directors holds any shares (as own or on behalf of other person on beneficial basis) in the Company as on March 31, 2019.

#### Notes:

1. Private Limited Companies, Foreign Companies and Companies u/s 8 of the Companies Act, 2013 are excluded for the above purposes.
2. Only Audit committee and Stakeholders' Relationship committee are considered for the purpose of committee positions in accordance with Regulation 26 of Listing Regulations.
3. Mr. Neeraj Munjal and Mrs. Charu Munjal are related to each other. None of other directors are related inter-se.





### Name of equity listed entities where directors of the Company held directorships as on March 31, 2019

Name of Director	Name of Listed entities	Category
Mr. Sunil Kant Munjal	a) Shivam Autotech Limited	Chairman, Non – Executive and Independent Director
	b) DCM Shriram Limited	Non – Executive and Independent Director
Mr. Neeraj Munjal	a) Shivam Autotech Limited	Managing Director
Mrs. Charu Munjal	b) Shivam Autotech Limited	Whole-Time Director
	c) Munjal Showa Limited	Non – Executive and Non – Independent Director
Dr. Anil Kumar Gupta	a) Shivam Autotech Limited	Whole-Time Director
Mr. Bhagwan Dass Narang	a) Shivam Autotech Limited	Non – Executive and Independent Director
	b) Dish TV India Limited	Non – Executive and Independent Director
	c) VA Tech Wabag Limited	Chairman, Non – Executive and Independent Director
Dr. Vinayshil Gautam	a) Shivam Autotech Limited	Non – Executive and Independent Director

#### 2.5 Re - Appointment of Directors

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Charu Munjal, Whole Time Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

Relevant Information of Directors proposed to be re-appointed at the Annual General Meeting is given in the Notice of the Annual General Meeting.

#### 2.6 Performance Evaluation of Board Members

The Company has set up a formal mechanism to evaluate the performance of all Board members. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of all the Directors.

#### 2.7 Availability of Information to Board Members

The Board has unrestricted access to all Company-related information including that of our employees. At Board meetings, managers and representatives who can provide additional insights on the items being discussed are invited. Regular updates provided to the Board include:

- Annual operating plans and budget, capital budgets and updates.
- Quarterly results of the Company
- Minutes of meeting of Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management and Corporate Social Responsibility Committees and abstracts of circular resolution passed.
- General notices of interest received from Directors
- Dividend Data
- Information on recruitment and remuneration of senior officers including appointment or removal of the Chief Financial Officer and Company Secretary.
- Materially important litigations, show cause, demand and penalty notices.
- Any issues that involves possible public or product liability claims of a substantial nature
- Any significant development involving human resource management
- Details of foreign exchange exposure and the steps taken by the management to limit risks of adverse exchange rate movement.
- Non Compliance with any regulatory, statutory or listing requirements

#### 2.8 Familiarization programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held on 06-Feb-2019.



Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company [http://www.shivamautotech.com/Uploads/image/184imguf\\_DetailsofFamiliariztionprograme.pdf](http://www.shivamautotech.com/Uploads/image/184imguf_DetailsofFamiliariztionprograme.pdf).

## 2.9 List of Core Skills/Expertise/Competencies identified by the Board of Directors

We have vibrant Board of Directors with vast range of skills, expertise and experience from various fields and sectors as required. The Board has identified the below mentioned skills/ area of expertise/ competencies required in the context of Company's business and the industry it operates:

1. Expertise in business, project management and operational aspects
2. Manufacturing, Automobile Engineering and Project Management
3. General Management and Strategic planning
4. Global Business Leadership
5. Technical Expertise
6. Business Development and Business Operations
7. Commercial and Purchase
8. Information Technology and Systems
9. Human Resources and Industrial Relations
10. Sales, Marketing and International Business
11. Research and Development
12. Finance and Taxation

The Company has an experienced and competent Board and all the above mentioned skills/ expertise/ competencies are available with the Board as a whole.

## 2.10 Disclosure in terms of Regulation 34 (3) read with Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no inter-se relationships between the Board members except Mr. Neeraj Munjal and Mrs. Charu Munjal being Spouses.

## 2.11 Confirmation on the re-recommendations of Committees of the Board

The Board of Directors had accepted all the recommendations as and when received from its Committees on different matters.

## 3. AUDIT COMMITTEE

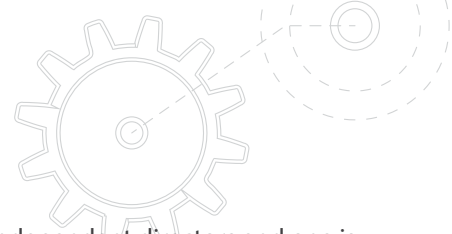
Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance and have insight to interpret and understand financial statements. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

### 3.1 Composition of the Audit Committee and attendance of members

The Audit Committee comprises mainly of Independent Directors and the composition is in conformity with the Listing Regulations. During the Financial Year 2018-19, 4 (four) meetings of the Audit Committee were held on May 30, 2018, August 13, 2018, November 5, 2018 and February 6, 2019.

Consequent to resignation of Mr. Surrinder Lal Kapur w.e.f. March 31, 2019, Mr. Bhagwan Dass Narang (Independent Director) was appointed as Chairman of the Committee in meeting held on May 27, 2019. The



total strength of the Audit Committee is four members out of which three are Independent directors and one is Executive director.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company.

The Company Secretary acts as the Secretary of the Committee.

The Table below provides the attendance of the Audit Committee members during the FY 2018-19:

Name	Designation	Category of Directorship	Attendance out of 4 meetings held
Mr. Surrinder Lal Kapur <sup>2</sup>	Chairman	Independent Director	4
Mr. Bhagwan Dass Narang	Member	Independent Director	4
Dr. Vinayshil Gautam	Member	Independent Director	4
Mr. Sunil Kant Munjal	Member	Independent Director	3
Dr. Anil Kumar Gupta	Member	Executive Director	4

*Mr. Surrinder Lal Kapur ceased to be the member of the Committee effective March 31, 2019.*

### 3.2 Terms of Reference

The terms of reference of the Audit Committee are wide enough to cover the matters specified for the Audit Committee under Regulation 18 of the Listing Regulations as well as Section 177 of the Companies Act, 2013 and are as follows:

- (i) Reviewing the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditors.
- (ii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing with the management, the annual financial statements 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 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 judgement 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) Modified opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

<sup>2</sup>Resigned w.e.f. March 31, 2019



- (viii) Considering with the management approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutinizing inter-corporate loans and investments;
- (x) Considering valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluating internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors any significant findings and follow up thereon.
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (xxi) Monitoring the end use of funds raised through public offers and related matters.
- (xxii) Reviewing Foreign Exchange Exposure of the Company.
- (xxiii) Examining the financial statements and the auditors' report thereon;

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. The compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2019.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's Financial Statements and Company's internal financial control over financial reporting in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Statements as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Financial Statements are made available on the website [www.shivamautotech.com](http://www.shivamautotech.com).

### 3.3 Internal Controls and Governance Processes

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with CFO formulates a detailed plan for the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the Meetings of the Audit Committee at regular basis and submit their recommendations to the Audit Committee and provide a road map for the future.





## 4. NOMINATION AND REMUNERATION COMMITTEE

The “Nomination and Remuneration Committee” has been constituted as per Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

### 4.1 Terms of Reference

The constitution and terms of reference of the Committee are in consonance with the provisions of Section 178 of the Act and Regulation 19(4), read with Schedule II of Listing Regulations. The Company, during the year, had revised the terms of reference in accordance with the amendments in Listing Regulations vide SEBI notification dated May 9, 2018. The terms of reference of the NRC now, include the following:

- i) to formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors the Company’s policies, relating to the remuneration for the Directors, Key Managerial Personnel and other employees,
- ii) to formulate criteria for evaluation of Independent Directors and the Board;
- iii) to devise a policy on Board diversity;
- iv) to identify 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;
- v) whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors
- vi) to recommend to the Board, all remuneration, in whatever form, payable to senior management.

### 4.2 Composition of the Nomination and Remuneration Committee and attendance of members

The Nomination and Remuneration Committee comprises mainly of Independent Directors. During the Financial Year 2018-19, 1 (one) meeting of the Nomination and Remuneration Committee was held on May 30, 2018. The table below provides the composition and attendance of the Nomination and Remuneration Committee members:

Name	Designation	Category of Directorship	Attendance out of 1 meeting held
Dr. Vinayshil Gautam	Chairman	Independent	1
Mr. Bhagwan Dass Narang	Member	Independent	1
Mr. Sunil Kant Munjal	Member	Independent	0
Mr. Surrinder Lal Kapur <sup>3</sup>	Member	Independent	1

*Mr. Surrinder Lal Kapur ceased to be member of the Committee effective March 31, 2019.*

### 4.3 Remuneration of Directors

#### A. Pecuniary relationship/transaction with Non-Executive directors

During the year under review, there was no pecuniary relationship/transaction with any Non-Executive Independent Directors of the Company.

#### B. Remuneration to Non-Executive Directors (including Independent Directors)

The Non-Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Independent Directors do not draw any remuneration from the Company except sitting fees of Rs. 30,000/- for each meeting of the Board and Rs. 30,000/- for each meeting of the Audit Committee, Stakeholders’ Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Independent Directors’ Meeting attended by them.

However, in addition to the sitting fees, Independent Directors are entitled to remuneration by way of commission up to 0.30% p.a. of the net profits of the company or Rs.10 Lacs per annum, whichever is less

<sup>3</sup>Resigned w.e.f. March 31, 2019



for each year commencing from October 01, 2014 as approved by the shareholders through Postal Ballot conducted by the Company, the results of which was declared on December 29, 2014.

#### Details of Remuneration Paid to Non-Executive Directors

Name of Non-Executive Directors	Sitting fees				Total
	Board Meeting	Committee Meeting	Independent Director's Meeting	Commission	
Mr. Sunil Kant Munjal	120,000	90,000	30,000	-	240,000
Mr. Bhagwan Dass Narang	150,000	480,000	30,000	-	660,000
Dr. Vinayshil Gautam	150,000	480,000	30,000	-	660,000
Mr. Surrinder Lal Kapur <sup>4</sup>	150,000	480,000	30,000	-	660,000

#### C. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors i.e. Managing Director and Whole-Time Directors is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between him and the Company. The remuneration is fixed considering various parameters such as qualification, expertise, experience, prevailing remuneration in the industry and financial position of the Company. The remuneration package of Managing Director and Whole-Time Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Nomination and Remuneration Policy as amended by the Board in its meeting held on May 27, 2019 is displayed on the Company's website viz. [www.shivamautotech.com](http://www.shivamautotech.com)

Presently, the Company does not have a stock options scheme for its Directors.

#### Details of Remuneration Paid to Managing Director and Executive Directors

(Amount in Rs. Lacs)

Executive Director(s)	Salary	Commission	Perquisites & Allowances	Contribution to PF Fund	Total
Mr. Neeraj Munjal	96.00	-	80.06	11.52	187.58
Mrs. Charu Munjal	48.00	-	32.06	5.76	85.82
Dr. Anil Kumar Gupta	27.36	-	40.07	3.28	70.71

#### Notes:

- The agreement between the Company and the Managing Director is for a period of five years. Either party is entitled to terminate the Agreement by giving not less than 180 days' notice in writing to the other party.
- Commission is payable @2.00% of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. However, Commission has not been paid to Mr. Neeraj Munjal and Mrs. Charu Munjal for year 2018-19. There is no severance fees paid to the directors.
- Presently, the Company does not have Stock Option Scheme.

#### 4.4 Performance Evaluation Criteria for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and all Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance



of specific duties, obligations and governance. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman, Managing Director and Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted according to Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations.

### 5.1 Composition of the Stakeholders' Relationship Committee and number of meetings held

During the Financial Year 2018-19, 7 (seven) meetings of the Stakeholders' Relationship Committee were held on May 30, 2018, August 13, 2018, November 5, 2018, December 15, 2018, February 6, 2019, February 19, 2019 and March 8, 2019. The requisite quorum was present at all the Meetings.

The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Member	Designation	Category of Directorship	Attendance out of 7 meetings held
Mr. Bhagwan Dass Narang	Chairman	Independent	7
Dr. Vinayshil Gautam	Member	Independent	7
Mr. Surrinder Lal Kapur <sup>5</sup>	Member	Independent	7
Mr. Neeraj Munjal	Member	Executive	7
Dr. Anil Kumar Gupta	Member	Executive	7

*Mr. Surrinder Lal Kapur ceased to be member of the Committee effective March 31, 2019.*

#### Compliance Officer

Ms. Shivani Kakkar - Company Secretary

### 5.2 Scope of the Committee

The Board has reconstituted Stakeholders Relationship Committee in its meeting held on May 27 2019 pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. Redressing of the Shareholders / Investors complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

The Committee looks into the matters of Shareholders/ Investors grievances along with other matters listed below:

- to consider and resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- to review measures taken for effective exercise of voting rights by shareholders.
- to review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- to review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- to consider and approve demat/ remat of shares/split/consolidation/sub-division of share certificates;
- to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.;
- to oversee and review all matters connected with the transfer of the Company's securities;
- to carry out any other function as prescribed under the Listing Regulations, the Companies Act, 2013 and other Applicable Law as amended from time to time.
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time

<sup>5</sup>Resigned w.e.f March 31, 2019



### 5.3 Details of shareholders' complaints received during the FY 2018-19 and their status are as follows:

Nature of Complaint / Query		Total Received	Total Replied / Resolved	Pending
1.	Inquiry pertaining to non-receipt of shares after transfer	1	1	–
2.	Request for issue of duplicate share certificates	1	1	–
3.	Non receipt of dividend / Revalidation of dividend warrants	9	9	–
4.	Communication relating to Transfer / Transmission / Name Deletion / Demat of Shares	-	-	–
5.	Miscellaneous i.e. Credit of Shares in Demat A/c's, non-receipt of Annual Report, Change of Address, Bank Details, etc.	1	1	–

The Company and the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited attend to all grievances of the shareholders received directly or through SEBI (SCORES), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (CSR) has been constituted according to Section 135 of the Companies Act, 2013.

### 6.1 Composition of the Corporate Social Responsibility and number of meetings held:

CSR committee has met 4 (four) times during the financial year 2018-19 on the following dates: May 30, 2018, August 13, 2018, November 5, 2018 and February 6, 2019. The composition of the Corporate Social Responsibility Committee and details of the meetings attended by its members are given below. The requisite quorum was present at all the Meetings.

Name	Designation	Category of Directorship	Attendance out of 4 meeting held
Mr. Bhagwan Dass Narang	Chairman	Independent	4
Dr. Anil Kumar Gupta	Member	Executive	4
Mrs. Charu Munjal	Member	Executive	4

### 6.2 Terms of Reference

- Formulate and recommend to the board, a corporate social responsibility (CSR) policy;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR policy of the Company from time to time;
- Undertake projects/ initiatives resulting in enhancement in the quality of life and economic well-being of the community, in and around society at large

## 7. RISK MANAGEMENT COMMITTEE

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The Board has reconstituted Risk Management Committee in its meeting held on May 27 2019 pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company.

The committee is responsible to assist Board in fulfilling its responsibilities with regards to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of





monitoring and approving the risk policies and associated practices of the Company. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### 7.1 Composition of the Risk Management Committee and attendance of members

During the financial year 2018-19, 4 (four) meeting of the Risk Management Committee were held on May 30, 2018, August 13, 2018, November 5, 2018 and February 6, 2019. The composition of the Risk Management Committee and details of the meetings attended by its members are given below:

Name	Designation	Category of Directorship	Attendance out of 4 meeting held
Dr. Vinayshil Gautam	Chairman	Independent	4
Dr. Anil Kumar Gupta	Member	Independent	4
Mr. Surrinder Lal Kapur <sup>6</sup>	Member	Independent	4

*Mr. Surrinder Lal Kapur ceased to be member of the Committee effective March 31, 2019.*

### 7.2 Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

1. To ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e to ensure adequate systems for risk management.
2. To establish a framework for the company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability
5. Any other matter which may be considered from time to time.

## 8. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on February 06, 2019, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The details of the meetings attended by Independent Directors are given below:

Name	Designation	Category of Directorship	Attendance out of 1 meeting held
Mr. Sunil Kant Munjal	Chairman	Independent	1
Dr. Vinayshil Gautam	Member	Independent	1
Mr. Bhagwan Dass Narang	Member	Independent	1
Mr. Surrinder Lal Kapur <sup>7</sup>	Member	Independent	1

## 9. RELATED PARTY TRANSACTIONS (RPT)

All transactions entered into with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations, during the financial year under review were in the ordinary course of business and on arm's length pricing basis. The omnibus approval of the Audit Committee has been accorded to the Company to enter into contract/ arrangement for sale / purchase / services, etc. with the related parties on arm's length basis in the meeting held on May 30, 2018.

<sup>6</sup> Resigned w.e.f March 31, 2019

<sup>7</sup> Resigned w.e.f March 31, 2019



## 10. GENERAL BODY MEETINGS

### a) Annual General Meeting

Date, time and location where the last three Annual General Meetings were held areas under:

Year	Type	Date	Venue	Time	Whether Special resolution passed in previous AGM
2015-16	AGM	29.09.2016	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110074	11.30 A.M.	1. Payment of minimum remuneration to Executive Directors
2016-17	AGM	29.09.2017	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110074	11.30 A.M.	-
2017-18	AGM	29.09.2018	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110074	11:30 A.M.	-

### (b) Resolutions passed last year through Postal Ballot:

During the year under review, the Company completed the process of one postal ballot as per provisions of Section 110 of the Companies Act, 2013, for passing a Special Resolution for shifting the Registered Office of the Company from the National Capital Territory of Delhi to the State of Haryana.

Mr. Satyender Kumar, Practicing Company Secretary was appointed as Scrutinizer for conducting postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of CDSL to provide e-voting facility to its Members. The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out.

The following Resolution is deemed to have been passed on the last date of e-voting and receipt of Postal Ballot forms i.e. on Wednesday, 23<sup>rd</sup> March, 2019. The aforesaid voting results along with the Scrutinizer's Report has been displayed at the Registered Office and Corporate Office of the Company and on the website of the Company [www.shivamautotech.com](http://www.shivamautotech.com) and CDSL viz. [www.evotingindia.com](http://www.evotingindia.com).

