Jamna Auto Industries Ltd.

August 05, 2019

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400001 Maharashtra

BSE Code: 520051

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051, Maharashtra
NSE Code: JAMNAAUTO

Subject: Submission of Annual Report for FY 2018-19

Dear Sir/Madam,

Pursuant to the requirement of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for financial year 2018-19.

The Annual Report for financial year 2018-19 includes the Business Responsibility Report 2018-19 as required in compliance with the requirement of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to kindly take the same on record.

Thanking you,

Yours truly,

For Jamna Auto Industries Limited

Praveen Lakhera

Company Secretary & Head-Legal

JAMNA AUTO INDUSTRIES LIMITED NEW DELHI

Corporate Office: 5th Floor, Commercial Tower, Hotel Novotel & Pullman, Asset Area No. 2, Hospitality District, Aerocity New Delhi-110037 Tele: +91-11-45504550 I Fax: +91-11-45504551 I www.jaispring.com I CIN: L35911HR1965PLC004485
Regd Office: Jai Spring Road, Yamuna Nagar (Haryana) - 135 001, India I Tel: +91-1732-251810 I Fax: +91-1732-251820
YAMUNA NAGAR | MALANPUR | CHENNAI | JAMSHEDPUR | PANTNAGAR | HOSUR | PUNE | LUCKNOW

Jamna Auto Industries Limited

ANNUAL REPORT 2018-19

FORWARD LOOKING STATEMENT

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral – that we make may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

CONTENTS

Jamna Auto Industries Limited (JAI)
is India's market leader in automotive suspension solutions. We are the second largest player in the World in Multi-Leaf Springs and have in place a full range of suspension solutions for Commercial Vehicles (CVs) that we supply to major OEMs.

For more information:

www.jaispring.com

Star SME
Business Standard Annual Award 2018

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Bhupinder Singh Jauhar
Chairman

Mr. Randeep Singh Jauhar
Vice Chairman & Executive Director

Mr. Pradeep Singh Jauhar
Managing Director & CEO

Mr. S. P. S. Kohli
Executive Director

Mr. Jainender Kumar Jain
Director

Mr. Uma Kant Singhal
Director

Mr. Shashi Bhushan Bansal
Director

Mr. Rakesh Kalra
Director

Ms. Payal Chawla
Director

CORPORATE OFFICE

2, Park Lane, Kishangarh, Vasant Kunj,
New Delhi-110 070, India
Ph. no. 011-26893331, 26896960
Fax no. 011-26893180

Hotel Novotel & Pullman,
Commercial Tower
5th Floor, Asset Area No. 2,
Hospitality District, Aerocity,
New Delhi-110 037, India
Ph: no. 011-45504550
Fax no. 011-45504551

REGISTERED OFFICE

Jai Springs Road, Industrial Area, Yamuna Nagar-135001, Haryana
Ph. & Fax no. 01732-251810/11/14
CIN - L35911HR1965PLC004485

PLANTS

1. Gwalior (MP)
2. Yamuna Nagar (Haryana)
3. Jamshedpur (Jharkhand)
4. Chennai (Tamil Nadu)
5. Hosur (Tamil Nadu)
6. Pillaipakkam (Tamil Nadu)
7. Pune (Maharashtra)

UNDER SUBSIDIARY ENTITY (JAI SUSPENSION SYSTEMS LLP)

8. Pant Nagar (Uttarakhand)
9. Lucknow (UP)

UPCOMING PLANTS

10. Adityapur (Jharkhand)
11. Indore (Madhya Pradesh)

ADVISORS

AZB & Partners
Lakhsmikumaran & Sridharan

TECHNICAL ASSISTANCE

Tinsley Bridge Limited, UK

BANKERS

State Bank of India
Kotak Mahindra Bank Ltd.
Standard Chartered Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
YES Bank Ltd.

AUDITORS

S R Batliboi & Co, LLP
Chartered Accountants

INTERNAL AUDITORS

Protiviti India Member Pvt. Ltd.