Particulars	No of Votes received	No and % of votes in favour	No. and % of votes against
<b>Special Resolution</b> Shifting the Registered Office of the Company from the National Capital Territory of Delhi to the State of Haryana	76,799,335 (76.79%)	76,797,535 (99.99%)	1800 (0.01%)

#### Procedure for postal ballot

The Company had sent the postal ballot notice dated February 06, 2019 and postal ballot form along with postage pre-paid envelope to members/beneficial owners through email at their registered email IDs and through physical copy to the members who have not registered their email IDs. The Company had also published notice in the newspapers for the information of the members.

Voting rights were reckoned on the equity shares held by the members as on the cut-off date i.e. February 07, 2019. The voting period for postal ballot and E-voting was from Friday, February 22, 2019, 9.00 a.m., and ends on Saturday, March 23, 2019 at 5.00 p.m. The postal ballot results were intimated to the stock exchanges pursuant to regulation 44(3) of the Listing Regulations, as well as displayed on the Company's website under "Notifications" section.

The Company has also complied with the procedure for Postal Ballot in terms of the provisions of section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) Rules, 2014.



As on the date of this report, your Company does not propose to pass any Special Resolution for the time being by way of Postal Ballot.

## 11. MEANS OF COMMUNICATION

- a) The Quarterly and Annual Financial Results of the Company are uploaded in NSE Electronic Application Processing System (NEAPS) and BSE Listing in accordance with the SEBI Listing Regulations. The quarterly results are published in widely circulating national and local newspapers such as the Business Standard in English and Business Standard in Hindi.
- b) The Company's results are displayed on the Company's website i.e. [www.shivamautotech.com](http://www.shivamautotech.com). The website also displays the compliances done pursuant to Listing Regulations.

## 12. GENERAL SHAREHOLDER INFORMATION

### 12.1 Annual General Meeting

Date	25-Sep-2019
Day	Wednesday
Time	12:00 Noon
Venue	Club Nirvana Patio Block- K, Nirvana Country, Sector – 50, Gurugram - 122018, Haryana

### 12.2 Financial Calender for FY 2019 – 2020

Financial Year -	April 1 to March 31
	i) First Quarter Results – on or before August 14, 2019
	ii) Second Quarter Results – on or before November 14, 2019
	iii) Third Quarter Results – on or before February 14, 2020
	iv) Fourth Quarter Results – on or before May 30, 2020
	v) Audited Results for the year ended March 31, 2020 – on or before May 30, 2020

### 12.3 Dates of Book Closure

Tuesday, September 17, 2019 to Wednesday, September 25, 2019 (both days inclusive)

### 12.4 Listing on Stock Exchanges

The BSE Limited

The National Stock Exchange of India Limited

The Annual Listing Fees for 2018-2019 have been paid to both the Stock Exchanges.

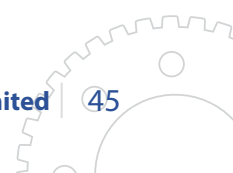
### 12.5 Stock Code

532776 – The BSE Limited

SHIVAMAUTO – The National Stock Exchange of India Limited

### 12.6 Demat ISIN Number for NSDL and CDSL

INE637H01024



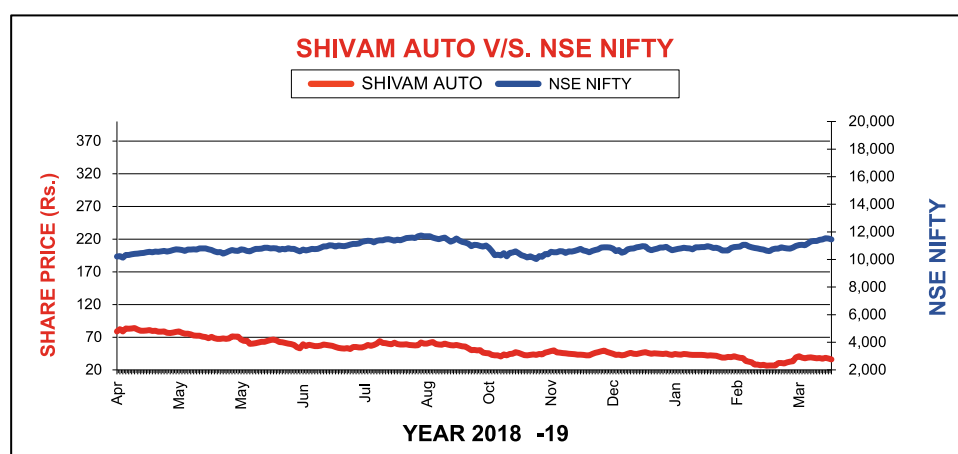
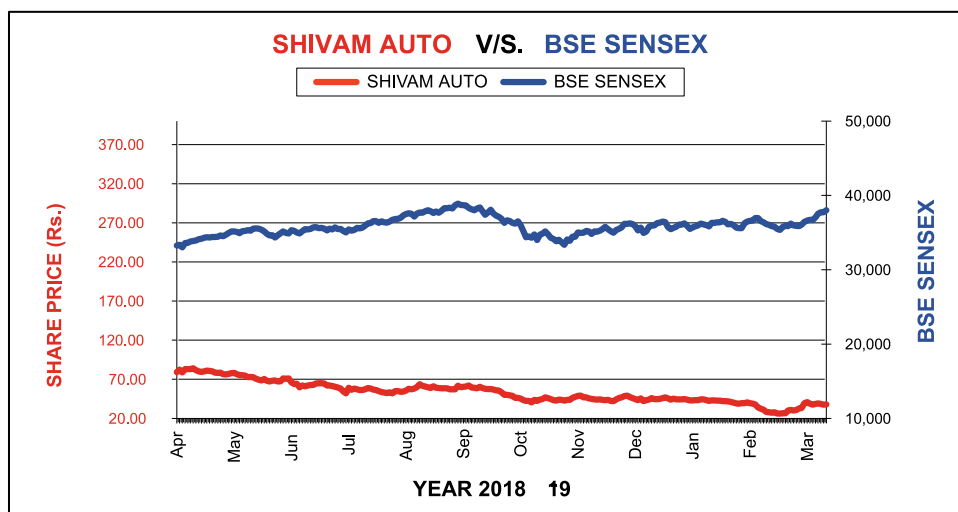
### 12.7 Market Price Data

The **monthly** high and low quotations as well as the volume of shares traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

Month	BSE Limited (BSE)				National Stock Exchange (NSE)			
	High (Rs.)	Date	Low (Rs.)	Date	High (Rs.)	Date	Low (Rs.)	Date
Apr' 2018	85.05	10-Apr-18	67.00	02-Apr-18	84.95	10-Apr-18	68.45	2-Apr-18
May' 2018	78.05	03-May-18	63.90	31-May-18	78.60	03-May-18	64.20	31-May-18
Jun' 2018	68.45	15-Jun-18	52.00	28-Jun-18	68.20	15-Jun-18	52.10	29-Jun-18
Jul' 2018	61.00	10-Jul-18	51.40	19-Jul-18	59.90	10-Jul-18	51.00	19-Jul-18
Aug' 2018	66.40	28-Aug-18	56.40	01-Aug-18	68.60	28-Aug-18	56.00	1-Aug-18
Sep' 2018	63.55	3-Sep-18	45.75	28-Sep-18	63.85	3-Sep-18	45.25	28-Sep-18
Oct' 2018	49.80	17-Oct-18	39.15	9-Oct-18	50.00	17-Oct-18	40.00	11-Oct-18
Nov' 2018	51.90	30-Nov-18	41.85	22-Nov-18	52.40	30-Nov-18	41.95	22-Nov-18
Dec' 2018	51.00	07-Dec-18	41.50	11-Dec-18	49.85	3-Dec-18	41.55	11-Dec-18
Jan' 2019	46.00	25-Jan-19	37.20	29-Jan-19	45.45	4-Jan-19	38.00	29-Jan-19
Feb' 2019	41.35	1-Feb-19	25.05	20-Feb-19	41.45	1-Feb-19	25.05	20-Feb-19
Mar' 2019	41.50	7-Mar-19	32.80	1-Mar-19	41.90	6-Mar-19	32.65	1-Mar-19

### 12.8 Performance in comparison to broad-based indices

The Charts below depicts the comparison of monthly Company's share price with BSE SENSEX and NIFTY 50:







## 12.9 Registrar and Share Transfer Agents

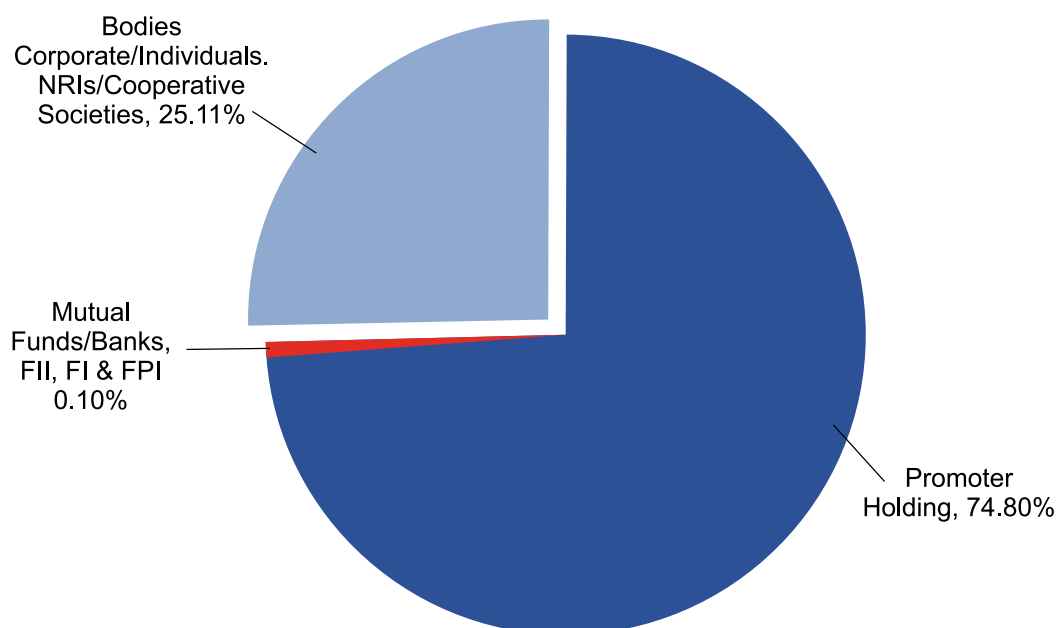
MCS Share Transfer Agent Limited  
 F-65, 1st Floor, Phase-I, Okhla Industrial Area  
 New Delhi-110 020  
 Tel: 011-41406149-52 Fax No: 011-41709881  
 E-mail: admin@mcsregistrars.com

## 12.10 Distribution of Shareholding as on March 31, 2019

No. of shares held	No. of shareholders		No. of shares	
	Numbers	%	Numbers	%
Up to 500	21215	77.04	3,817,343	3.81
501 – 1000	3069	11.15	2,619,428	2.61
1001 – 2000	1513	5.49	2,371,564	2.37
2001 – 3000	710	2.58	1,826,329	1.83
3001 – 4000	241	0.88	879,215	0.88
4001 – 5000	308	1.12	1,493,872	1.49
5001 – 10000	269	0.98	2,023,990	2.02
10001 – 50000	175	0.64	3,347,298	3.35
50001 – 100000	19	0.07	1,377,210	1.38
100001 & above	17	0.06	80,243,751	80.24
<b>Total</b>	<b>27,536</b>	<b>100.00</b>	<b>100,000,000</b>	<b>100.00</b>

### Shareholding pattern as on March 31, 2019

S. No.	Categories	No. of Holders	No. of Shares	% Shareholding
<b>A</b>	<b>Promoter Holding</b>			
i	Dayanand Munjal Investments Pvt Ltd	1	74,795,950	74.80
	<b>Total Promoter Holding</b>	<b>1</b>	<b>74,795,950</b>	<b>74.80</b>
<b>B</b>	<b>Public Holding</b>			
	<i>Institutions</i>			
i	Mutual Funds	4	42,188	0.04
ii	Banks, FI & FII	2	56,739	0.06
	<b>Sub Total</b>	<b>6</b>	<b>98,927</b>	<b>0.10</b>
	<i>Non Institutions</i>			
i	<b>Individuals</b>			
	Individuals holding nominal sharecapital upto Rs. 2 Lacs	26,164	17,699,882	17.7
	Individuals holding nominal sharecapital in excess of Rs. 2 Lacs	11	4,177,169	4.18
ii	NBFC	2	850	0.00
iii	Others:			
	a. Other Corporate Bodies	300	2,328,194	2.33
	b(i). NRI with Repat	240	355,266	0.36
	b(ii). NRI without Repat	107	312,062	0.31
	d. Cooperative Societies	1	6,000	0.01
	e. Trust	2	3,000	0.00
	f. Govt - IEPF Suspense Account	1	222,700	0.22
	<b>Sub Total</b>	<b>26,828</b>	<b>25,105,123</b>	<b>25.11</b>
	<b>Total Public Holding</b>	<b>26,834</b>	<b>25,204,050</b>	<b>25.20</b>
	<b>Grand Total</b>	<b>26,835</b>	<b>100,000,000</b>	<b>100.00</b>



### 12.11 Share Transfer System

All the transfers received are processed by the Registrar and Transfer Agents and are approved by the Company Secretary pursuant to the authority given for affecting such transfers and noted in the meeting of Stakeholders' Relationship Committee. Share Transfers are registered and returned within the prescribed period, provided documents are complete in all respects. As per directives issued by SEBI, it has been made mandatory to trade in the Company's Equity Shares in dematerialised form.

### 12.12 Dematerialisation of Shares and Liquidity

The process of conversion of Shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same alongwith the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialised and an electronic credit of Shares is given in the account of the Shareholder.

The Company has arrangements with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. As on March 31, 2019, 98.23% of the total Equity Capital is held in the demat form with NSDL and CDSL.

#### Physical and Demat Shares:

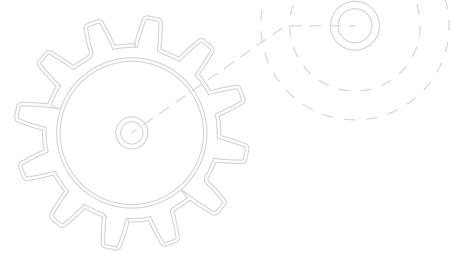
	As on March 31, 2019	%
No. of Shares held by NSDL	89,497,705	<b>89.50</b>
No. of Shares held by CDSL	8,951,695	<b>8.95</b>
Physical Shares	1,550,600	<b>1.55</b>
<b>TOTAL</b>	<b>100,000,000</b>	<b>100.00</b>

### 12.13 Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

Not Issued

### 12.14 Foreign Exchange Risk and Hedging Activities

During the year under review, the Company has fully hedged Letters of credit in foreign currency for Imports of some raw materials, stores & spares and capital goods.



#### 12.15 Plant Locations with address

- **Binola Plant** – 58 Km Stone, Delhi - Jaipur Highway, Village - Binola, Gurugram – 122413, Haryana.
- **Haridwar Plant** - Plot No. 3, Industrial Park 2, Phase I, Village Salempur, Tehsil Mehdood, Haridwar - 249401, Uttarakhand.
- **Manesar Plant** - Plot No.- 1, Sector-5, IMT Manesar, Gurugram- 122050 Haryana.
- **Bengaluru Plant** - Plot No. 98, Vemagal Industrial Area, Kolar – 563101, Karnataka.
- **Rohtak Plant** - Plot No. 9, Sector-30A, IMT Rohtak, District: Rohtak -124001, Haryana.

#### 12.16 Address for correspondence

Ms. Shivani Kakkar  
Company Secretary  
10, 1<sup>st</sup> Floor, Emaar Digital Greens, Tower A,  
Sector-61, Golf Course Extension Road, Gurugram,  
Haryana-122102  
Tel. Nos.: 0124-4698700  
Fax: - 0124-4698798  
[shivani@shivamautotech.com](mailto:shivani@shivamautotech.com)

#### 12.17 Credit Rating

For our bank facilities and other debt programs CARE has provided us a long-term rating of 'CARE BBB+/ Stable' and a short-term rating of 'CARE A2+'.

#### 12.18 Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General meetings. The Company has complied with all the applicable provisions of the secretarial standards.

#### 12.19 Secretarial Audit

- a) Satyender Kumar & Associates, Company Secretaries, Gurugram have conducted a Secretarial Audit of the Company for the year 2018-19. Their Audit Report (except observations, remarks, qualifications as stated in the report) confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, Listing Agreements with the Stock Exchanges, applicable Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- b) Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by Satyender Kumar & Associates, Company Secretaries, certifying due compliance of share transfer formalities by the Company.

#### 12.20 Reconciliation of Share Capital Audit

As stipulated by SEBI, Satyender Kumar & Associates, Company Secretaries conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

Satyender Kumar & Associates, Company Secretaries conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

#### 12.21 Unclaimed dividend

In terms of Section 124(5) of the Companies Act, 2013 ("Act") if a member does not claim the dividend amount for a consecutive period of seven years or more, the unclaimed amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the year, the Company has transferred Rs. 3,63,595/- lying unclaimed in Unpaid Dividend Account in respect of Dividend for the year 2010-11 to the said Fund on November 29, 2018.

### 13. DISCLOSURES

- 13.1 All transactions entered into with related parties as defined under the Act and Regulation 23 of the Listing Regulations during the Financial Year 2018-19 were in the ordinary course of business and on arm's length pricing basis and do not attract provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the Financial Year which were in conflict with the interest of Company. Suitable disclosures as required by accounting standard (AS 18) have been made in the Financial Statements.
- 13.2 The Company has complied with the requirements of the Stock Exchanges/ SEBI and Statutory Authorities on all matters related to the capital markets during the last three years except for the delay in submission of

Shareholding Pattern pursuant to Regulation 31 of Listing Regulations for the quarter ended March 31, 2016. No other penalties have been imposed or strictures passed against the Company by the stock exchanges, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years. Further, Securities of the Company have not been suspended for trading at any point of time during the year.

- 13.3 The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of the Listing Regulations for Directors and Employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been put up on the website of the Company on the link <http://www.shivamautotech.com>.
- 13.4 The Company has complied with the mandatory requirements specified in Listing Regulations relating to Corporate Governance.
- 13.5 The Company does not have any material subsidiary.
- 13.6 The Board has approved a policy for related party transactions which can be accessed at the Company's website link <http://www.shivamautotech.com>.
- 13.7 The Company is not exposed to commodity price risks and commodity hedging activities.

### 13.8 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement during the year.

### 13.9 Certificate from Practising Company Secretary

The Company has received a certificate from Mr. Satyender Kumar, Practising Company Secretary to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same is attached as **Annexure-G** which forms part of this report.

### 13.10 Confirmation on the recommendations of committees of the Board

The Board of Directors had accepted all the recommendations as and when received from its Committees on different matters.

### 13.11 Audit Fees paid to Statutory Auditors

The details of total fees for all services paid to the Statutory Auditors during the year ended March 31, 2019 are as below:

Particulars	Amount (In Lakhs)
Audit Fees	11.15
Limited reviews	2.05

### 13.12 Policy to prevent and deal with sexual harassment

The Company has in place a policy on Prevention of Sexual Harassment at workplace. For further details in this regard, please refer to the Board's Report forming part of this Annual Report.

### 13.13 Unclaimed / Undelivered Shares to Suspense Account

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Unclaimed Suspense Account which were issued in demat form:

Particulars	Demat	
	Number of Shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the Suspense Account lying as on April 01, 2018	1393	785,120
Number of shareholders who approached the Company for transfer of shares and shares transferred from Suspense Account during the year	20	15,250
Aggregate Number of shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2019	1373	769,870

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.





### **13.14 Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund**

In terms of Section 124(6) of the Companies Act, 2013 ("Act") read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), members whose dividend amount has not been paid or claimed for seven consecutive years or more, shares held by them shall be credited to the demat Account of the Investor Education and Protection Fund Authority (IEPFA). During FY2019, 18,620 equity shares of Rs. 2/- each held by aforesaid members, were transferred to the demat Account of IEPF Authority constituted in accordance with the Rules.

The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2011-12. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. September 29, 2018) and details of shares transferred to IEPF during financial year 2018-19.

The aforesaid details are put on the Company's website and can be accessed at:

<http://www.shivamautotech.com/cpage.aspx?mpgid=15&pgidtrail=39>

The Company has also uploaded these details on the website of the IEPF Authority ([www.iepf.gov.in](http://www.iepf.gov.in)). The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

### **13.15 Prevention of Insider Trading**

The Company has framed a Code of Conduct for Prevention on trading based on SEBI (Prohibition of Insider Trading) Regulations 2015. This Code is applicable to all Board Members / Officers / Designated Employees. This Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

### **13.16 Code of Conduct**

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence. A copy of the Code has been put up on the Company's website and can be accessed at:

[http://www.shivamautotech.com/Uploads/image/34imguf\\_SHIVAMCodeofConductforBM.pdf](http://www.shivamautotech.com/Uploads/image/34imguf_SHIVAMCodeofConductforBM.pdf)

The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Managing Director of the Company is published in this Report.

### **13.17 Review of legal compliance reports**

The Board periodically reviews compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

### **13.18 Compliances by the Company**

The Company has duly complied with Corporate Governance requirements as specified under Regulation 17 to 27, Regulation 46 (2) clause (b) to (i) and para C, D and E of Schedule V of the Listing Regulations.

Quarterly reports on compliance with Corporate Governance as per Regulation 27 of the Listing Regulations were duly filed with the stock exchanges within the stipulated time and same are also available on website of the Company.

### **13.19 Compliance certificate from practicing company secretary regarding compliance of conditions of corporate governance**

As required under Listing Regulations, Company has received a Certificate from practicing Company Secretary on compliance of the Corporate Governance norms. The same forms part of this report.

## **B. NON-MANDATORY REQUIREMENTS**

The Company has not adopted the non-mandatory requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



## CEO & CFO CERTIFICATE

We hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019, and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
  - (i) Significant changes in Internal Control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

**Place: Gurugram**  
**Date: May 27, 2019**

sd/-  
**(NEERAJ MUNJAL**  
**Managing Director**  
**DIN: 00037792**

sd/-  
**(DAVENDRA UJLAYAN)**  
**VP – Finance**  
**PAN: AAFPU2249C**

## CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT

I, **Neeraj Munjal**, Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2018-19.

sd/-  
**(NEERAJ MUNJAL)**  
**MANAGING DIRECTOR**  
**DIN: 00037792**

**Place: Gurugram**  
**Date: August 8, 2019**



## CERTIFICATE OF CORPORATE GOVERNANCE

To,  
**The Members of  
Shivam Autotech Limited.**

We have examined the compliance of conditions of Corporate Governance by Shivam Autotech Limited (the Company) for the financial year ended 31<sup>st</sup> March 2019, as per the Regulation 17 to 27, clauses (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'). The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 statement of the company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable during the Financial Year ended 31<sup>st</sup> March, 2019 except that a) there was slight delay in dispatch of 1850 shares after effecting transfer; one request for duplicate-cum-transmission, transmission of such request was effected beyond prescribed time by the RTA; b) Ten requests for dematerialisation of shares received by the RTA have been confirmed beyond the prescribed time.

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

For **SATYENDER KUMAR & ASSOCIATES**  
**Company Secretaries**

**Place: Gurugram**  
**Date : August 08, 2019**

sd/-  
**Satyender Kumar**  
**(Proprietor)**  
**C.P. No. 5189**  
**FCS 4087**  
**UDIN:F004087A000003020**



## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of Board's Report

### A) CONSERVATION OF ENERGY:

#### Steps taken or impact on conservation of energy:

The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption. Some of the specific measures undertaken by the Company

Energy Projects & activities taken up:

- Green Infrastructure
- Energy efficiency glazing,
- Use of Fly Ash Brick
- Gradients for natural Air Circulation
- Provision of Energy Efficient Pumps for ETP/STP, Water Supply and Fire Systems
- Water conservation measures to minimize water intake
- Usage of recycle waste
- Onsite waste water treatment and its usage.
- Purchase of private power
- Use of energy efficient air conditioner in place of conventional air conditioner
- Rain water harvesting
- Installation of LED lights at plants

The Company is following up the concept of Green Factory Building for its Bengaluru and Rohtak Plant. Various initiatives have been undertaken by the Company to use waste water, to recycle waste of steel scrap, wood scrap and others.

The Company has installed Roof Top Solar Power Systems at Binola and Rohtak plants as an alternate source of energy, which has resulted in reducing electricity bills.

### B) TECHNOLOGY ABSORPTION

#### Efforts made towards Technology Absorption

Your company values Technology as a key pillar to support business growth and believes that leadership in technology only can sustain business leadership.

The Company is conscious of implementation of latest technologies in key working areas. Technology is everchanging and employees of the Company are made aware of the latest working techniques and technologies through workshops, group e-mails, and discussion sessions for optimum utilization of available resources and to improve operational efficiency.

The Company is involved in supporting the MAKE IN INDIA initiative of Prime Minister by indigenizing various components as an import substitute in order to fulfill the continuous demand of the customers for price reduction. The Company continues to use the latest technologies for improving the productivity and quality of its services and products. Development and improvement of products has been an inbuilt and ongoing activity within the existing manufacturing facilities. These activities also enabled the Company to reduce process waste, lower the energy consumption and increase productivity. R&D activities of the Company helped in development of novel materials & technologies resulting into enhanced product quality and to improve process capabilities.





Research & Development were carried in product development, process development, energy conservation, environment protection, cost reduction and automation. In this process design and material database are continuously improved and enhanced. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and materials to have cost savings without compromising quality.

The efforts of the Company are focused on catering the requirement of our existing customers for their new models and indigenization of various components. The research and development is an ongoing exercise and suitable efforts will continue to be made in future. The expenditure incurred on research, development and improvement of products is an indirect cost which is reflected in the financials of the company.

**C) FOREIGN EXCHANGE EARNINGS/ OUTGO:**

**(Rupees In Lacs)**

Earnings	452.43
Outgo	3894.91



**FORM No.MR-3****SECRETARIAL AUDIT REPORT****For The Financial Year ended on 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 of Managerial Personnel) Rules, 2014)

To,  
The Members,  
**Shivam Autotech Limited**  
CIN:L34300DL2005PLC139163  
303, 3<sup>rd</sup> Floor, Square-1, District Centre,  
Saket New Delhi-110 017

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31<sup>st</sup> March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> 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; (Not applicable to the Company during the audit period)
- (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 (upto 10<sup>th</sup> November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11<sup>th</sup> November, 2018; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit the period)
  - (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 to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10<sup>th</sup> September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11<sup>th</sup> September 2018); (Not applicable to the Company during the audit period)
- vi) As confirmed and certified by the management, there is no Sectoral law specifically applicable to the Company based on the Sectors /Businesses.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Listing agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except a) Three forms were filed with additional fees with the Ministry of Corporate Affairs; b) Slight delay in dispatch of 1850 shares after effecting transfer; one request for duplicate-cum-transmission, transmission of such request was effected beyond prescribed time by the RTA; c) Ten requests for dematerialisation of shares received by the RTA have been confirmed beyond the prescribed time.

**We further report that,**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. During the year under review, Mr. Surrinder Lal Kapur has resigned as Director of the Company.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes (during the year under review there were no instance recorded in the minutes where any director has dissented to any particular resolution).

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following resolution was passed as a special resolution through postal ballot for:

- Shifting of Registered Office of the Company from the National Capital Territory (NCT) of Delhi to the State of Haryana

**Place: Gurugram**  
**Date : May 27, 2019**

For **SATYENDER KUMAR & ASSOCIATES**  
**Company Secretaries**  
**Satyender Kumar**  
**(Proprietor)**  
**C.P. No. 5189**  
**FCS 4087**

Note: This report is to be read with our letter of even date which is annexed as Annexure- 1 and forms an integral part of this report.



To,  
The Members,  
**Shivam Autotech Limited**  
CIN: CIN:L34300DL2005PLC139163  
303, 3<sup>rd</sup> Floor, Square-1, District Centre,  
Saket New Delhi-110 017

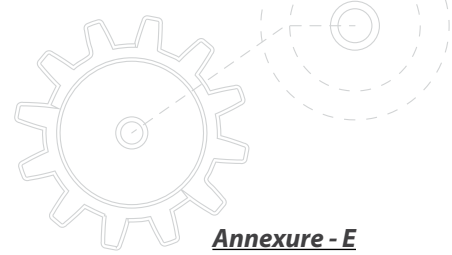
Our report of even date is to be read along with this letter.

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

**Place: Gurugram**  
**Date : May 27, 2019**

For **SATYENDER KUMAR & ASSOCIATES**  
**Company Secretaries**  
**Satyender Kumar**  
**(Proprietor)**  
**C.P. No. 5189**  
**FCS 4087**





## ANNUAL REPORT ON CSR ACTIVITIES

**1. A brief outline of the company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

At Shivam Autotech Limited, Corporate Social Responsibility (CSR) has played a pivotal role in improving the lives of communities and society at large, and in and around our operations, with an objective to energize, involve and enable them to realize their potential. This has also enabled us to fulfil our commitment to be a socially responsible corporate citizen.

**Objective of CSR policy**

The main objective of SHIVAM’s CSR policy is

- To lay down guidelines to make CSR a key business process for sustainable development for the society.
- To take projects/ initiatives resulting in enhancement in the quality of life and economic well-being of the community, in and around society at large.

The Company had contributed requisite sums towards fulfilling its CSR obligations, by providing financial aid to some foundations, trusts etc. involved in the field of promoting education, healthcare, eradicating hunger and sanitation, especially for the benefit of differently abled person.

The Company implement the CSR Programmes through Company personnel or through external implementing agencies and ensure proper governance, monitoring and reporting thereof. The CSR Policy can be accessed at the following link on the company’s website; [http://www.shivamautotech.com/pdf/CSR\\_POLICY.pdf](http://www.shivamautotech.com/pdf/CSR_POLICY.pdf)

**2. The composition of the CSR Committee:** The Company has a CSR committee comprising of three directors

Name of Director	Designation	Category
Mr. Bhagwan Dass Narang	Chairman of the Committee	Non-Executive and Independent Director
Dr. Anil Kumar Gupta	Member	Whole Time Director
Mrs. Charu Munjal	Member	Whole Time Director

**3. Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs. 318.61 Lacs

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 6.37 Lacs

**5. Details of CSR spent during the financial year:**

- a. Total amount to be spent for the financial year: Rs. 6.37 Lacs
- b. Amount unspent: Rs. 3.42 Lacs
- c. Manner in which the amount spent during the financial year:

S. No.	Date	Details	Amount (In Rs.)	Location	Purpose
1	13-07-2019	Diya Foundation	36,000	Delhi	Donation for Education
2	26-02-2019	Diya Foundation	8,000	Delhi	Donation for Education
3	07-02-2019	Disha Charitable Trust	2,00,000	Vadodara	Donation for Education
4	23-03-2019	Arpan Institute For Mentally Handicapped Children	51,000	Rohtak	Donation for Education
		<b>Total</b>	<b>2,95,000</b>		

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

The Company has contributed in various trusts and NGO's for promoting education to differently abled children. The amount has been earmarked by the Company for the identified projects to be executed in the coming financial year(s). Though not obligatory now under Section 135 of the Companies Act, 2013 and rules made thereunder, the company is still continuing with its community service projects.

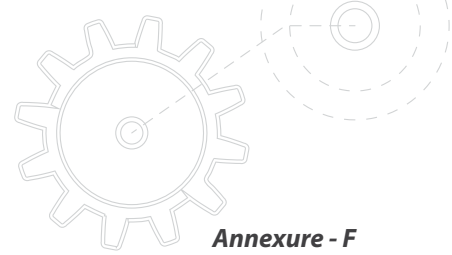
8. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

sd/-  
**Neeraj Munjal**  
Managing Director  
DIN: 00037792

sd/-  
**Bhagwan Dass Narang**  
Chairman, CSR Committee  
DIN: 00826573

**Date: August 08, 2019**  
**Place: Gurugram**



**I. Information as per Section 197 of the Act read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board’s Report for the year ended March 31, 2019.**

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

<b>Executive Directors</b>	<b>Ratio</b>
Mr. Neeraj Munjal	42.54
Mrs. Charu Munjal	19.39
Dr. Anil Kumar Gupta	16.04

*The Company pays only sitting fees and commission to Non-Executive Directors.*

- b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase/ decrease</b>
Mr. Neeraj Munjal	4.43%
Mrs. Charu Munjal	4.17%
Dr. Anil Kumar Gupta	4.77%
Mr. Davendra Ujlayan	6.43%
Ms. Shivani Kakkar	3.69%

- c. **The percentage increase in the median remuneration of employees in the financial year:** 77.75%
- d. **The number of permanent employees on the rolls of Company:** 954
- 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:**

The average annual increase was around 7%-10%. However, during the course of the year, the total increase is approximately 10%, after accounting for promotions and other event based compensation revisions. The Company gives general increase to all its permanent workers after every three years as per the practice followed by the Company after making wage agreements with its union for three years.

Increase in the managerial remuneration for the financial year was 4%.

- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



II. 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 as mentioned below:

a. Details of the Employees, who were in receipt of remuneration aggregating Rs. 1,02,00,000 or more per annum.

S. No	Name	Designation	Nature of employment	Remuneration (Rs. in Lacs)	Qualification & Experience (Yrs)	Age (Yrs)	Date of Commencement of Employment	Previous Employment & Designation	Share-holding
1.	Mr. Neeraj Munjal	Managing Director	Director	187.58	B.Com & DIBM 30 years	52	01.04.2006	Munjal Auto Industries Ltd.  <i>Executive Director</i>	Nil

Notes:

1. Remuneration includes Basic Salary, Commission, other allowances and taxable value of perquisites and Company's contribution to provident fund.
2. The abovementioned appointment is on contractual basis.

b. Details of top ten employee except Managing Director:

Names of Top 10 employees of the Company in terms of remuneration 2018-19											
S. No	Name	Designation	Remuneration Received	Nature of employment (whether contractual or otherwise)	Qualification	Experience (in years)	Date of Commencement of employment	Age (In years)	Previous employment held by the employee before joining the company	Equity Shares of the Company held by the Employee	whether employee is relative of any director or manager, if yes, name of such director or manager
1	CHARU MUNJAL	Executive Director	8,581,536	Permanent	Diploma in Textile Management	19	28/05/2013	47	N.A.	NIL	Yes, spouse of Mr. Neeraj Munjal, Managing Director
2	DR. ANIL GUPTA	Director - Technical	7,071,478	Permanent	Doctorate in Engineering	47	20/12/2011	68	CSIR-AMPRI	NIL	No
3	DAVENDRA UJLAYAN	VP - Finance	6,784,800	Permanent	CS, DIRM, FCA, FIII	30	12/03/2007	56	BOYSEN INDIA LTD	10	No
4	SURESH KUMAR	GM	4,336,971	Permanent	BE-Mechincal & Diploma	25	25/08/2010	46	SATA VIKASH INDIA PVT. LTD.	NIL	No
5	RAJESH KUMAR SRIVASTAVA	GM	4,139,763	Permanent	Diploma in Electrical Engineering	12	02/04/2007	52	RANAUQ AUTOMOTIVE COMPONENTS LIMITED	NIL	No
6	SANJEEV GOEL	DGM	3,583,479	Permanent	B.Tech-Mechincal & Diploma	33	01/03/2000	50	AMTEK AUTO LTD.	NIL	No
7	VIVEK SHARMA	GM	3,416,229	Permanent	BE-Mechincal	22	01/03/2013	46	PUNJ LLOYD LIMITED.	NIL	No
8	MANOJ KUMAR AGARWAL	DGM	3,296,607	Permanent	B.Tech-Mechincal & Diploma	31	15/12/1999	52	BENDA AMTEK LTD.	NIL	No
9	BALRAM YADAV	DGM	2,893,068	Permanent	B.Tech-Mechincal & Diploma	19	23/07/2016	43	MUSASHI AUTO PARTS P LTD	NIL	No
10	ANSHUMAN SHARMA	DGM	2,858,385	Permanent	PGD-PMIR, Master of Labour mgt	21	22/07/2013	43	ASAHI INDIA GLASS LTD.	NIL	No



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of**

**Shivam Autotech Limited**

10, 1<sup>st</sup> Floor, Emaar Digital Greens,  
Tower A, Sector 61, Golf Course Extension Road,  
Gurugram,  
Haryana-122102

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors **Shivam Autotech Limited** having new CIN L34300HR2005PLC081531 and having registered office at 10, 1<sup>st</sup> Floor, Emaar Digital Greens, Tower A, Sector 61, Golf Course Extension Road, Gurugram, Haryana-122102 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sunil Kant Munjal	00003902	14/02/2006
2.	Mr. Neeraj Munjal	00037792	29/07/2005
3.	Mr. Vinayshil Gautam	00037909	14/02/2006
4.	Mr. Bhagwan Das Narang	00826573	14/02/2006
5.	Dr. Anil Kumar Gupta	02643623	28/04/2009
6.	Mrs. Charu Munjal	03094545	28/05/2013