SHARE REGISTRAR & TRANSFER AGENT (RTA)

Skyline Financial Services (P) Ltd
D-153 A, First Floor, Okhla Industrial Area, Phase – I,
New Delhi-110020
Ph. no. 011-26812682-88, 011-40450193-97
Fax no. 011-26812682
Email: grievances@skylinerta.com

INVESTOR CELL

Mr. Praveen Lakhera
Company Secretary & Head-Legal
praveen@jaispring.com

BHUPINDER SINGH JAUHAR
Chairman

CHAIRMAN'S **LETTER**

Dear Shareholders,

We are happy to share that FY2019 has been another successful year for the Company. Though commercial vehicle segment witnessed slowdown in the second half of the year, the Company posted growth in consolidated revenue and EBITDA by 23% and 18% respectively year on year. The Company has continued to maintain a double digit growth and achieved CAGR of 20.70% from FY2015 to FY2019.

In FY2019, the Company achieved 34% revenue from new products in line with Company's medium term 'Lakshya'. The Company's motive is to transform itself from historically acknowledged as spring manufacturer to become a complete suspension solution provider. This year, we started inching towards our goal as new products were launched, which includes 10 ton lift axle, trailer suspension and trailer lift axle. Stablizer bars are at an advance stage of development and commercial production thereof shall start shortly. The U-bolts project would also commence by the end of October 2020.

Similar to 'Lakshya' of product diversification, the Company is investing equal efforts in its 'Lakshya' of market diversification. In FY2019, revenue from new markets (after-market and export) was around 16%. In absolute terms, sales in after-market segment grew by 38% year on year. Your Company views after markets-in India and exports as an exciting growth opportunity and has been making focused efforts to increase its presence in these markets.

In the after-market, the Company predominantly provides more than 5,000 part numbers of leaf springs, multi-leaf and parabolic spring. In view of the massive growth and demand in the OEM market, a new range of suspension solution products such as Trailer Mechanical Suspension, Lift Axle and its allied parts were launched in the Indian aftermarket. We marked our presence in Truck Trailer and Tyre Expo 2018, Gujarat, ACMA Northeast Expo 2018, Guwahati and Jharkhand Vendor Development Program 2018 and generated fruitful business from there. The Company will continue to expand its network in after -markets by adding more distributors, retailers and mechanics, and also will start dealing with fleet owners and trailer manufacturers.

Quality has always been paramount for JAI. Last year, Company's Malanpur and Yamuna Nagar plants were awarded the prestigious TPM Excellence Category 'A' award by Japan Institute of Plant Maintenance. During FY2019, the

Jamshedpur plant was awarded the TPM Excellence Category 'A' award. We take pride in sharing that your Company has been awarded as 'Star SME' in the Business Standard annual awards 2018. Business Standard annual awards focus on scale, sustainability and leadership. Your Company is also awarded as the Best Overall Excellence in Operations by Auto Components India (Magazine) 2019.

R&D is a constant endeavour at JAI. During the year, the Company entered into Technology Transfer and Technical Assistance Agreement with Tinsley Bridge Limited, UK for transfer of extralite spring technology and special steel technology. Your Company's R&D team is currently developing extralite springs using Tinsley Bridge technology. These parts are expected to be ready by next financial year. The Company's R&D centre is located in Pune and is approved by the Department of Scientific and Industrial Research. Your Company plans to expand its R&D capabilities by shifting it to a recently bought new location at Pune.

As per 'Lakshya', the Company has maintained payout ratio of 33% of PAT as dividend (inclusive of dividend distribution tax) and achieved RoCE of 55%.

I am happy to inform that during FY2019, ICRA has improved the Company's credit rating for long term debt to AA from AA- with stable outlook. The rating for short term debt has been reaffirmed by ICRA as A1+. Improvement in credit rating is due to by strong financial progress, the consolidated revenue grew at double digit around 23% and consolidated profit before tax grew around 16%.

Your Company acknowledges that harmonious industrial and employee relations enhance productivity and morale. The Company recognizes the dedication and efforts put by the every employees at all levels.

Finally, I would like to express my gratitude to all our stakeholders specially customers, for their continued trust in our ability to support them and bring value to their businesses, and to our collaborators, enabling us to serve our customers and keep our promises to them.

I would also like to thank all the local, state and national governments, the associated bodies, and banks and financial institutions for their strong support.

Yours sincerely

Bhupinder Singh Jauhar

Bhupinder Singh Jauhar
(Chairman)

OUR PRODUCTS

JAI has been manufacturing and supplying various types of Conventional Leaf springs and Parabolic Leaf Springs to the major OEMs and in aftermarket.

JAI has diversified its product range by adding Lift Axle and Air Suspension under technical collaboration with Ridewell Corporation, USA. Lift Axle and bogie suspensions are used for cargo and Air Suspensions are used in low floor buses for a smooth ride and comfort.

JAI has entered into a technology transfer agreement and technical assistance agreement with Tinsley Bridge Limited, UK for extra-lite spring technology and special steel technology.

In future, **JAI** look forward to becoming a complete Suspension System Supplier by increasing the Content Per Vehicle for improved market share and brand visibility.

- Increase Content Per Vehicle
- Become Suspension System Supplier

₹500 Crore

- Conventional leaf springs
- Parabolic leaf spring

PAST
2008-09

₹2100 Crore

- Conventional leaf spring
- Parabolic leaf spring
- Lift Axle
- Air Suspension

PRESENT
2018-19

- Conventional leaf spring
- Parabolic leaf spring
- Lift Axle
- Air Suspension
- U Bolt
- Stabilizer bar
- Trailer Suspension
- Allied Suspension Parts

FUTURE

Multi-leaf Spring

A stack of spring steel leaves held together with a center bolt. The number of leaves in a stack will directly affect the springs capacity or load rate

Parabolic Springs

A leaf/ set of leaves tapered in a parabolic curve. Allows improved ride quality and weight reduction, making it capable of handling increased stress levels and reduced interleaf friction for longer fatigue life

Lift Axle

Uses air bags to carry weight. It can be mounted on trucks, trailers of both and is commonly found in tanker-style as well as vehicles used to haul oversized loads.

Air Suspension

Used in place of conventional steel springs, mostly in heavy vehicles such as buses and trucks. It provides smooth and constant ride quality

New Products

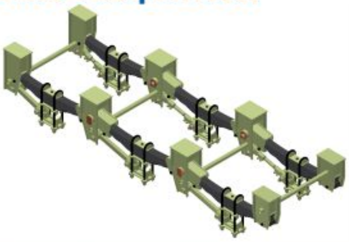
Stabilizer Bar

Reduces body roll of vehicle during fast cornering or over road irregularities. Connects opposite wheels together by a torsion spring.

U bolts

U bolts are used to clamp the leaf springs and related component together firmly.

Trailer Suspension



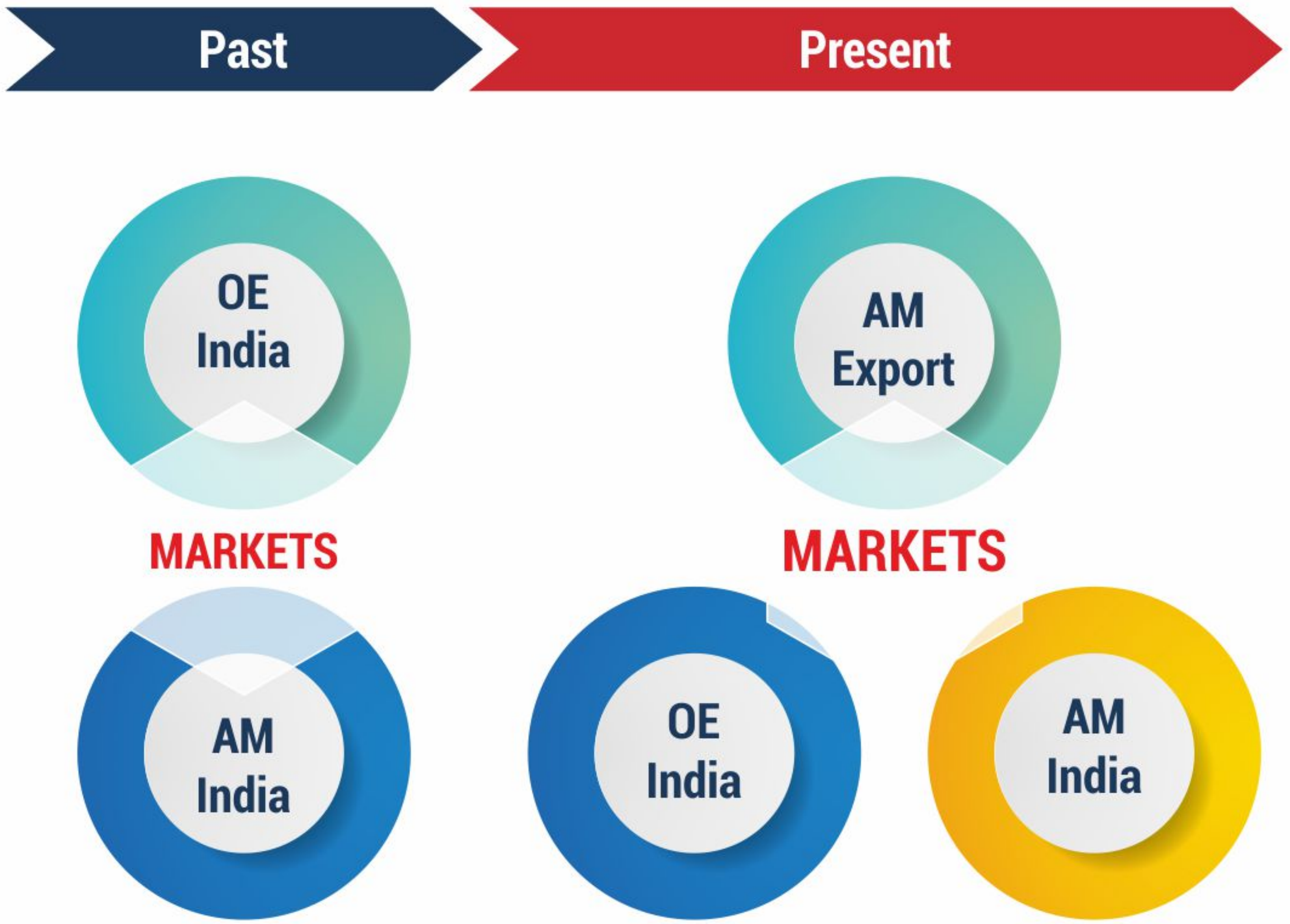
Trailer suspension system is made to link the brakes and wheels to a trailer's body and absorb physical impact caused by road surface.