*Note: Mr. Surrinder Lal Kapur has resigned as an Independent Director of the Company w.e.f. March 31, 2019.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Gurugram**

**Date : August 08, 2019**

For **SATYENDER KUMAR & ASSOCIATES**

**Company Secretaries**

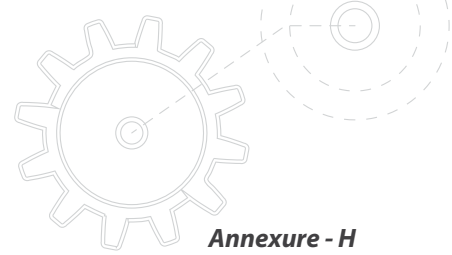
**Satyender Kumar**

**(Proprietor)**

**C.P. No. 5189**

**FCS 4087**

**UDIN:F004087A000003011**



## Form No. MGT-9

### Extract of Annual Return as on the financial year ended on March 31, 2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

- i) CIN: L34300HR2005PLC081531
- ii) Registration Date: 29-Jul-2005
- iii) Name of the Company: Shivam Autotech Limited
- iv) Category/Sub-Category of the Company: Public Company Limited by Shares/Indian Non –Govt. Company
- v) Address of the Registered Office and Contact Details: 10, 1<sup>st</sup> Floor, Emaar Digital Greens, Tower A, Sector 61, Golf Course Extension Road, Gurugram, Haryana-122102  
Tel: 0124-4698700  
Fax: 0124-4698798  
Email: [info@shivamautotech.com](mailto:info@shivamautotech.com)
- vi) Whether listed Company: Yes
- vii) Name, Address and contact details of Registrar and Transfer Agents, if any: MCS Share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Phase-I,  
Okhla Industrial Area,  
New Delhi-110 020  
Tel: 011-41406149-52  
Fax No: 011-41709881  
E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.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:-

Sl. No	Name and description of main products/ services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Manufacture of bearings, gears, gearing and driving elements.	28140	100%

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

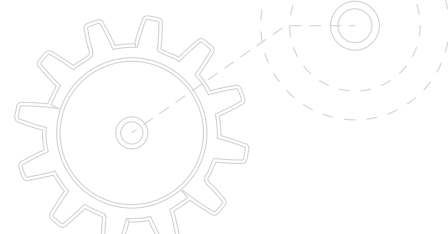
S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dayanand Munjal Investments Private Limited. G.T. Road, Hero Nagar, Ludhiana	U67120PB1979PTC004038	Holding	74.8%	2(46)

#### IV. SHARE HOLDING PATTERN

(Equity Share Capital Break Up as Percentage of Total Equity)

i) *Category –wise Share Holding*

Category of Shareholders	No of Shares held at the beginning of the yearAs on April 1, 2018				No of shares held at the end of the year As on March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
(a) Individual/HUF									
(b) Central Govt									
(c) State Govt (s)									
(d) Bodies Corp.	74795950	0	74795950	74.80%	74795950	0	74795950	74.80%	0.00%
(e) Banks/FI									
(f) Any Other									
Sub Total (A) (1):-	<b>74795950</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>74795950</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>0.00%</b>
(2) Foreign									
(a) NRIs-Individuals									
(b) Other-Individuals									
(c) Bodies Corp.									
(d) Banks/FI									
(e) Any Other									
Sub Total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	<b>74795950</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>74795950</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	89101	1000	90101	0.09%	41188	1000	42188	0.04%	(0.05)%
(b) Banks/FI	26882	3000	29882	0.03%	53739	3000	56739	0.06%	0.03%
(c) Central Govt (s)									
(d) State Govt (s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (Specify)	1000	0	1000	0.00%	0	0	0	0%	0.00%
• Foreign Portfolio Investors									
Sub total (B) (1):-	<b>116983</b>	<b>4000</b>	<b>120983</b>	<b>0.12%</b>	<b>94927</b>	<b>4000</b>	<b>98927</b>	<b>0.10%</b>	<b>(0.02)%</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	2731379	59500	2790879	2.79%	2276194	52000	2328194	2.33%	(0.46)%
i) Indian									
ii) Overseas									
b) Individuals									



Category of Shareholders	No of Shares held at the beginning of the year As on April 1, 2018				No of shares held at the end of the year As on March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of total shares	
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	14851662	1614910	16466572	16.47%	16445400	1254482	17699882	17.7%	1.23%
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	4938228	0	4938228	4.94%	4022551	154618	4177169	4.18%	(0.76)%
(c) Others (Specify)									
• Cooperative Societies	6000	0	6000	0.01%	6000	0	6000	0.01%	0.00%
• Non Resident Individual	589158	86500	675658	0.68%	581828	85500	667328	0.67%	(0.10)%
• NBFC's registered with RBI	0	0	0	0.00%	850	0	850	0%	(0.00)%
• Trust	1250	0	1250	0	3000	0	3000	0%	0.0%
• IEPF	204080	0	204080	0%	222700	0	222700	0.22%	0.22%
<b>Sub total (B) (2) :-</b>	<b>23,322,157</b>	<b>1,760,910</b>	<b>25,083,067</b>	<b>25.08%</b>	<b>23558523</b>	<b>1665983</b>	<b>25105123</b>	<b>25.11%</b>	<b>0.03%</b>
<b>Total Public Shareholding (B)= (B) (1) + (B) (2)</b>	<b>23,439,140</b>	<b>1,764,910</b>	<b>25204050</b>	<b>25.20%</b>	<b>23653450</b>	<b>1550600</b>	<b>25204050</b>	<b>25.20%</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+ B+C)</b>	<b>98,235,090</b>	<b>1,764,910</b>	<b>100000000</b>	<b>100.00%</b>	<b>98,449,400</b>	<b>1,550,600</b>	<b>100000000</b>	<b>100.00%</b>	

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	No of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	
1	Dayanand Munjal Investments Private Limited	74795950	74.80%	0	74795950	74.80%	0	0
	<b>Total</b>	<b>74795950</b>	<b>74.80%</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>0</b>	<b>0</b>

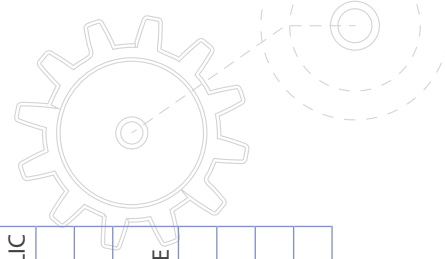
**(iii) Change in Promoters' Shareholding (Please Specify, if there is no change)**

SL. No		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
	<b>At the beginning of the year</b>	<b>74795950</b>	<b>74.80%</b>	<b>74795950</b>	<b>74.80%</b>
	Date Wise Increase/ Decrease in Promoters shareholding during the year Specifying the reasons for Increase/Decrease (e.g. Allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	<b>At the end of the year</b>	<b>7,47,95,950</b>	<b>74.80%</b>	<b>7,47,95,950</b>	<b>74.80%</b>

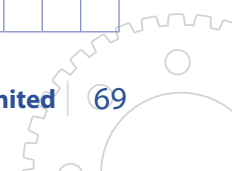
(iv) Shareholding pattern of top ten shareholders (Other than Directors, promoters and Holders of GDRs and ADRs):-

S. No	Folio No	Name	PAN	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)		Category
				No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company	
1	1203760000210771	ANIL KUMAR GOEL	AAJPG2552Q	1420000	1.42	01-04-2018					INDIAN PUBLIC
				1420000	1.42	30-03-2019	NIL	NIL			
2	IN30246110029333	RAJAN VASUDEV DAPKI	AAWPD3172C	891000	0.89	01-04-2018					INDIAN PUBLIC
						01-06-2018	-13300	Sale	877700	0.88	
						08-06-2018	-432	Sale	877268	0.88	
						15-06-2018	-8543	Sale	868725	0.87	
						22-06-2018	-1222	Sale	867503	0.87	
						29-06-2018	-6260	Sale	861243	0.86	
						06-07-2018	-30000	Sale	831243	0.83	
						13-07-2018	6260	Purchase	837503	0.84	
						10-08-2018	-5000	Sale	832503	0.83	
						17-08-2018	-24000	Sale	808503	0.81	
						31-08-2018	-13500	Sale	795003	0.8	
						30-11-2018	-10000	Sale	785003	0.79	
						14-12-2018	10000	Purchase	795003	0.8	
						18-01-2019	2609	Purchase	797612	0.8	
						25-01-2019	7001	Purchase	804613	0.8	
						01-02-2019	-12110	Sale	792503	0.79	
						15-02-2019	42650	Purchase	835153	0.84	
						22-02-2019	-60000	Sale	775153	0.78	
						01-03-2019	-20150	Sale	755003	0.76	
						08-03-2019	-85000	Sale	670003	0.67	
				670003	0.67	30-03-2019					
3	1203760000210765	SEEMA GOEL	AHAPG8015A	500000	0.5	01-04-2018					INDIAN PUBLIC
				500000	0.5	30-03-2019	NIL	NIL			





S. No	Folio No	Name	PAN	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)		Category			
				No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company				
4	IN30021414425389	DEEPAK SIRUMAL RAJANI	AACHD3068D		0.58	01-04-2018					INDIAN PUBLIC			
5	IN30014210033480	LINCOLN P COELHO	AEGPC1227D	200000	0.2	01-04-2018					INDIAN PUBLIC			
				200000	0.2	30-03-2019	NIL	NIL						
6	IN30198310000168	ARIHANT CAPITAL MKT. LTD	AABCA6832G	142756	0.14	01-04-2018						BODY CORPORATE		



S. No	Folio No	Name	PAN	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)		Category
				No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company	
						04-05-2018	-6217	Sale	174666	0.17	
						11-05-2018	3966	Purchase	178632	0.18	
						18-05-2018	-3000	Sale	175632	0.18	
						25-05-2018	1355	Purchase	176987	0.18	
						01-06-2018	13755	Purchase	190742	0.19	
						08-06-2018	1493	Purchase	192235	0.19	
						15-06-2018	-24118	Sale	168117	0.17	
						22-06-2018	-17420	Sale	150697	0.15	
						29-06-2018	-88056	Sale	62641	0.06	
						30-06-2018	-1948	Sale	60693	0.06	
						06-07-2018	31068	Purchase	91761	0.09	
						13-07-2018	-5789	Sale	85972	0.09	
						20-07-2018	3881	Purchase	89853	0.09	
						27-07-2018	-1750	Sale	88103	0.09	
						03-08-2018	46025	Purchase	134128	0.13	
						10-08-2018	11300	Purchase	145428	0.15	
						17-08-2018	-5651	Sale	139777	0.14	
						24-08-2018	-59	Sale	139718	0.14	
						31-08-2018	-54333	Sale	85385	0.09	
						07-09-2018	26003	Purchase	111388	0.11	
						14-09-2018	6517	Purchase	117905	0.12	
						21-09-2018	-4900	Sale	113005	0.11	
						29-09-2018	-2582	Sale	110423	0.11	
						05-10-2018	-1197	Sale	109226	0.11	
						12-10-2018	2847	Purchase	112073	0.11	
						19-10-2018	-3743	Sale	108330	0.11	
						26-10-2018	-635	Sale	107695	0.11	
						02-11-2018	5643	Purchase	113338	0.11	

S. No	Folio No	Name	PAN	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)		Category
				No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company	
						09-11-2018	-5741	Sale	107597	0.11	
						16-11-2018	796	Purchase	108393	0.11	
						23-11-2018	-300	Sale	108093	0.11	
						30-11-2018	65638	Purchase	173731	0.17	
						07-12-2018	29010	Purchase	202741	0.2	
						14-12-2018	7172	Purchase	209913	0.21	
						21-12-2018	-12702	Sale	197211	0.2	
						28-12-2018	36124	Purchase	233335	0.23	
						31-12-2018	-4382	Sale	228953	0.23	
						04-01-2019	-13740	Sale	215213	0.22	
						11-01-2019	-7023	Sale	208190	0.21	
						18-01-2019	-4196	Sale	203994	0.2	
						25-01-2019	-34505	Sale	169489	0.17	
						01-02-2019	-4887	Sale	164602	0.16	
						08-02-2019	28981	Purchase	193583	0.19	
						15-02-2019	-1361	Sale	192222	0.19	
						22-02-2019	-5436	Sale	186786	0.19	
						01-03-2019	-8312	Sale	178474	0.18	
						08-03-2019	-6490	Sale	171984	0.17	
						15-03-2019	8363	Purchase	180347	0.18	
						22-03-2019	-4101	Sale	176246	0.18	
						29-03-2019	434	Purchase	176680	0.18	
						30-03-2019					
7	IN30210510207504	ANITA RAWAT	ADJPR8383D	150000	0.15	01-04-2018					INDIAN PUBLIC
				150000	0.15	30-03-2019	NIL	NIL			

S. No	Folio No	Name	PAN	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)		Category			
				No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company				
8	IN30048410861065	SURESH NAMDEV BANDEKAR	AAAPB3117B	101883	0.10	01-04-2018					INDIAN PUBLIC			
						08-06-2018	-5000	Sale	96883	0.1				
						29-06-2018	87368	Purchase	184251	0.18				
						06-07-2018		Sale	180605	0.18				
						13-07-2018		Sale	178605	0.18				
						20-07-2018		Sale	178105	0.18				
						27-07-2018		Sale	177104	0.18				
						17-08-2018		Sale	174104	0.17				
						21-09-2018		Sale	172104	0.17				
						12-10-2018		Purchase	175404	0.18				
						16-11-2018		Sale	172404	0.17				
						30-11-2018		Sale	167404	0.17				
						14-12-2018		Sale	166704	0.17				
9	IN30039411458979	KARVY STOCK BROKING LTD(BSE)	AABCK5190K	109000	0.11	01-04-2018					BODY CORPORATE			
						10-08-2018	38000	Purchase	147000	0.15				
						14-12-2018	-15000	Sale	132000	0.13				
						30-03-2019	132000							
10	IN30154931101479	A V DHARMAKRISHNAN	AFRPD3556N	129280	0.13	01-04-2018					INDIAN PUBLIC			
				129280	0.13	30-03-2019	NIL	NIL						



(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Directors and Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	Mr. Sunil Kant Munjal				Nil		
2.	Mr. Neeraj Munjal				Nil		
3.	Mrs. Charu Munjal				Nil		
4.	Mr. Bhagwan Dass Narang				Nil		
5.	Mr. Surrinder Lal Kapur*				Nil		
6.	Dr. Vinayshil Gautam				Nil		
7.	Dr. Anil Kumar Gupta				Nil		
8.	Mr. Davendra Ujlayan				As per below table		
9.	Ms. Shivani Kakkar				Nil		

\*Mr. Surrinder Lal Kapur resigned as an Independent Director w.e.f. March 31, 2019

Name	Shareholding		Date	Reason	Increase / Decrease in Shareholding	Cumulative Shareholding during the year	
	No of Shares at the Beginning (01-04-18) /end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
<b>Mr. Davendra Ujlayan</b>	10	0.00	01/04/2018	-	-	-	0.00%
	10	0.00	31/03/2019	-	-	-	0.00%

**V. INDEBTEDNESS**

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

(Rupees in Lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
<b>i) Principal Amount</b>	20,605.47	5,794.56		26,400.03
<b>ii) Interest due but not paid</b>	103.80			103.80
<b>iii) interest accrued but not due</b>				
<b>Total (i+ii+iii)</b>	<b>20,709.27</b>	<b>5,794.56</b>		<b>26,503.83</b>
Change in Indebtedness during the financial year				
<b>Addition</b>	7,646.00			7,646.00
<b>Reduction</b>	(6,366.68)	(1,555.93)		(7,922.61)
Net Change	1,279.32	(1,555.93)		(276.61)
Indebtedness at the end of the financial year				
<b>i) Principal Amount</b>	2,1884.79	4,238.63		<b>26,123.42</b>
<b>ii) Interest due but not paid</b>	186.57			<b>186.57</b>
<b>iii) Interest accrued but not due</b>				
<b>Total (i+ii+iii)</b>	<b>22,071.36</b>	<b>4,238.63</b>		<b>26,309.99</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rupees in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/manager		
		Neeraj Munjal, MD	Charu Munjal, WTD	Anil Kumar Gupta, WTD
1.	Gross Salary (a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act 1961 (b) Value of perquisites u/s 17 (2) Income Tax Act 1961 (c) Profits in lieu of salary under Section 17 (30) Income tax Act 1961	96.00 80.06 -	48.00 32.06 -	27.36 40.07 -
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as 2% of profit Others, Specify	-	-	-
5	Others, Please Specify - Provident Fund	11.52	5.76	3.28
	<b>Total (A)</b>	<b>187.58</b>	<b>85.82</b>	<b>70.71</b>

### B. Remuneration to other Directors

(Rupees in Lacs)

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Sunil Kant Munjal	Mr. Bhagwan Dass Narang	Mr. Surrinder Lal Kapur	Dr. Vinayshil Gautam	
1.	Independent Directors					
	Fee for attending board committee meetings Commission Others, Please specify	2.40 - -	6.60 - -	6.60 - -	6.60 - -	<b>20.10</b> - -
	<b>Total (1)</b>					
2.	Other Non-Executive Directors	Nil				
	Total (2)	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	<b>2.40</b>	<b>6.60</b>	<b>6.60</b>	<b>6.60</b>	<b>20.10</b>

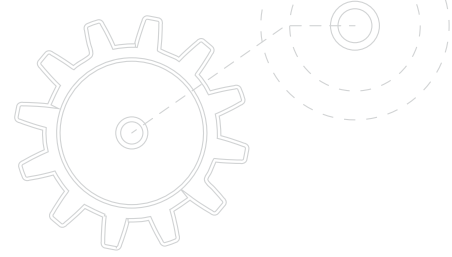
### C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Rupees in Lacs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary - Ms. Shivani Kakkar	CFO – Mr. Davendra Ujlayan
1.	Gross Salary (a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act 1961 (b) Value of perquisites u/s 17 (2) Income Tax Act 1961 (c) Profits in lieu of salary under Section 17 (30) Income tax Act 1961	9.51 - -	<b>55.46</b> - -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit Others, Specify	-	-
5	Others, Please Specify	-	-
	<b>Total</b>	<b>9.51</b>	<b>55.46</b>

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.