OUR MARKETS

India's no.1 spring manufacturing Company with 70% share in OEM leaf and parabolic springs.

Company is making focused efforts for market diversification in after markets-in India and abroad as these markets present exciting growth opportunities

- Increasing footprints
- Leveraging Strength



OUR **CUSTOMERS**

AMW THE GLOBAL TRUCK	Ashok Leyland	BHARATBENZ	FORCE MOTORS	GM
ISUZU Your responsible partner	MAN		SML ISUZU	TATA
TOYOTA	UD TRUCKS	VE COMMERCIAL VEHICLES A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE	VOLVO	

MANUFACTURING & NETWORK STRENGTH

- Manufacturing footprints close to customers 9 plants in 7 states
- Only spring company in India with in-house R&D center for suspension solutions
- 240000 MTPA capacity for leaf and parabolic springs
- Upcoming plants in Adityapur (Jharkhand) and Indore (MP)

JAI has strong after market network in India with:

- 6 Depots
- 300+ Distributors
- 4500+ Retailers
- 13500+ Mechanics

Our 360 degree marketing outreach spans across channels and touch points

EXPANDING NURTURING AND GROWING OUR AFTER MARKET PROGRAMS

JAI VISTAR
Expanding | Nurturing | Uplifting

The entire division of after market loyalty programs of JAI comes under the umbrella of JAI VISTAR. We are a Leader in innovative market loyalty programs with highly successful programs aimed at all the players in the marketplace, the Distributor, the Retailer and the Mechanic.

CHANNEL MANAGEMENT PROGRAMS

DISTRIBUTOR'S RELATIONSHIP PROGRAM

RETAILER'S LOYALTY PROGRAM

MECHANIC LOYALTY PROGRAM

MECHANIC ENGAGEMENT PROGRAM

OUR GROWTH STRATEGY: LAKSHYA

Meeting Landmarks and setting Higher Standards...