# Independent Auditors' Report

**To The Members of Shivam Autotech Limited**

**Report on the Ind AS Financial Statements**

## **Opinion**

We have audited the accompanying financial statements of **Shivam Autotech Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive lossess, changes in equity and its cash flows for the year ended on that date.

## **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **Emphasis of Matter**

Without qualifying we draw attention to Note no. 7 to the financial statements wherein management has recognized deferred tax assets on the assumption that there would be sufficient future taxable profits, more fully explained in the said note for reversal of such deferred tax assets.

Our opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

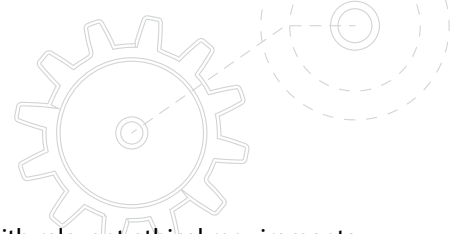
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

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 terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on March 31, 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.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; 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 as at March 31, 2019 on its financial position in its financial statements – Refer Note 31 and 32 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

For **NSBP & Co.**  
Chartered Accountants  
Firm's Registration No. 001075N

**Deepak K. Aggarwal**  
Partner  
Membership No: 095541

Place: Gurugram  
Date: May 27, 2019



**Annexure A to the Independent Auditor's Report to the Members of Shivam Autotech Limited on its financial statements dated May 27, 2019.**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification, discrepancies have duly been adjusted in the financials.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the company.
- (ii) The inventories of the Company (except stock lying with the third parties and in transit for which confirmations have been received/materials received) have been physically verified by the management at reasonable intervals. In our opinion and the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. Discrepancies noticed on such physical verification of inventory as compared to book records were material and have been properly dealt with in the books. Also refer to our report on Internal Financial Controls in Annexure B of this report.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence, clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder.
- (vi) We have broadly reviewed the Cost Accounting records maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.
- (vii) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Goods and Service Tax, Investor Education and Protection Fund, Income Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues, as applicable, within the prescribed time with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues of Custom Duty, Excise Duty, Service Tax and Sales Tax/ Value Added Tax/Goods & Service Tax and Cess which have not been deposited on account of any dispute, except the following in respect of disputed Income Tax along with the forum where dispute is pending:

S. No	Name of the Statute	Nature of Dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
1.	Income Tax Act, 1961	Demand raised on assessment	6.45	A.Y 2008-09	Commissioner of Income Tax (Appeals), New Delhi

- (viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayments of its dues to banks and financial institution. The Company has not taken any loan from debenture holders and Government.



- (ix) According to the information and explanations given by the management, the Company has not raised any monies by way of initial public offer or further public offer during the financial year, and the terms loans raised by the Company have been applied for the purpose for which they are were obtained. Where such end use has been stipulated by the lender(s).
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) In our opinion, and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) In our opinion and on the basis of information and explanations given to us, the Company has not entered into non-cash transactions with directors and persons connected with him. Hence, the provisions of section 192 of Act are not applicable.
- (xvi) In our opinion and on the basis of information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **NSBP & Co.**  
Chartered Accountants  
Firm Registration No. 001075N

**Deepak K. Aggarwal**  
Partner  
Membership No: 095541

Place: Gurugram  
Date: May 27, 2019





**Annexure B to the Independent Auditor's Report to the members of Shivam Autotech Limited on its financial statement dated May 27, 2019.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of **Shivam Autotech Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

**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, as specified under section 143(10) of the Act, 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.

An 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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



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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness with reference to its financial statements as at March 31, 2019.

The Company's internal control system in respect of supervisory and review controls over process of booking of material consumption and allocation of fixed and variable overheads on product costing on periodical basis were not operating effectively during the current financial year to arrive at the correct value of stock including physical number, which could potentially result in material misstatement of cost of goods sold and inventories as on 31st March 2019.

Based on physical verification of Inventories, consumption and reconciliation of closing stock as done by the Management subsequently, necessary remedial measures have been taken to arrive at the correct value of inventories as on 31st March 2019 and also to arrive at cost of goods sold.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these financial statements as of March 31, 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, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting with reference to these financial statements were operating effectively as of March 31, 2019.

### **Explanatory paragraph**

We have also audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the financial statements of the Company, which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company and this report does not affect our report dated May 27, 2019, which expressed an unmodified opinion on these financial statements.

Place: Gurugram  
Date: May 27, 2019

For **NSBP & Co.**  
Chartered Accountants  
Firm Registration No. 001075N

**Deepak K. Aggarwal**  
Partner  
Membership No: 095541



## Balance Sheet as at 31 March 2019

(All amounts are in lakhs unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
<b>A) ASSETS</b>			
<b>1) Non - current assets</b>			
(a) Property, plant and equipment	4	46,517.55	44,276.57
(b) Capital work - in - progress	5.1	27.48	584.19
(c) Intangible assets	4	166.19	239.43
(d) Intangible assets under development	5.2	41.94	-
(e) Financial assets	6		
(i) Loans	6.1	687.81	303.76
(ii) Others	6.2	22.47	10.99
(f) Deferred tax assets (net)	7	1,644.51	2,060.32
(g) Income tax assets (net)	8	429.33	422.44
(h) Other non - current assets	9	1,176.36	1,005.80
		<b>50,713.64</b>	<b>48,903.50</b>
<b>2) Current Assets</b>			
(a) Inventories	10	10,896.81	8,964.69
(b) Financial assets	11		
(i) Trade receivables	11.1	9,391.43	8,275.27
(ii) Cash and cash equivalents	11.2	82.20	20.37
(iii) Bank Balances other than (ii) above	11.3	559.05	564.76
(iv) Loans	11.4	53.12	51.29
(v) Others	11.5	148.77	294.73
(c) Other current assets	12	3,324.86	2,359.81
		<b>24,456.25</b>	<b>20,530.92</b>
<b>Total Assets</b>		<b>75,169.88</b>	<b>69,434.42</b>
<b>B) EQUITY AND LIABILITIES</b>			
<b>1) EQUITY</b>			
(a) Equity share capital	13	2,000.00	2,000.00
(b) Other equity		15,267.70	17,094.79
		<b>17,267.70</b>	<b>19,094.79</b>
<b>2) LIABILITIES</b>			
<b>Non - current liabilities</b>			
(a) Financial liabilities	14		
Borrowings	14.1	19,866.82	21,079.19
(b) Provisions	15	482.63	385.17
(c) Other non-current liabilities	16	26.36	27.27
		<b>20,375.81</b>	<b>21,491.63</b>
<b>Current liabilities</b>			
(a) Financial liabilities	17		
(i) Borrowings	17.1	17,399.16	14,968.97
(ii) Trade payables	17.2		
-Dues of micro enterprises & small enterprises		229.36	-
-Other trade payable		10,258.75	5,435.14
(iii) Other financial liabilities	17.3	8,867.55	7,840.01
(b) Other current liabilities	18	714.45	576.64
(c) Provisions	19	57.10	27.25
		<b>37,526.37</b>	<b>28,848.01</b>
<b>Total Equity &amp; Liabilities</b>		<b>75,169.88</b>	<b>69,434.42</b>
Corporate Information	1		
Basis of preparation of financial statement	2		
Significant accounting policies	3		
The accompanying notes form an integral part of the financial statements.			

As per report of even date

**For NSBP & Co.**

Chartered Accountants  
Firm Regn. No. 001075N

**Sd/-**

**Deepak K. Aggarwal**

Partner

Membership No. 095541

**For & on behalf of the Board of Directors of  
Shivam Autotech Limited**

**Sd/-**

**Neeraj Munjal**

Managing Director

DIN : 00037792

**Sd/-**

**Anil Kumar Gupta**

Director

DIN : 02643623

**Sd/-**

**Davendra Ujlayan**

VP- Finance

PAN: AAFPU2249C

**Sd/-**

**Shivani Kakkar**

Company Secretary

M No 25097

Place : Gurugram

Dated : May 27, 2019



## Statement of Profit and Loss for the year ended 31 March 2019

(All amounts are in lakhs unless otherwise stated)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I. Revenue from operations (inclusive of excise duty)	20	63,557.49	56,587.63
II. Other income	21	137.66	97.52
<b>III. Total income (I + II)</b>		<b>63,695.15</b>	<b>56,685.15</b>
IV Expenses			
Cost of raw materials consumed	22	24,013.71	18,784.07
Changes in inventories of finished goods, work-in-progress	23	(1,035.39)	(208.94)
Consumptions of Stores		7,128.22	6,925.21
Job work charges		5,716.44	5,073.47
Excise duty on sale		-	909.23
Employee benefit expenses	24	6,165.65	5,449.11
Finance cost	25	4,871.76	4,570.45
Depreciation and amortization expenses	26	4,875.70	4,126.90
Other expenses	27	13,328.82	11,812.68
<b>Total expenses</b>		<b>65,064.91</b>	<b>57,442.18</b>
<b>V Profit/(Loss) before exceptional item and tax (III - IV)</b>		<b>(1,369.76)</b>	<b>(757.03)</b>
<b>VI Exceptional Item</b>			
<b>VII Profit/(Loss) before tax (V+VI)</b>		<b>(1,369.76)</b>	<b>(757.03)</b>
<b>VIII Tax expense:</b>	28		
(1) Current tax		-	-
(2) Deferred tax		412.77	(682.07)
(3) Earlier year tax adjustment		38.92	48.18
<b>IX Net Profit/(Loss) for the year after tax (VII-VIII)</b>		<b>(1,821.45)</b>	<b>(123.14)</b>
<b>X Profit / (Loss) from discontinued operation after tax</b>		<b>-</b>	<b>-</b>
<b>XI Profit / (Loss) for the Year</b>		<b>(1,821.45)</b>	<b>(123.13)</b>
<b>XII Other comprehensive income</b>			
Item that will not be reclassified to profit or loss	29	(8.68)	24.91
Income tax relating to items that will not be reclassified to profit or loss	28	3.04	(8.72)
Items that will be reclassified to profit or loss	29		
Income tax relating to items that will be reclassified to profit or loss	28		
<b>Other comprehensive income total</b>		<b>(5.64)</b>	<b>16.19</b>
<b>XIII Total Comprehensive income</b>		<b>(1,827.09)</b>	<b>(106.94)</b>
<b>XIV Earning per equity share (Face value of Rs 2/-each)</b>	30		
(1) Basic		(1.82)	(0.12)
(2) Diluted		(1.82)	(0.12)
Corporate Information			
Basis of preparation of financial statements	1		
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements.	3		

As per report of even date

**For NSBP & Co.**

Chartered Accountants

Firm Regn. No. 001075N

Sd/-

**Deepak K. Aggarwal**

Partner

Membership No. 095541

Place : Gurugram

Dated : May 27, 2019

**For & on behalf of the Board of Directors of  
Shivam Autotech Limited**

Sd/-

**Neeraj Munjal**

Managing Director

DIN : 00037792

Sd/-

**Davendra Ujlayan**

VP- Finance

PAN: AAFPU2249C

Sd/-

**Anil Kumar Gupta**

Director

DIN : 02643623

Sd/-

**Shivani Kakkar**

Company Secretary

M No 25097

## Cash Flow Statement for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>A Cash flow from operating activities</b>		
<b>Net Profit Before Taxation and Extraordinary activities</b>	(1,369.77)	(757.03)
<b>Adjustments for:</b>		
Depreciation	4,875.70	4,126.90
Profit/Loss on fixed asset sold / discarded	0.63	0.96
Interest income on deposits	(38.66)	(18.58)
Interest expense	4,871.76	4,570.45
<b>Operating profit before working capital changes</b>	<b>8,339.66</b>	<b>7,922.70</b>
<b>Changes in working capital:</b>		
(increase)/decrease in trade receivables	(1,116.16)	(1,618.36)
(increase)/decrease in inventories	(1,932.12)	676.53
increase/ (decrease) in Trade payable	5,052.96	(574.13)
(increase)/decrease in loans & advances/ Other current assets	(1,243.88)	1,144.66
increase/ (decrease) in current liabilities & provisions	309.19	431.44
<b>Cash from operations</b>	<b>9,409.65</b>	<b>7,982.84</b>
Direct taxes paid (net of refunds)	(6.89)	(116.25)
<b>Net cash from operating activities</b>	<b>9,402.76</b>	<b>7,866.58</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets including capital work in progress	(6,802.91)	(4,850.08)
Proceeds from sale of fixed assets	10.03	1.63
Interest received on deposits	38.45	5.42
<b>Net cash used in investing activities</b>	<b>(6,754.43)</b>	<b>(4,843.03)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from/(repayment of) from short term borrowings (net)	2,430.19	375.55
Proceeds from/(repayment of) of long term borrowings (net)	(227.73)	942.13
Interest paid	(4,788.99)	(4,615.97)
<b>Net cash from financing activities</b>	<b>(2,586.53)</b>	<b>(3,298.30)</b>
<b>Net (decrease)/increase in cash or cash equivalents</b>	<b>61.80</b>	<b>(274.74)</b>
Cash or cash equivalents at beginning of the year	20.37	295.11
<b>Cash or cash equivalents at the end of the year</b>	<b>82.20</b>	<b>20.37</b>
Note:		
1) Cash & Cash equivalent are as per Note-11.2 of the financial statements.		
2) Previous year figures have been regrouped/restated wherever considered necessary		
3) Figures in bracket shows cash outflow		
4) The above cash flow statement has been prepared under the indirect method set out in AS-7		
<b>Components of cash and cash equivalents as at</b>	<b>As at</b>	<b>As at</b>
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Cash and cash equivalents:</b>		
Cash and cash equivalents	82.20	20.37
<b>Cash and cash equivalents</b>	<b>82.20</b>	<b>20.37</b>
Corporate Information	1	
Basis of Preparation of financial Statement	2	
Significant accounting policies	3	
Accompanying notes form and integral part of the financial statement.		

As per report of even date

**For NSBP & Co.**

Chartered Accountants  
Firm Regn. No. 001075N

**Sd/-**

**Deepak K. Aggarwal**

Partner

Membership No. 095541

Place : Gurugram

Dated : May 27, 2019

**For & on behalf of the Board of Directors of  
Shivam Autotech Limited**

**Sd/-**

**Neeraj Munjal**

Managing Director

DIN : 00037792

**Sd/-**

**Davendra Ujlayan**

VP- Finance

PAN: AAFPU2249C

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**Anil Kumar Gupta**

Director

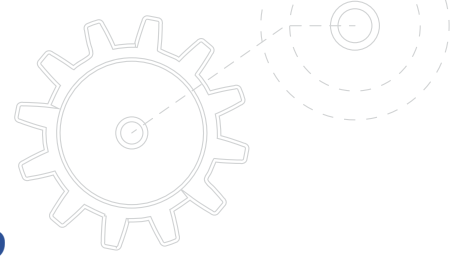
DIN : 02643623

**Sd/-**

**Shivani Kakkar**

Company Secretary

M No 25097



## Statements of changes in equity as at March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### A Equity Share capital

Particulars	Balance As at 31st March, 2019	Changes during the year	Balance As at 31st March, 2018	Changes during the year	Balance As at 31st March, 2017
Balance of Equity Share Capital	2,000	-	2,000	-	2,000

### B Other Equity

	Reserves and Surplus			Other comprehensive income	Total
	Capital Redemption Reserve	General Reserve	Retained earnings	Actuarial loss / gain on defined benefit obligation	
<b>Balance As at 31.3.2017</b>	<b>5.00</b>	<b>5,068.62</b>	<b>12,144.58</b>	<b>(16.48)</b>	<b>17,201.72</b>
Profit/(Loss) of the year			(123.13)		(123.13)
Actuarial Loss on gratuity	-	-	-	(16.19)	(16.19)
<b>Balance As at 31.3.2018</b>	<b>5.00</b>	<b>5,068.62</b>	<b>12,021.45</b>	<b>(0.28)</b>	<b>17,094.79</b>
Profit/(Loss) of the year			(1,821.45)		(1,821.45)
Actuarial Loss on gratuity	-	-	-	(5.64)	(5.64)
<b>Balance As at 31.03.2019</b>	<b>5.00</b>	<b>5,068.62</b>	<b>10,200.00</b>	<b>(5.92)</b>	<b>15,267.70</b>

The description of the nature and purpose of each reserve within equity is as follows:

- i Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.
- ii Capital Redemption Reserve was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.
- iii Other Comprehensive Income represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into (i) items that will not be reclassified to statement of profit and loss, and (ii) items that will be reclassified to statement of profit and loss.
- iv General reserve: The general reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.
 

Corporate Information	1
Basis of preparation of financial statements	2
Significant accounting policies	3

The accompanying notes form an integral part of the financial statements.

As per report of even date

**For NSBP & Co.**

Chartered Accountants

Firm Regn. No. 001075N

Sd/-

**Deepak K. Aggarwal**

Partner

Membership No. 095541

Place : Gurugram

Dated : May 27, 2019

**For & on behalf of the Board of Directors of  
Shivam Autotech Limited**

Sd/-

**Neeraj Munjal**

Managing Director

DIN : 00037792

Sd/-

**Davendra Ujlayan**

VP- Finance

PAN: AAFPU2249C

Sd/-

**Anil Kumar Gupta**

Director

DIN : 02643623

Sd/-

**Shivani Kakkar**

Company Secretary

M No 25097



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 1 Corporate Information

Shivam Autotech Limited (the 'Company') was established in the year 1999, and was initially known as Munjal Auto Components till July, 2005. The Company got converted to a separate Public Limited Company w.e.f. 29th July, 2005. In pursuant to the scheme of Demerger & arrangement, the Gurgaon Unit was transferred to Shivam Autotech Limited on 1st August, 2005. The Company has been engaged in the manufacturing of Near-Net- Shaped, auto transmission components mainly for Original Equipment Manufacturers (OEMs). The product range includes various types of transmission gears, transmission shafts, spline shafts, plunger, power train components, and employing cold/warm/hot forging techniques. The Company has five state-of-the-art manufacturing facilities, located at Gurgaon, Manesar, Haridwar, Bengaluru & Rohtak. The Company is listed on the National Stock Exchange and Bombay Stock Exchange of India. These financial statements are presented in Indian Rupees (Rs.).

### 2 Basis of preparation

#### a) Statement of compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

These financial statements are approved and adopted by board of directors of the Company in their meeting held on May 27, 2019.

#### b) Basis of measurement

The financial statements have been prepared accrual basis on historical cost convention, except as stated otherwise. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### c) Functional and presentation currency

The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

#### d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### e) Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

Application of accounting policies that require critical accounting estimates and assumption judgments having the most significant effect on the amounts recognized in the financial statements are:

- Measurement of defined benefit obligations;
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Impairment test of financial and non-financial assets;
- Recognition and measurement of provisions and contingencies;
- Fair value measurement of financial instruments;

### 3 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

#### a) Property, plant and equipment

##### i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, and any directly attributable cost of bringing the asset to working condition for its intended use.

General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment is derecognized when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit or loss.

##### Subsequent Expenditure

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gain or losses are recognized in the statement of profit and loss.

##### ii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on Straight Line Method at the rates determined on the basis of useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

	<b>Useful Life as per Schedule II of Companies Act 2013 (in years)</b>
- Plant & Machinery	15
- Buildings	30
- Computers	3
- Office equipment	5
- Furniture & fixtures	10
- Vehicles	8
- Lease hold Improvements	Amortised over the period of lease

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

Property, Plant and Equipment individually costing below Rs. 5,000 are fully depreciated during the year they are put to use.

### b) Intangible assets

#### i) Recognition & measurement and amortization

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortized over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method.

The estimated useful lives are as follows:

Computer Software 4 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. All impairment losses are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal.

Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

### c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

In respect of assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

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

### d) Financial instruments

#### i) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at fair value of the consideration received or receivable. 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. Regular way purchase and sale of financial assets are accounted for at trade date.

#### ii) Subsequent measurement

##### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

##### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to profit and loss."

##### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

##### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### iii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

### iv) Derecognition

#### Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### Financial liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

### v) Reclassification of Financial Assets and Financial Liabilities

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

### vi) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

### vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### e) 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, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:"

**Level 1** - This includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

**Level 3** - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### f) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, 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. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

### g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) amended rules, 2018 ("Amended Rules"). As per amended rules, Ind AS 115 "Revenue from Contracts with Customers" supersedes Ind AS 11, "Construction Contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 1, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of Revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.





## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

The Company has evaluated the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 was insignificant.”

### **i) Sale of goods**

Sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and sales is inclusive of excise duty but net of returns, rebates and value added tax (VAT). Materials returned/rejected are accounted for in the year of return/rejection. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

### **ii) Dividends**

Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.

### **iii) Insurance claim**

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

### **iv) Interest Income**

Interest income is recognised on time proportion basis taking in to account the amount outstanding and the rate applicable.

### **v) Government Grant & Subsidies**

Grant/subsidies is recognised when there is reasonable assurance the Grant/subsidy will be received and all attaching condition will be complied with.

## **h) Employee Benefits**

### **i) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **ii) Defined contribution plans**

Employees benefits in the form of the Company's contribution to Provident Fund, Family Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period. The Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

### **iii) Defined benefit plans**

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### iv) Other long-term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise. The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

### i) Valuation of inventories

- i) Finished goods are valued at lower of cost or net realizable value. Scrap is valued at net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Finished goods includes excise duty.
- ii) Work in progress is valued at lower of cost or net realizable value. Cost is determined on average basis.
- iii) Stores, spares and raw materials are valued at lower of cost or net realizable value. However materials & other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of purchases is assessed on first in first out (FIFO) method.
- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### j) Foreign Exchange Transactions / Translations / Hedge Accounting

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Financial instruments designated as Hedge Instruments are mark to market using the valuation given by the bank on the reporting date.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### k) Borrowing costs

Borrowing costs are interest and other ancillary costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

### l) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

#### i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### ii) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognized as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

### m) Segment Reporting

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate. The reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments. Refer Note -40.

### n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### o) Cash flow statement

Cash flows are reported using the indirect method as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7), whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### p) Lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### i) Finance Lease

Finance Lease that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the 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 a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### ii) Operating Lease

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset. Payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.



**q) Earning per share**

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

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

**r) Recent accounting pronouncements**

**i) 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
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

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 currently evaluating the effect of this amendment on the financial statements.

**ii) 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 effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

**ii) 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 is currently evaluating the effect of this amendment on the financial statements.

**iii) 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.





## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 4 Property, plant & equipment

Particulars	Freehold Land	Building	Plant & Equipment	Computers	Office equipment	Furniture & fixtures	Vehicles	Lease hold Improvements	Total Tangible assets	Intangible assets	Grand Total
<b>Gross Block</b>											
<b>As at 31 March 2017</b>	5,754.84	6,361.55	48,574.99	257.85	276.49	206.68	459.19	127.05	62,018.65	418.02	62,436.67
Additions	-	4,115.11	8,688.49	49.53	65.90	124.63	145.30	22.53	13,211.49	162.77	13,374.26
Disposals							(7.37)		(7.37)		(7.37)
<b>As at 31 March 2018</b>	5,754.84	10,476.66	57,263.48	307.38	342.39	331.31	597.12	149.58	75,222.77	580.79	75,803.56
Additions	-	267.62	6,634.62	26.74	12.52	62.22	47.31	-	7,051.02	7.82	7,058.85
Disposals	-	-	(15.40)	-	-	-	-	-	(15.40)	-	(15.40)
<b>As at 31 March 2019</b>	5,754.84	10,744.28	63,882.70	334.12	354.91	393.53	644.43	149.58	82,258.39	588.61	82,847.01
<b>Depreciation/Amortisation</b>											
<b>As at 31 March, 2017</b>	-	1,061.62	25,003.18	202.50	216.85	139.13	228.98	56.95	26,909.21	256.23	27,165.44
Charge for the year	-	330.65	3,539.32	34.27	29.60	26.93	63.06	17.94	4,041.77	85.13	4,126.90
Depreciation charge to other accounts									-		-
Disposals							(4.78)		(4.78)		(4.78)
<b>As at 31 March, 2018</b>	-	1,392.27	28,542.50	236.77	246.45	166.06	287.26	74.89	30,946.20	341.36	31,287.56
Charge for the year	-	349.77	4,269.80	37.11	28.74	29.50	69.56	14.92	4,799.38	81.06	4,880.44
Depreciation charge to other accounts	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(4.74)	-	-	-	-	-	(4.74)	-	(4.74)
<b>As at 31 March, 2019</b>	-	1,742.04	32,807.56	273.88	275.19	195.56	356.82	89.81	35,740.84	422.42	36,163.26
<b>Net Block</b>											
<b>As at 31 March, 2017</b>	5,754.84	5,299.93	23,571.81	55.34	59.63	67.55	230.21	70.10	35,109.44	161.79	35,271.23
<b>As at 31 March, 2018</b>	5,754.84	9,084.39	28,720.98	70.61	95.94	165.25	309.86	74.69	44,276.57	239.43	44,516.00
<b>As at 31 March, 2019</b>	5,754.84	9,002.24	31,075.14	60.24	79.72	197.97	287.61	59.77	46,517.55	166.19	46,683.75

**Note:-** Lease hold improvements have been amortised over period of lease. Refer Note No. 45 for charges.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

5.1 Capital- Work-In-Progress	As at 31 March 2019	As at 31 March 2018
Opening CWIP	584.19	8143.26
Add: Additions during the year	14.53	-
Less: capitalised during the year	571.24	7559.07
<b>Total Capital Work in Progress*</b>	<b>27.47</b>	<b>584.19</b>

\*Includes pre-operative expenditure pending capitalisation of Rs. NIL (Previous year Rs.54.90 Lakhs) Refer Note-44

5.2 Intangible Assets Under Development	As at 31 March 2019	As at 31 March 2018
Intangible Assets under Development- (Patent for Combined braking system- CBS)	41.94	-
	41.94	-

6 Financial Asset: Non Current		
6.1 Loans	As at 31 March 2019	As at 31 March 2018
Unsecured considered good		
-Security Deposits	687.81	303.76
<b>Total</b>	<b>687.81</b>	<b>303.76</b>

6.2 Other Financial Assets	As at 31 March 2019	As at 31 March 2018
Bank Deposit with Maturity above 12 months*	22.47	10.99
<b>Total</b>	<b>22.47</b>	<b>10.99</b>

\* Pledged against Yes Bank Term Loan

7 Deferred Tax Liability/assets	As at 31 March 2019	As at 31 March 2018
Deferred tax liability	(3,763.21)	(3,264.89)
Deferred tax assets	3,727.66	3,645.13
MAT Credit Entitlement (due to last year tax adjustments)	1,680.06	1,680.06
<b>Total</b>	<b>1,644.51</b>	<b>2,060.32</b>

### (i) Movement in deferred tax items

FY 2018-19	Balance as on 01-04-2018	Recognised in Statement of Profit & Loss	Recognised in other comprehensive income	Balance as on 31-03-2019
Deferred tax liability / (asset) in relation to Depreciation on Property, plant & equipment	(3,222.56)	(515.02)		(3,737.58)
Recognition of ECL	1.50	7.50		9.00
Borrowings - Processing Fees	(42.30)	16.67		(25.63)
Expenses allowed on payment basis	193.92	(2.28)	(3.04)	188.60
recognition of DTA on unabsorbed depreciation	3,449.70	80.36		3,530.06
<b>Deferred tax (Assets) Liability</b>	<b>380.26</b>	<b>(412.77)</b>	<b>(3.04)</b>	<b>(35.55)</b>
MAT Credit Entitlement	1,680.06			1,680.06
<b>Net Deferred tax (Assets) Liability</b>	<b>2,060.32</b>	<b>(412.77)</b>	<b>(3.04)</b>	<b>1,644.51</b>

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

FY 2017-18	Balance as on 01-04-2017	Recognised in Statement of Profit & Loss	Recognised in other comprehensive income	Balance as on 31-03-2018
Deferred tax liability / (asset) in relation to Depreciation on Property, plant & equipment	(2,065.47)	(1,157.09)		(3,222.56)
Recognition of ECL	1.22	0.28		1.50
Borrowings - Processing Fees	(39.50)	(2.80)		(42.30)
Expenses allowed on payment basis	109.98	92.66	(8.72)	193.92
recognition of DTA on unabsorbed depreciation	1,748.84	1,700.86		3,449.70
<b>Deferred tax (Assets) Liability</b>	<b>(244.93)</b>	<b>633.91</b>	<b>(8.72)</b>	<b>380.26</b>
MAT Credit Entitlement	1,631.88	48.18		1,680.06
<b>Net Deferred tax (Assets) Liability</b>	<b>1,386.96</b>	<b>682.07</b>	<b>(8.72)</b>	<b>2,060.32</b>

Deferred tax includes an amount of Rs. 3,530.06 Lakhs (Previous year Rs. 3,449.70 Lakhs) which relates to carried forward unabsorbed depreciation which can be carried forward for indefinite period. The company has incurred losses mainly due to depressed in automobile sector, setting up of new plant and expansion of customer base. The management is hopeful that the company will earn adequate profit in future to set off the Deferred Tax Assets created on unabsorbed depreciation

8	Current Tax Asset (Net)	As at 31 March 2019	As at 31 March 2018
	<b>Income Tax Assets</b>		
	Tax refund receivable (net of provision)	429.33	422.44
	<b>Total</b>	429.33	422.44
9	Other Non Current Assets	As at 31 March 2019	As at 31 March 2018
	Capital advance		
	- Suppliers / Contractors	1,176.36	1,002.37
	Others	-	3.43
	<b>Total</b>	1,176.36	1,005.80
10	Inventories (Valued at cost or net realisable value, unless otherwise stated)	As at 31 March 2019	As at 31 March 2018
	a) Raw materials	1,634.36	916.07
	b) Work-in-progress	3,336.31	2,642.63
	c) Finished goods	406.77	91.13
	d) Stores and spares	5,476.01	5,297.56
	e) Others (Scrap)	43.36	17.30
	<b>Total</b>	10,896.81	8,964.69



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

11	<b>Financial Asset: Current</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
11.1	<b>Trade Receivables</b>		
	<b>Unsecured considered good</b>		
	-From related party	211.39	238.01
	-From others	9,180.04	8,037.26
	-Doubtful	25.75	4.35
	Less: Allowance for doubtful debts	(25.75)	(4.35)
	<b>Total</b>	<b>9,391.43</b>	<b>8,275.27</b>
11.2	<b>Cash &amp; cash equivalents</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Balances with banks		
	- in Current Accounts	68.33	9.95
	Cash in hand	13.87	10.42
	<b>Total</b>	<b>82.20</b>	<b>20.37</b>
11.3	<b>Bank Balance, other than cash &amp; cash equivalents</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Earmarked balance		
	- Unpaid dividend	36.69	39.55
	Other Balance		
	- in fixed deposit (original maturity exceeding three months but upto one year)*	522.36	525.21
	<b>Total</b>	<b>559.05</b>	<b>564.76</b>
	*Lodged as security with banks for credit limit		
11.4	<b>Loans</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Unsecured considered good		
	Loans to employees	53.12	51.29
	<b>Total</b>	<b>53.12</b>	<b>51.29</b>
11.5	<b>Others Financial Asset</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Unsecured considered good		
	Interest receivable on deposit with bank	0.22	13.17
	Unbilled Revenue	148.55	281.56
	<b>Total</b>	<b>148.77</b>	<b>294.73</b>
12	<b>Other Current Asset</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Prepaid Expenses	176.09	101.86
	Advances to employee	31.62	7.61
	Advances to Suppliers/Contractors	781.95	709.50
	Balance with Statutory Authorities	2,214.42	1,432.60
	Others	120.77	108.24
	<b>Total</b>	<b>3,324.86</b>	<b>2,359.81</b>

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

13 Equity Share Capital	As at 31 March 2019	As at 31 March 2018
<b>Authorised Share Capital</b> 12,50,00,000 (Previous Year 12,50,00,000) Ordinary equity shares of Rs. 2/- each	2,500.00	2,500.00
<b>Issued, Subscribed and Fully Paid Up</b> 10,00,00,000 (Previous Year 10,00,00,000) Unclassified equity shares of Rs 2/- each	2,000.00	2,000.00
<b>Total</b>	2,000.00	2,000.00
<b>(i) Reconciliation of number and amount of equity shares outstanding:</b>	No. of Shares	In Rs. Amount
<b>As at 31st March, 2017</b>	100,000,000	200,000,000
Changes during the year	-	-
<b>As at 31st March, 2018</b>	100,000,000	200,000,000
Changes during the year	-	-
<b>As at 31st March, 2019</b>	100,000,000	200,000,000

### Terms & right attached to equity shares

- a) The Company has only one class of equity shares having par value of Rs. 2/- per share. Each shareholder equity shares is entitled to one vote per share. The company declares dividends in Indian Rupees. During the year ended March 31, 2018, the amount of dividend per share recognised as distributed to equity shareholder was Rs. NIL ( March 31, 2019 Rs. NIL)
- b) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date are as under:
  - i) The company has issued 5,00,00,000 fully paid up equity shares of face value of Rs. 2/- each, in financial year 2015-2016 pursuant to bonus approved by the shareholders through postal ballot.
  - ii) The company has neither issued any share for consideration other than cash nor bought back any shares during five years immediately preceding the date at which the Balance Sheet is prepared.
- c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of the preferential amount, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (ii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2019	As at 31 March 2018
Dayanand Munjal Investments Pvt Ltd (holding company)		
No. of Shares	74,795,950	74,795,950
% of Holding	74.80%	74.80%

As per the records of the company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

## 14 Financial Liability : Non Current

14.1 Borrowing	As at 31 March 2019	As at 31 March 2018
Term loans:		
<u>i. From banks-Secured</u>	21,884.79	20,605.47
Less: Shown in current maturities of long term borrowings*	(3,896.10)	(3,639.07)
<u>ii. From others-Unsecured</u>	4,238.63	5,794.56
Less: Shown in current maturities of long term borrowings*	(2,287.14)	(1,559.53)
IND AS Adjustment	(73.36)	(122.24)
<b>Total</b>	19,866.82	21,079.19

\* Amount disclosed under the head 'other financial Liabilities' note no. 17.3

Note: Refer note -45 for borrowing terms.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

15	<b>Provision</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>Provision for employee benefits</b>		
	- Gratuity	180.60	113.27
	- Leave Encashment	302.04	271.90
	<b>Total</b>	<b>482.63</b>	<b>385.17</b>
16	<b>Other non-current liabilities</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Deferred Income - Government Grant	26.36	27.27
	<b>Total</b>	<b>26.36</b>	<b>27.27</b>
17	<b>Financial Liability : Current</b>		
17.1	<b>Short Term Borrowings</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>Secured - at amortised cost</b>		
	<b>Bank</b>		
	- Cash Credit	13,399.16	14,968.97
	<b>Unsecured</b>		
	Others		
	- Working Capital Demand Loan	3,500.00	
	<b>Total</b>	<b>17,399.16</b>	<b>14,968.97</b>
	Refer note no.45 for borrowing terms		
17.2	<b>Other trade Payables</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>a) Micro, small and medium enterprises*</b> (Refer Note No. 34)	229.36	-
	<b>b) Due to related party</b>	312.73	360.01
	<b>c) Others</b>	9,946.02	5,075.13
	<b>Total</b>	<b>10,488.11</b>	<b>5,435.14</b>
17.3	<b>Other Financial Liabilities</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Current maturities of long term debt		
	a) From Banks	3,896.10	3,639.07
	b) From others	2,287.14	1,559.53
	Security Deposit	37.76	28.70
	Interest Accrued But Not Due on Borrowings	186.57	103.80
	Retention Money	29.60	23.40
	Unpaid Dividend*	36.69	39.55
	Other Payables		
	a) Capital Creditors	1,498.00	1,582.85
	b) Accrued salary & Benefits**	536.83	471.83
	c) Expenses Payable	358.86	391.28
	<b>Total</b>	<b>8,867.55</b>	<b>7,840.01</b>

\* There are no amounts outstanding in respect of unpaid dividend for more than seven years to be transferred to Investor Education and Protection Fund.