OPERATIONAL GOAL

33%
Revenue from new products

PERFORMANCE IN FY2019

34%

Product Derisking

OPERATIONAL GOAL

33%
Revenue from new markets

PERFORMANCE IN FY2019

16%

Diversifying Markets

FINANCIAL GOAL

33%
of PAT as Dividend including DDT or shares Buy-back or both

PERFORMANCE IN FY2019

33%

Pay-out Ratio

FINANCIAL GOAL

33%

PERFORMANCE IN FY2019

55%

ROCE

ENVIRONMENT

EDUCATION

CSR ANNUAL REPORT
FY 2018-2019

- Planted saplings all over Company's locations.
- Promoted "Swachh Bharat Campaign" by installing dustbins in Govt. schools, colleges, prisons and public park.
- Encouraged renewable energy by installing solar street lights
- Discouraged use of plastic bags and bottles and promoted glass bottles and jute bags all over Company's locations.

- Distributed scholarship to meritorious students in various school & colleges to help them to continue excel in their studies.
- Improved basic facilities and infrastructure in educational institutes by repairing buildings, toilets, kitchen etc.
- Promoted "Digital India Campaign" by donating computers, renovating computer labs and establishing virtual class rooms.

SPORTS

COMMUNITY OUTREACH

- Sponsored star sports person in Olympic Games in Haryana.
- Promoted sports activities among rural children by distributing sports equipment and organizing sports events in Govt. Schools, colleges and local groups in Haryana, Jamshedpur and Chennai.

- Honored martyrs from para-military forces (BSF, CRPF, Assam Rifles and SSB) by helping their families financially and gifting wheelchairs & TVs to ex- army personal in Paraplegic Rehabilitation Centers.
- Initiated collaboration with "Yuvraj Singh Foundation" to screen and treat needy patients suffering from oral and breast cancer.
- Supported families in Kerala floods by distributing relief materiel like food, utensils, books, clothes, hygiene and medical kits etc.
- Provided financial support to fatherless girls for their marriages, distributed pension to deprived people, woolens, medicines etc. to needy people in adopted villages.

Three Year's Financial Summary

Operational Results (Rs in Lakhs)	2019	2018	2017
Sales including other Income	214,554	174,599	129,756
Operating Profit (PBDIT)	28,742	24,569	20,525
Interest	2,547	1,822	1,224
PBDT	26,195	22,746	19,301
Depreciation & Amortization	4,645	4,137	4,773
Profit Before Tax	21,550	18,609	14,528
Profit After Tax	13,745	12,531	10,496
Financial Indicator			
Assets	41,241	33,227	30,123
Investments	47	47	47
Current Assets	59,209	41,594	19,544
Non Current Assets	6,281	4,072	6,381
Equity Share Capital	3,983	3,983	3,983
Reserves & Surplus	46,972	38,406	29,287
Net Worth	50,955	42,389	33,269
Long Term Funds	362	3,999	2,072
Short Term Funds	-	2,261	5,228
Non Current Liabilities & Provisions	2,920	2,637	2,337
Current Liabilities & Provisions	52,542	27,654	13,189
Ratio			
PBT to Sales %	10	11	11
"PBIT/Avg. Capital Employed (ROCE)"	55	51	54
PAT/Net Worth	27	30	32
EPS (Rs)	3.45	3.15	2.64
Dividend Per Share (Rs)	0.95	0.85	0.70
Net Worth Per Share (Rs)	12.79	10.64	8.36
Face Value Per Share (Rs)	1	1	1

Management Discussion & Analysis

Q. The commercial vehicle (CV) industry has shown strong growth during last few years. How do you see trends in CV industry going forward?

Ans: The CV industry has an overall good run in the last three years witnessing sustained growth. However, the industry currently seeing a slowdown mainly due to liquidity crunch and revised axle norms. It is also necessary to consider the impact of regulatory changes such as BS-VI emission norms, axle load norms and scrappage of old vehicles, as these are influencing product launches of OEMs. The impact of axle load regulations could be short term as implementation thereof would settle in the coming months. Similarly, the cost of change to BS-VI emission norms could impact the purchasing power of the consumers so likely to impact demand creation. However, the vehicle scrappage policy will have a positive impact on the commercial vehicle demand.

Q. The Company has been constantly outperforming the CV industry growth. Will this momentum continue? What is JAI's risk mitigation plan to cover CV industry cyclicity?

Ans: FY 2019, was another good year for the Company. The Company's consolidated revenue rose to Rs. 2135 crore. The consolidated PBT stood at Rs.215 crore.

JAI is already the market leader with 70% share in OEM leaf and parabolic springs. The Company has nine plants strategically located in close proximity to our customers' base. For any increase in demand, the Company has added capacity through modernization of existing plants and expansion also. The Company has planned new units at Pithampur near Indore, Madhya Pradesh and Adityapur near Jamshedpur, Jharkhand in continuation to Company's strategy of staying close to customer base.