\*\* Includes Rs. 27.47 Lakhs due to related party (Previous Year Rs. 25.63 Lakhs)



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

<b>18</b>	<b>Other current Liability</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	Withholding and other taxes	713.54	575.73
	Deferred Income - Government Grant	0.91	0.91
	<b>Total</b>	<b>714.45</b>	<b>576.64</b>
<b>19</b>	<b>Provision for employee benefits</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	- Gratuity	33.93	4.40
	- Leave Encashment	23.17	22.85
	<b>Total</b>	<b>57.10</b>	<b>27.25</b>
<b>20</b>	<b>Revenue From Operation</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	a) Sales of products(including excise duty)	59,637.85	54,944.76
	b) Other operating revenues		
	From scrap sale	2,120.50	1,459.81
	Budgetary support - GST Refund	1,665.36	-
	From Job work	133.77	183.07
		3,919.63	1,642.88
	<b>Total Revenue From Operations</b>	<b>63,557.49</b>	<b>56,587.63</b>
<b>21</b>	<b>Other Income</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	a) Interest Income from bank deposits and others	37.70	17.71
	b) Miscellaneous receipts	98.08	78.03
	c) Interest income at amortized cost	0.96	0.87
	d) Government grant	0.91	0.91
		137.66	97.52
<b>22</b>	<b>Cost of Material Consumed</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	Opening balance of the raw material inventory	916.07	1,134.19
	Add : Purchases during the year	24,732.00	18,565.95
		25,648.07	19,700.14
	Closing balance of the raw material inventory	1,634.36	916.07
	<b>Total Cost Of Materials Consumed</b>	<b>24,013.71</b>	<b>18,784.07</b>



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

23 (Increase / Decrease) in Stocks	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
<b>Opening balance of the Inventories</b>		
Work - in - process	2642.63	2,400.16
Finished goods	91.13	130.67
Process scrap	17.30	20.50
	2,751.06	2,551.34
<b>Closing balance of the Inventories</b>		
Work - in - process	3,336.31	2,642.63
Finished goods	406.77	91.13
Process scrap	43.36	17.30
	3,786.45	2,751.06
Excise duty on change in inventory	-	(9.22)
<b>Net ( Increase / Decrease) in Stocks</b>	<b>(1,035.39)</b>	<b>(208.94)</b>

24 Employee benefit expenses	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
Salaries, wages, allowances & commission including gratuity and retirement benefits	5,313.57	4,684.93
Contribution to provident and other funds	311.92	297.92
Staff welfare expenses	540.16	466.27
	6,165.65	5,449.11

25 Finance cost	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
Interest on term loans	2,643.57	2,500.71
Interest on cash credit	1,590.23	1,555.15
Interest others (including cash discount)	476.03	389.18
Other Borrowing Cost*	161.93	125.41
<b>Total Finance cost</b>	<b>4,871.76</b>	<b>4,570.45</b>

\*Mainly consist of loan processing facilities from bank.

26 Depreciation and Amortization	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
a) Depreciation of tangible assets	4,794.64	4,041.77
b) Amortization of intangible assets	81.06	85.13
<b>Total Depreciation and Amortization Expenses</b>	<b>4,875.70</b>	<b>4,126.90</b>



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

27 Other expenses	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
Power and fuel consumption	4,285.24	3,854.31
Packing material consumption	263.34	217.09
Repair and maintenance on		
- Machinery	1,110.19	773.51
- Building	236.94	276.59
- Other	197.03	161.86
Lease rent	157.25	176.21
Wages to contractors	4,521.38	4,156.62
Rates and taxes	88.37	28.43
Charity and donation	102.60	1.08
Corporate social responsibility expenses	2.95	44.27
Loss on sale of assets	0.63	0.96
Insurance	254.87	220.56
Legal and professional	178.73	117.63
Payment to auditor (Refer details below)	13.20	11.68
Foreign Exchange losses (net)	39.74	37.53
Travelling and conveyance	644.93	675.34
Printing and stationery	1.95	2.06
Postage, telegram and telephones	30.73	36.40
Selling expenses	117.87	73.56
Board & secretarial expenses	59.46	53.18
Security expenses	279.56	217.07
Freight and forwarding charges	442.29	328.61
Provision for ECL	21.40	0.80
Miscellaneous expenses	278.19	347.33
<b>Total Other Expenses</b>	<b>13,328.82</b>	<b>11,812.68</b>
<b>Payment to auditor</b>		
As auditor:		
-Audit Fee	11.15	10.14
-Limited review	2.05	1.54
-Other certification	-	-
	<b>13.20</b>	<b>11.68</b>



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

28	<b>Tax Expense</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	Current tax	-	-
	Deferred Tax	412.77	(682.07)
	Deferred Tax - Ind AS	3.04	(8.72)
	Earlier year Tax adjustment	38.92	48.18
		454.73	(642.61)

29	<b>Other Comprehensive Income</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	<b>Item that will not be reclassified to profit or loss</b>		
	Re-measurement of defined benefit plans	(8.68)	24.91
	Fair valuation of non-current investments	-	-
	Income tax relating to items that will not be reclassified to profit or loss	3.04	(8.72)
	<b>Item that will be reclassified to profit or loss</b>		
	Actuarial gain / (loss) on defined benefit obligation	-	-
	Fair valuation of equity instruments at FVTOCI		
	<b>Total Other Comprehensive Income</b>	(5.64)	16.19

30	<b>Earning per Share</b>	<b>For the Year Ended 31 March 2019</b>	<b>For the Year Ended 31 March 2018</b>
	Net (loss) for calculation of basic and diluted EPS (Rs. In Lakhs)	(1,821.45)	(123.13)
	Total number of equity shares outstanding at the end of the year	100,000,000	100,000,000
	Weighted average number of equity shares in calculating basic and diluted EPS	100,000,000	100,000,000
	Basic (Rs.)	(1.82)	(0.12)
	Diluted (Rs.)	(1.82)	(0.12)

### 31 Contingent Liabilities (not provided for) in respect of:

Particulars	2018-19	2017-18
a) Letter of credit opened by banks	1,610.82	2,888.34
b) Income tax demands where the cases are pending at various stages of appeal with the authorities	6.45	6.45

Based on legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of decisions in favour of the Company in respect of the items listed above and hence no provision is considered necessary against the same.

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 32 Commitments:

Particulars	2018-19	2017-18
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,555.24	1,362.33
b) Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	-	-

### 33 Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006 to the extent of information available with the Company

Particulars	2018-19	2017-18
a) Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year	229.36	-
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
<b>Total</b>	<b>229.36</b>	<b>-</b>

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Further during the year, the Company has not paid any interest to any such parties.

### 34 Details of Opening and Closing Inventory of Finished Goods:

Class of Product	2018-19	2017-18
a) <b>Opening stock</b>		
Gear Components	91.13	130.67
b) <b>Closing stock</b>		
Gear Components	406.77	91.13

### 35 CIF Value of Imports

Particulars	2018-19	2017-18
a) Stores & Spares	517.99	469.32
b) Capital goods	2,805.83	1,377.72
c) Raw Material	450.58	55.17
<b>Total</b>	<b>3,774.41</b>	<b>1,902.21</b>



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 36 Expenditure in Foreign Currency (Accrual basis):

Particulars	2018-19	2017-18
a) Foreign travelling	93.08	79.22
b) Consultancy charges	27.43	20.36
<b>Total</b>	<b>120.51</b>	<b>99.58</b>

### 37 Earnings in Foreign Currency :

Particulars	2018-19	2017-18
a) Export of goods at FOB value	452.43	327.53

### 38 Details regarding imported and indigenous materials consumed during the year:

Class of Goods	Imported		Indigenous		Value of total consumption
	Value (Rs. in lakhs)	% to total consumption	Value (Rs. in lakhs)	% to total consumption	Value (Rs. in lakhs)
Raw materials & components (C.Y)	450.58	1.88%	23,563.13	98.12%	24,013.71
Raw materials & components (P.Y)	55.17	0.29%	18,728.90	99.71%	18,784.07
Stores, spares, tools & dies Consumed (C.Y.)	517.99	7.27%	6,610.23	92.73%	7,128.22
Stores, spares, tools & dies Consumed (P.Y.)	469.32	6.78%	6,455.89	93.22%	6,925.21

The Figures in below rows are of previous year

### 39 Segment Information

#### (i) General Disclosure

The Company is primarily in the business of manufacture and sale of components to automotive original equipment manufacturers. Hence there is only one identified reportable segments as per Ind AS 108 - Segment Reporting.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief Operating Decision Maker (CODM) to assess the performance and allocate resources to the operating segments.

#### (ii) Entity wise disclosure required by IND AS 108 are made as follows:

##### a) Revenues from sale of products to external customers

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>India</b>	63,078.76	56,357.62
<b>Outside India</b>	478.73	230.01
	63,557.49	56,587.63



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### b) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
India	47,929.52	46,105.99
Outside India	-	-

### (iii) Information about major customers:

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Amount	Percentage	Amount	Percentage
Hero MotoCorp Limited	40,105.00	64.62%	35,915.97	63.47%

## 40 Employee Benefits - Gratuity & Post employment benefits

The Company has classified the various benefits provided to employees as under:-

### A. Defined Contribution Plan

The Company makes contribution to Statutory Provident Fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 and Employee State Insurance Act, 1948 respectively. This is post-employment benefit and is in the nature of defined contribution plan.

### B. Defined Benefit Plan

Gratuity is computed as 15 days salary, for every recognized retirement/ termination / resignation. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of Profit and Loss.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

### A. Statement of profit and loss

#### Net employee benefit expense

Particulars	2018-19		2017-18	
	Gratuity (Partly Funded)	Leave encashment	Gratuity (Partly Funded)	Leave encashment
Current Service cost	79.00	42.52	74.07	59.40
Net Interest cost	9.17	22.97	11.50	14.60
Expenses Recognized in the Statement of Profit & Loss	88.17	83.97	101.46	177.25



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### B. Balance Sheet

#### (i) Details of Plan assets/ (liabilities) for Gratuity and Leave Encashment

Particulars	2018-19		2017-18	
	Gratuity (Partly Funded)	Leave encashment	Gratuity (Partly Funded)	Leave encashment
Defined benefit obligation	828.68	325.20	732.79	294.75
Fair value of plan assets	614.15	-	615.11	-
Net Asset/(Liability) recognized in the Balance Sheet	(214.53)	(325.20)	(117.68)	(294.75)

#### (ii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	2018-19		2017-18	
	Gratuity (Partly Funded)	Leave encashment	Gratuity (Partly Funded)	Leave encashment
Opening defined benefit obligation	732.79	294.75	638.91	194.82
Interest cost	57.12	22.97	47.88	14.60
Current service cost	79.00	42.52	74.07	59.40
Past service cost	-	-	15.89	-
Benefit paid	(18.90)	(53.52)	(21.46)	(77.32)
Actuarial (gains)/losses on obligation	(21.32)	18.48	(22.51)	103.25
Closing defined benefit obligation	828.68	325.20	732.79	294.75

#### (iii) Changes in the fair value of plan assets (Gratuity) are as follows:

Particulars	2018-19	2017-18
Opening fair value of plan assets	615.11	485.46
Actual return on Plan Assets	47.94	36.38
Contribution during the year	0.00	112.53
Benefit paid	(18.90)	(21.67)
Return on plan assets , excluding amount recognised in net interest expense	(30.00)	2.40
Closing fair value of plan assets	614.15	615.11

#### (iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2018-19 %	2017-18 %
Discount rate (%)	7.70%	7.80%
Expected salary increase (%)	6.00%	6.00%
<b>Demographic Assumptions</b>		
Mortality rate (% of IALM 06-08)	100%	100%
Retirement Age (year)	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### v. Contribution to defined contribution plans:

Particulars	2018-19	2017-18
Provident fund	292.24	256.72
Employee State Insurance	19.01	39.40
Labour welfare fund	0.66	1.80
Total	311.92	297.92

### vi Sensitivity analysis of the defined benefit obligation:

Particulars	2018-19		2017-18	
	Gratuity (Partly Funded)	Leave encashment	Gratuity (Partly Funded)	Leave encashment
<b>Impact of the change in discount rate</b>				
Present value of obligation at the end of the period	828.68	325.20	732.79	294.75
Impact due to increase of 0.50%	362.69	143.24	319.27	129.42
Impact due to decrease of 0.50%	476.22	185.88	423.14	169.01
<b>Impact of the change in salary increase</b>	-	-	-	-
Present value of obligation at the end of the period	828.68	325.20	732.79	294.75
Impact due to increase of 0.50%	476.31	186.05	423.50	169.19
Impact due to decrease of 0.50%	361.48	142.78	318.13	128.98

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

### vii Other comprehensive income (OCI):

Particulars	2018-19		2017-18	
	Gratuity (Partly Funded)	Leave encashment	Gratuity (Partly Funded)	Leave encashment
Actuarial (gains) / losses				
- changes in demographic assumptions	-		-	-
- changes in financial assumptions	11.18		(31.83)	-
- experience variance (i.e. Actual experience vs assumptions)	(32.49)		9.32	-
- others	-		-	-
Return on plan assets, excluding amount recognised in net expense	30.00		(2.40)	-
Re-measurement (or Actuarial) (gain)/ loss arising because of change in effect of asset ceiling	-		-	-
Components of defined benefit costs recognised in other comprehensive income	8.68		(24.91)	-



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 41 Related Party Transaction

#### a) List of Related Parties

##### (i) Key Managerial Personnel

Mr. Neeraj Munjal, Managing Director  
 Dr. Anil Kumar Gupta, Technical Director  
 Mrs. Charu Munjal, Whole Time Director  
 Mr. Davendra Ujlayan, VP- Finance  
 Ms. Shivani Kakkar, Company Secretary  
 Dr. Vinayshil Gautam- Independent Director  
 Mr. Sunil Kant Munjal- Independent Director  
 Mr Bhagwan Dass Narang-Independent Director  
 Mr. Surrinder Lal Kapur-Independent Director

##### (ii) Holding Company

Dayanand Munjal Investments Private Limited

##### (iii) Enterprises over which key management personnel and their relatives are able to exercise significant influence

Munjal Showa Limited  
 Pushti Metal Industries LLP  
 Earthly Possessions

#### b) The following transactions were carried out with related parties in the ordinary course of business:

Nature of transaction	Key management personnel		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Sale of Goods &amp; Services</b>						
Munjal Showa Limited	-	-	1681.12	1630.41	1681.12	1630.41
Pushti Metal Industries LLP	-	-	7.29	1.03	7.29	1.03
<b>Purchase of goods and services</b>						
Munjal Showa Limited	-	-	3.98	-	3.98	0.00
Pushti Metal Industries LLP	-	-	1210.50	991.22	1210.50	991.22
Earthly Possessions	-	-	1282.41	1611.73	1282.41	1611.73
<b>Salary &amp; perquisites</b>						
Neeraj Munjal	176.06	168.85	-	-	176.06	168.85
Anil Kumar Gupta	67.43	64.34	-	-	67.43	64.34
Charu Munjal	80.06	76.78	-	-	80.06	76.78
Davendra Ujlayan	55.46	52.11	-	-	55.46	52.11
Shivani Kakkar	9.51	9.17	-	-	9.51	9.17
<b>Sitting fees</b>						
Dr. Vinayshil Gautam	6.90	5.93	-	-	6.90	5.93
Mr. Sunil Kant Munjal	2.40	1.50	-	-	2.40	1.50
Mr Bhagwan das Narang	6.90	5.93	-	-	6.90	5.93
Mr. Surrinder Lal Kapur	6.90	5.93	-	-	6.90	5.93

## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### c) Balances Outstanding at Year End:

Nature of transaction	Key management personnel		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Receivable :-</b>						
Munjla Showa Limited	-	-	211.39	236.98	211.39	236.98
Pushti Metal Industries LLP	-	-	-	1.03	-	1.03
<b>Payable:-</b>						
Munjla Showa Limited	-	-	0.41	0.68	0.41	0.68
Pushti Metal Industries LLP	-	-	77.89	122.95	77.89	122.95
Earthly Possessions	-	-	234.43	236.38	234.43	236.38
Neeraj Munjal	9.15	7.70	-	-	9.15	7.70
Charu Munjal	4.34	4.83	-	-	4.34	4.83
Anil Kumar Gupta	13.98	13.10	-	-	13.98	13.10

Based on the recommendation of the Nomination and Remuneration Committee all decisions relating to the remuneration of the directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

### 42 Operating Lease(Ind AS 17)

#### (a) Operating lease arrangements

Office premises are taken on operating lease. There is no escalation clause in the lease agreement

#### (b) Future minimum rentals payables under non-cancellable operating lease:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	208.24	142.07
Later than one year and not later than five years	719.90	360.33
Later than five years	980.23	-
<b>Total</b>	<b>1,908.37</b>	<b>502.40</b>

Operating lease payment recognised in the Statement of Profit and Loss amounting to Rs. 157.25 lakhs (March 31, 2018 Rs.176.21 lakhs)

### 43 Capital - Work - In - Process

The Company had incurred some expenditure related to acquisition/construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

Particulars	2018-19	2017-18
<b>Carried forward as part of Capital Work in Progress (A)</b>	54.90	2,259.85
Less : Capitalised as Fixed Assets	54.90	2,204.95
<b>Carried forward as part of Capital Work in Progress</b>	-	54.90



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### 44 Summary of borrowing arrangement

#### I Long Term Borrowings

##### From Bank

Particulars	As at 31st, March 2019	As at 31st, March 2018	Rate of interest	Security	Repayment terms
Karnataka Bank Ltd. (Manesar) - 10 Cr.	-	246.10	10.90%-11%	Secured against hypothecation of specific movable machineries located at Binola & Manesar Plant along with other lenders.	Repayable in Eight half yearly equal instalment beginning from June, 2015
Karnataka Bank Ltd. (Binola) - 10Cr.	-	246.10	10.90%-11%	Secured against hypothecation of specific movable machineries located at Binola & Manesar Plant along with other lenders.	Repayable in Eight half yearly equal instalment beginning from June, 2015
IDFC First Bank Ltd.	3,016.40	4,113.28	10%-11%	First pari passu on entire fixed assets of Rohtak & Bengaluru Plant, respectively with other lenders.	Repayable in 18 quarterly installments beginning from August, 2017
IDFC First Bank Ltd.- 15Cr	1,500.00	-	9.5%-10%	First charge on entire fixed assets of Haridwar Plant (including land and building) excluding plant and machinery exclusively charged to other lenders.	Repayable in 66 Monthly Equal installments beginning from May, 2019
IDFC First Bank Ltd. -28.5Cr	2,369.39	-	9.5%-10%	First charge on entire fixed assets of Haridwar Plant (including land and building) excluding plant and machinery exclusively charged to other lenders.	Repayable in 49 Monthly Equal installments beginning from Oct, 2018
ICICI Bank Ltd.	-	3,000.00	9.68%-12%	First pari passu on entire fixed assets of Haridwar plant upto 1.25 times cover of loan amount	Repayable in 20 quarterly installments beginning from April, 2018
Kotak Mahindra Bank Ltd.	2,250.00	2,950.00	10.52%-11%	First pari passu on entire fixed assets of Rohtak & Bengaluru Plant, respectively with other lenders.	Repayable in 19 quarterly installments beginning from December, 2016
Yes Bank Ltd. - 50Cr	4,200.00	4,850.00	9%-10.5%	First pari passu on entire fixed assets of Rohtak & Bengaluru Plant, respectively with other lenders.	Repayable in 22 quarterly installments beginning from June, 2018
Yes Bank Ltd.- 50Cr	4,753.00	4,850.00	9.25%-9.50%	First pari passu on specific fixed assets of all plants respectively with other lenders.	Repayable in 24 quarterly installments beginning from December, 2018