After reaching the leadership position in leaf and parabolic spring products, the Company's focus is to expand in new product and markets. The Company considers after markets with huge potential to grow and making focused efforts to expand its network in after -markets. The Company has expanded its product portfolio and introduced spring allied products and a range of lift axle components in the after markets.

The Company has entered into Technology Transfer and Technical Assistance Agreement with Tinsley Bridge Limited, UK for transfer of extralite spring technology and special steel technology. Development of extralite springs using Tinsley Bridge technology is at an advance stage by the R&D team. The technology will be a key differentiator as it will substantially improve products quality with signification reduction in weight.

Though commercial vehicle segment witnessed slowdown from the second half of FY 2019, the current phase seems to be temporary. The demand slowdown can largely be attributed to the liquidity crisis in Non Banking Financial Companies as these NBFCs are not able to advance loans at the same pace or at earlier interest rates due to high funding cost. The pent up demand is likely materialize once NBFCs lending activities revert back to earlier levels.

The industry is currently working towards implementation of BS-VI emission norms by 2020. BS-VI emission norms will elevate domestic vehicles to the level of those that are made in advanced markets.

Q. Could you please provide an update on Company's 'Lakshya' in FY 2019 for diversification, returns and dividends to shareholders?

Ans: Lakshya is a medium-term strategy aimed at value-creation through product and market diversification, achieving higher returns and sharing of earnings with shareholders. In FY 2019, progress in Lakshya was as follows:

33% revenue from new products:

In FY 2019, the Company achieved 34% revenue from new products against the Lakshya of 33% revenue. As mentioned earlier, the Company is the market leader in the multi-leaf spring market. Now, the Company aims to transform itself from a spring manufacturer to a complete suspension solution provider. Stablizer bars project is at an advance stage of development and commercial production. The U-bolts project is about to start by the end of October 2020.

33% revenue from new markets:

The Company is making focused efforts for market diversification to increase its presence in after - markets in India and abroad as these markets present exciting growth opportunities. In FY 2019, the Company achieved around 16% revenue from new markets. The Company's strong pan-India network of 6 depots, 300+ distributors, 4,500+ retailers and catering to 13,500+ mechanics across 465 towns in the Country is an advantage. This network is supported by dedicated supply chain integrated with an advanced ERP system. The Company will continue to expand its pan-India network by adding more distributors, retailers and mechanics, and also fleet owners and trailer manufacturers.

The Company has the widest products range in the aftermarket, supplying more than 5,000 part numbers of all types of springs for all types of commercial vehicles. The Company also plans to expand product portfolio in aftermarket through sale of lift axle, air suspension parts and spring allied products such as U-Bolt, Center Bolt, Spring Ping and Bush. During FY 2019, the Company introduced 10 ton lift axle, trailer suspension and trailer lift axle in the after markets.

33% ROCE:

On the operations side, we focus on reducing fixed costs and increasing productivity at the shop floor level to lower break-even point. Reduction in the break-even point has a favourable and direct impact on RoCE. During the FY 2019 the Company has achieved RoCE of 55%. The Company focuses a lot on meticulously deploying its capital for projects along with strong control on revenue expenses.

33% payout ratio:

We believe in distributing the reward of performance with the shareholders. The Company aims to achieve consistent shareholder payouts ratio of 33% of PAT in the form of dividend (inclusive of dividend distribution tax) or shares buy back or both, as a part of the 'Lakshya'. During the FY 2019 also the Company maintained the payout ratio of 33% of PAT. After payment of final dividend of Rs.0.45 per share, the total dividend paid for FY 2019 would be Rs. 0.95 per share maintaining the Lakshya.