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

Particulars	As at 31st, March 2019	As at 31st, March 2018	Rate of interest	Security	Repayment terms
Yes Bank Ltd. - 100Cr	3,796.00	350.00	9.5%-10.5%	First pari passu on specific fixed assets of all plants respectively with other lenders.	Repayable in 24 quarterly installments beginning from June, 2020
<b>Total</b>	<b>21,884.79</b>	<b>20,605.47</b>			
<b>From Others</b>					
Hero FinCorp Ltd.	274.31	875.18	13.00%	Unsecured	Repayable in 60 monthly installment beginning from September 2014.
Hero FinCorp Ltd.	1,464.32	2,419.38	11.50%	Unsecured	Repayable in 36 monthly installment beginning from August, 2017
Hero FinCorp Ltd.	2,500.00	2,500.00	11.90%	Unsecured	Repayable in 8 quarterly installment beginning from July 2019
	<b>4,238.63</b>	<b>5,794.56</b>			
Ind AS Impact	(73.36)	(122.24)			
<b>Total</b>	<b>26,050.06</b>	<b>26,277.79</b>			

### II Short Term Borrowings

#### From Bank - Cash Credit

Particulars	As at 31st, March 2019	As at 31st, March 2018	Security
IDBI Bank Ltd.	(35.36)	(81.09)	First <i>pari passu</i> charge on current assets of the Company.
Hero FinCorp Ltd.	3,500.00	-	First <i>pari passu</i> charge on present and future current assets of plants situated at Binola and Haridwar.
Kotak Mahindra Bank Ltd.	(336.85)	367.04	First <i>pari passu</i> charges on the current asset of binola plant along with the other working capital bankers
IDBI Bank Ltd.		(19.76)	First <i>pari passu</i> charge on the current assets of Haridwar Plant along with the other working capital bankers.
IDFC First Bank Ltd.	4,263.77	2,692.79	First <i>pari passu</i> charge on the current assets of Haridwar Plant along with the other working capital bankers.
Kotak Mahindra Bank Ltd.		3,000.00	First <i>pari passu</i> charge on the current assets of Haridwar Plant along with the other working capital bankers.
ICICI Bank Ltd.	-	1,153.68	First <i>pari passu</i> charge on Current Assets of Haridwar Plant
HDFC Bank	3,510.04	1,031.19	First <i>pari passu</i> charges on the current asset of Binola & Haridwar plant along with the other working capital bankers.
Yes Bank Ltd.	6,497.55	6,825.12	Exclusive charge on all the current assets of Bengaluru plant and first <i>pari passu</i> charge on all the current assets of Binola plant of the Borrower (Present & future)
<b>Total</b>	<b>17,399.16</b>	<b>14,968.97</b>	

\* figures in bracket represent debit balances in cash credit account



# Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

## 45 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

### Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

## 46 Events occurring After the Balance Sheet date

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

## 47 Financial Risk Management

Financial risk management objectives and policies:

The Company, as an internationally active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk.

Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

### 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. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

#### a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2019 and March 31, 2018, the Company's borrowings at variable rate were mainly denominated in INR.

Interest rate risk exposure - The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Variable Rate Borrowing	35,783.95	35,574.44
Fixed Rate Borrowing	4,238.63	5,794.56
Ind AS Adjustment	(73.36)	(122.24)
<b>Total</b>	<b>39,949.22</b>	<b>41,246.76</b>



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

An analysis by maturities is provided in Note (C) Maturities of financial liabilities below.

Sensitivity analysis - For Floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended 31-03-2019	For the year ended 31-03-2018
Interest rate increase by 0.25%	89.46	88.94
Interest rate decrease by 0.25%	(89.46)	(88.94)

### b) Price Risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company.

Key Raw material - As per the agreement with the customers, any increase in the raw material prices is passed on to the customer. But in some cases where the customer was already asking for reduction in prices, the company has to absorb the price increase.

### c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an foreign exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export revenue and import of raw materials and other consumables.

The unhedged foreign currency exposure is as follows:

Particulars	Trade Receivable/ Advances to supplier		Trade Paybles	
	Foreign Currency	Rs in lacs	Foreign Currency	Rs in lacs
<b>Foreign Exposure as at 31st March 2019</b>				
CHF	-	-	685.99	0.48
EUR	129,068.90	100.65	29,097.85	22.69
GBP			-	-
JPY			114,722,878	718.11
SGD			244,594.20	125.37
USD	42,532.97	29.54	56,137.00	38.98
Particulars	Trade Receivable/ Advances to supplier		Trade Paybles	
	Foreign Currency	Rs in lacs	Foreign Currency	Rs in lacs
<b>Foreign Exposure as at 31st March 2018</b>				
CHF	125,983.58	84.76	-	-
EUR	207,801.52	166.75	20,898.80	29.23
GBP	14,392.00	13.32	-	-
JPY	29,744,003.00	146.46	95,012,878.00	548.35
SGD	-	-	96,870.80	49.07
USD	294,602.49	193.74	3,130.05	2.41

The hedged foreign currency risk is Nil on respective dates.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant.

Particulars	Change in FCR / INR Rate	Impact on Profit & Loss Statements	
		For the year ended 31-03-2019	For the year ended 31-03-2018
USD	+ 50 basis points	(0.07)	1.46
	- 50 basis points	0.07	(1.46)
EURO	+ 50 basis points	0.50	0.93
	- 50 basis points	(0.50)	(0.93)
CHF	+ 50 basis points	(0.00)	0.63
	- 50 basis points	0.00	(0.63)
GBP	+ 50 basis points	-	0.07
	- 50 basis points	-	(0.07)
JPY	+ 50 basis points	(573.61)	(326.34)
	- 50 basis points	573.61	326.34
SGD	+ 50 basis points	(1.22)	(0.48)
	- 50 basis points	1.22	0.48

### B Credit risk:

Credit risk is the risk that a counter party 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 advances to suppliers) and from its financing activities, including deposits and other financial instruments.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 49. The Company does not hold collateral as security except in case of few customers. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	8,529.68	887.50	7,844.62	435.00
Expected Credit Losses (B)		25.75		4.35
<b>Net Carrying Amount (A-B)</b>	<b>8,529.68</b>	<b>861.75</b>	<b>7,844.62</b>	<b>430.65</b>

Credit risk from balances with banks and other financial asset is managed in accordance with the Company's approved investment policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on regular basis and the said limits gets revised as and when appropriate. The limits are set to minimise the concentration of risks and therefore



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

mitigate financial loss through counterparty's potential failure to make payments. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

### C Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Table hereunder provides the current ratios of the Company as at the year end

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total current assets	24,456.25	20,530.92
Total current liabilities	37,526.37	28,848.01
<b>Current ratio</b>	<b>0.65</b>	<b>0.71</b>

The table below summarises the maturity profile of the Company's financial liabilities (Current and Non current) :

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
<b>I As at 31st March, 2019</b>				
(i) Borrowings	23,582.40	16,826.00	3,114.17	43,522.57
(ii) Other Financial Liability	2,684.31			2,684.31
(iii) Trade and other payable	10,488.11			10,488.11
<b>Total</b>	<b>36,754.82</b>	<b>16,826.00</b>	<b>3,114.17</b>	<b>56,694.99</b>
<b>II As at 31st March, 2018</b>				
(i) Borrowings	20,167.57	18,199.45	3,001.98	41,369.00
(ii) Other Financial Liability	2,641.41			2,641.41
(iii) Trade and other payable	5,435.14			5,435.14
<b>Total</b>	<b>28,244.12</b>	<b>18,199.45</b>	<b>3,001.98</b>	<b>49,445.55</b>

### 48 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

### Financial Asset

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
	<b>Financial assets designated at amortised cost</b>	<b>D</b>	Level 2				
(a)	<u>Non Current</u>						
	- Loans			687.81	687.81	303.76	303.76
	- Others Financial Asset			22.47	22.47	10.99	10.99
(b)	<u>Current</u>						
	- Trade receivables			9,391.43	9,391.43	8,275.27	8,275.27
	- Cash and cash equivalents			82.20	82.20	20.37	20.37
	- Bank Balances			559.05	559.05	564.76	564.76
	- Loans			53.12	53.12	51.29	51.29
	- Others Financial Asset			148.77	148.77	294.73	294.73
	<b>Total</b>			<b>10,944.86</b>	<b>10,944.86</b>	<b>9,521.17</b>	<b>9,521.17</b>

### Financial Liability

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
	<b>Financial liability designated at amortised cost</b>	<b>D</b>	Level 2				
(a)	<u>Non Current</u>						
	- Borrowings			19,866.82	19,866.82	21,079.19	21,079.19
(b)	<u>Current</u>						
	- Borrowings			17,399.16	17,399.16	14,968.97	14,968.97
	- Trade payables			10,258.75	10,258.75	5,435.14	5,435.14
	- Other financial liabilities			8,867.55	8,867.55	7,840.01	7,840.01
	<b>Total</b>			<b>56,392.27</b>	<b>56,392.27</b>	<b>49,323.31</b>	<b>49,323.31</b>

- A** Company has opted to fair value its mutual fund investment through profit & loss
- B** Company has opted to fair value its quoted investments in equity share through OCI
- C** As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.



## Notes to Financial Statements for the year ended March 31, 2019

(All amounts are in lakhs unless otherwise stated)

**D** Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

\* In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

### Fair value hierarchy

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

### 49 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic & financial conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

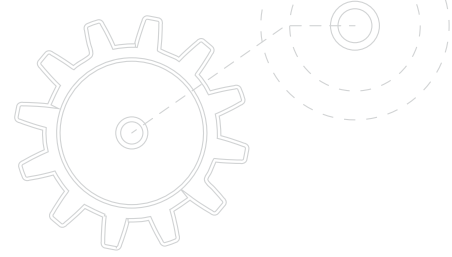
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018 and 31st March, 2019.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Debt (i)	41,162.08	39,687.23
Cash and cash equivalents	(82.20)	(20.37)
Net Debt	41,079.87	39,666.86
Total Equity	17,267.70	19,094.78
<b>Net debt to equity ratio (Gearing Ratio)</b>	2.38	2.08

(i) Debt is defined as long-term and short-term borrowings

Recently the company has set up new plants for business expansion



## 50 Expenditure incurred on corporate social responsibilities

Details of expenditure on corporate social responsibility activities as per Section 135 of Companies Act, 2013 read with schedule III are as below:

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
1. Gross amount required to be spent by the company during the year	0.44	29.40
	<b>0.44</b>	<b>29.40</b>
2. Amount spent during the year		
Education	0.95	44.27
Others	2.00	-
	<b>2.95</b>	<b>44.27</b>

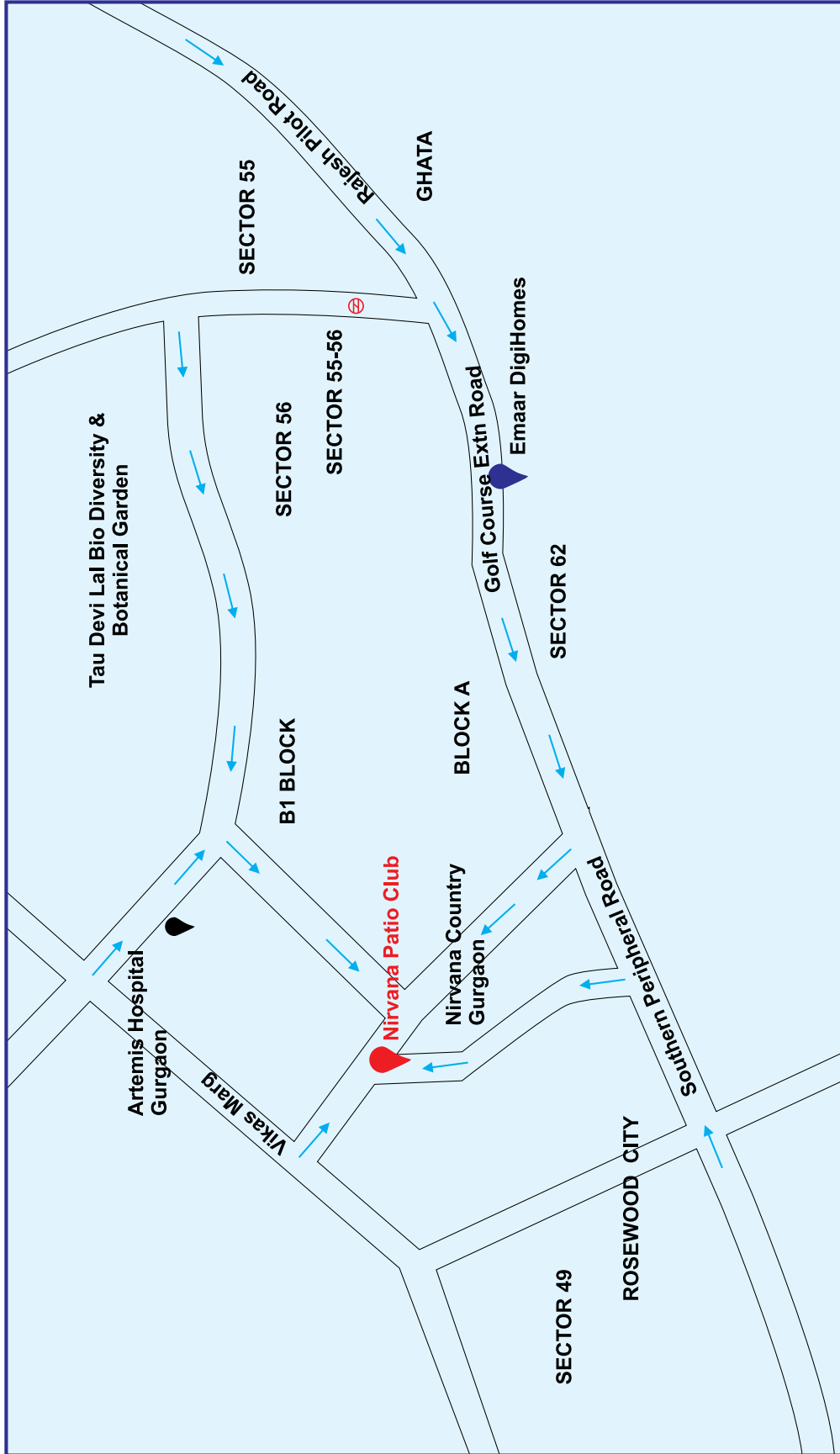
- 51 Pursuant to the notification issued by the Government of India to provide budgetary support under Goods and Service Tax Regime to the existing eligible manufacturing units for a residual period to which the units is eligible, the Company has booked a GST Refund under budgetary support scheme amounting to Rs.1,665.36 Lakhs out of which Rs. 1,149. 49 lakhs is receivable as on March 31st, 2019.

Post the applicability of Goods and Services Tax (GST) with effect from July 1, 2017, revenue from operations are disclosed net of GST. Accordingly, the revenue from operations and excise duty expenses for the year ended March 31, 2019 are not comparable with the previous year.

- 52 The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.



**Location Map for 14<sup>th</sup> AGM on 25<sup>th</sup> September, 2019**



# SHIVAM AUTOTECH LIMITED

CIN: L34300HR2005PLC081531

Registered office: 10, 1<sup>st</sup> floor, Emaar Digital Greens, Tower A, Sector-61,  
Golf Course Extension Road, Gurugram, Haryana-122102

**Form No. MGT - 11**

## Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies (Management and Administration) Rules, 2014]

## **14<sup>th</sup> Annual General Meeting – September 25, 2019**

Name of the member(s):

Registered Address:

Email Id:

Folio No. / Client Id:

DP ID:

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

3	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 14<sup>th</sup> Annual General Meeting of the company, to be held on the 25<sup>th</sup> day of September, 2019 at 12:00 Noon at Club Nirvana Patio, Block- K, Nirvana Country, Sector – 50, Gurugram – 122018, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
1.	Adoption of the Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors for the financial year ended March 31, 2019.		
2.	To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.		
3.	Re-appointment of Mr. Sunil Kant Munjal (DIN 00003902) as an Independent Director of the Company.		
4.	Re-appointment of Mr. Bhagwan Dass Narang, (DIN 00826573) as an Independent Director of the Company.		
5.	Appointment of Retd. Justice Vikramajit Sen (DIN: 00866743) as an Independent Director of the Company.		
6.	Appointment of Dr. Anil Kumar Gupta (DIN: 002643623) as Non-Executive Director of the Company.		
7.	To consider and approve payment of minimum remuneration to Executive Directors.		

Affix  
Revenue  
Stamp

Signed this..... day of..... 2019

Signature of shareholder

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.**



# SHIVAM AUTOTECH LIMITED

CIN: L34300HR2005PLC081531

Registered office: 10, 1<sup>st</sup> floor, Emaar Digital Greens, Tower A, Sector-61,  
Golf Course Extension Road, Gurugram, Haryana-122102

## 14<sup>th</sup> ANNUAL GENERAL MEETING ATTENDANCE SLIP

Name and address of the Member: \_\_\_\_\_

Folio No./Client Id no.: \_\_\_\_\_

No. of Shares(s) Held: \_\_\_\_\_

DP Id.: \_\_\_\_\_

I certify that I am a member / proxy / Representative for the member of the Company.

I/We hereby record my/our presence at the 14<sup>th</sup> Annual General Meeting of the Company being held at Club Nirvana Patio, Block- K, Nirvana Country, Sector – 50, Gurugram – 122018 on Wednesday, the 25<sup>th</sup> day of September, 2019 at 12.00 Noon.

\_\_\_\_\_  
Name of the Member(s) /Proxy /  
Representative

\_\_\_\_\_  
Signature of the Member(s) /Proxy /  
Representative

Notes:

1. A member / proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance of meeting hall.
2. A member intending to appoint a proxy, should complete the Proxy Form attached herewith and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.









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