Q. What are the key financials of the Company?

Ans: Following are the key financials of the Company at standalone and consolidated levels. For details members are requested to see five years financial summary:

(Rs. in lakhs)

Particulars	Standalone Year ended March 31, 2019	Consolidated Year ended March 31, 2019
Net Sales	204,553	213,481
PBDIT	26,908	28,742
Finance cost	2,164	2,547
PBDT	24,743	26,195
Depreciation & Others	4,411	4,645
PBT	20,332	21,550
Provision for tax		
• Current tax	6,588	7,914
• Defferred tax	(234)	(109)
PAT	13,978	13,745

Key financial ratios

S. No.	Particulars	Standalone Year ended March 31, 2019	Consolidated Year ended March 31, 2019
1	Debtors Turnover	10.04 times	8.62 times
2	Inventory Turnover	11.87 times	11.02 times
3	Interest Coverage Ratio	10.39 times	9.46 times
4	Current Ratio	1.19 times	1.13 times
5	Debt Equity Ratio	0.00 times	0.01 times
6	Operating Profit Margin (%)	11.00%	11.29%
7	Net Profit Margin (%)	6.83%	6.44%

Return on net worth (ROCE) increased to 55% during FY 2019 from 51% of previous year. For details members are requested to refer earlier question in the section.

Q. What are the internal controls in the Company?

Ans. The Indian industry has witnessed a major shift towards better internal controls with mandatory implementation of internal financial controls (IFC). The Company has put in place strong internal control, systems and processes and keeps reviewing their adequacy from time to time. The Company places strong emphasis on best practices in corporate governance. There is a strong system of both internal review as well as review by external independent auditors. Protivity India Member Private Limited, Internal auditors does the regular periodic audits of all locations.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 53rd Annual Report and Audited Financial Statements for the financial year ended March 31, 2019.

Financial Results-An Overview

(Rs. in crore)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018
Net Sales	**2,045.53**	1,608.55	**2,134.81**	1738.13
PBDIT	**269.08**	229.71	**287.42**	245.69
Finance cost	**21.64**	15.31	**25.47**	18.22
PBDT	**247.43**	214.40	**261.95**	227.46
Depreciation	**44.11**	39.41	**46.45**	41.37
PBT	**203.32**	174.99	**215.50**	186.09
Provision for current tax	**65.88**	54.00	**79.14**	63.66
Provision for deferred tax	**(2.34)**	(4.36)	**(1.09)**	(2.88)
PAT	**139.78**	125.34	**137.45**	125.31
Other Comprehensive Income	**(1.39)**	(0.49)	**(1.37)**	(0.58)
Total Comprehensive Income	**138.40**	124.85	**136.08**	124.72
Balance brought forward	**172.77**	81.47	**170.14**	78.97
Payment/Provision of dividend including tax	**50.42**	33.56	**50.42**	33.56
Retained earnings	**260.75**	172.77	**255.80**	170.14

Performance

During the year under review, the Company has registered consolidated revenue of Rs. 2,135 crore as compared to previous year revenue of Rs. 1,738 crore. The consolidated PBT stood at Rs. 215 crore as compared to Rs. 186 crore in the previous year.

During the year under review the Company has entered into Technology Transfer and Technical Assistance Agreement with Tinsley Bridge Limited, UK for extralite spring technology and special steel technology. These springs are under development and expected to be ready by next financial year. The Company also plans to expand its R&D capabilities by shifting it to a recently bought new location at Pune.

The Company is the market leader in the multi-leaf spring market and aims to transform itself to a complete suspension solution provider. Stablizer bars project is at an advance stage of development and commercial production and the U-bolts project is about to start by the end of October 2020. The Company has planned new units at Pithampur near Indore, Madhya Pradesh and Adityapur near Jamshedpur in continuation to Company's strategy of staying close to customer hubs.

The Company is making focused efforts in after - markets in India and abroad to increase its presence. The Company has a strong pan-India network of depots, distributors and retailers across 465 towns in the Country and will continue to expand its pan-India network. During the year under review, the Company introduced 10 ton lift axle, trailer suspension and trailer lift axle in the after markets and plans to expand product portfolio through sale of lift axle, air suspension parts and spring allied products such as U-Bolt, Center Bolt, Spring Ping and Bush.

During the year under review, the Company has received the credit rating from ICRA Limited ("ICRA"). At present the Company's long term credit rating is [ICRA]AA (pronounced ICRA double A) and short term rating as [ICRA]A1+ (pronounced ICRA A one plus) on the Working Capital Facilities and Term Loan Facility. ICRA has also re-affirmed credit rating of [ICRA] A1+ (pronounced as ICRA A one plus) of Commercial Paper (CP) issue of the Company. The outlook on Long Term Rating has been revised to Stable from Positive.

During the year under review, the Jamshedpur plant was awarded the TPM Excellence Category 'A' award. The Company was also awarded as 'Star SME' in the Business Standard annual awards 2018 and the Best Overall Excellence in Operations by Auto Components India (Magazine) 2019.

A detailed discussion on the operations and performance for the year under review is given in the Management Discussion and Analysis (MDA) section in the annual report. For details, members are requested to please see MDA section.

There has been no change in the nature of business of the Company during the year under review. During the year under review and till the date of last reporting no such material changes/commitments have taken place as to affect the financial position of the Company.

Dividend

An interim dividend of Rs.0.50 per equity share of Rs.1 each was declared and paid during the FY 2018-19. In addition, the Directors are pleased to recommend for your consideration a final dividend of Rs.0.45 per equity share of Rs. 1 each. Payment of final dividend will be made subject to approval of the members of the Company at the ensuing Annual General Meeting. With the payment of final dividend, the total dividend payment for the FY 2018-19 would be Rs.0.95 per equity share of Rs. 1 each.

Dividend Distribution Policy

The Company has formulated and implemented the Dividend Distribution Policy in accordance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy has been hosted on the Company's website www.jaispring.com and is given as Annexure-1.

Transfer to Reserves

The Company has not transferred any amount to the General Reserves for the financial year ended March 31, 2019.

Directors and Key Managerial Personnel

The Company's Board of Directors consists of nine Directors where the chairman is a non-executive director, three are executive directors, and five are independent directors. The composition of Board of Directors is in conformity with the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There is no change in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year ended March 31, 2019.

The Company has received declaration from all the independent directors stating that they continue to meet the criteria of independence laid down under Section 149(7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Further, all the Directors have confirmed that they have complied with the Company's code of conduct.

The first term of appointment of Mr. U. K. Singhal, Mr. Shashi Bansal and Mr. J. K Jain, Independent Directors of the Company was valid till March 31, 2019. The Nomination & Remuneration Committee of the Board in its meeting held on January 31, 2019 has recommended to the Board re-appointment of Mr. U. K. Singhal, Mr. Shashi Bansal and Mr. J. K Jain as Independent Directors for second term. The Board of Directors in its meeting held on January 31, 2019 has approved the re-appointment of Mr. U. K. Singhal, Mr. Shashi Bansal and Mr. J. K Jain as Independent Directors for second term commencing from April 01, 2019.

The executive directors are paid monthly remuneration and commission on the profits of the Company as per the terms of their appointment. Non-executive directors are paid sitting fee for attending meetings of the Board and Committee thereof. The Nomination & Remuneration Committee reviews and makes recommendations of the appointment and remuneration of the executive directors. The Policy relating to remuneration of Directors forms an integral part of this report and is attached as Annexure-2. The policy is also available on the website of the Company at www.jaispring.com.

In compliance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. B S Jauhar, Chairman of the Company will retire at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment. The Board recommends his re-appointment.

The brief profile of the Directors who are proposed to be appointed / re-appointed, are furnished in the notice of 53rd Annual General Meeting in compliance with the provisions of Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards issued by Institute of Company Secretaries of India.

The Company has a policy for appointment, nomination & remuneration of Directors, KMP and Senior Management as per the requirements of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which formulates the criteria for determining qualifications, positive attributes & independence of a director and their remuneration and the same is annexed as Annexure-2. The policy is also available at the website of the Company i.e. at www.jaispring.com.

The Company regularly appraises the Directors at the meetings about the changes and updates in the regulatory and business environment to enable them to familiarize with the Company's procedures and practices. The details of familiarization programs imparted to directors is provided on the website of the Company i.e. www.jaispring.com.

The evaluation of Board as a whole and Non Independent Directors including Chairman was done by the Independent Directors in their meeting held on January 31, 2019.

Meetings of Board of Directors

During the year under review, five meetings of the Board of Directors of the Company were held on May 22, 2018, August 08, 2018, October 01, 2018, November 12, 2018 and January 31, 2019 respectively. The complete details about the Board's strength, attendance and remuneration of directors is given under Corporate Governance Report which forms an integral part of this Annual Report.

Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in preparation of the annual accounts of financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.

c) the directors had 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.

d) the directors had prepared the annual accounts on a going concern basis.

e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

f) the directors had devised proper systems to ensure compliance of the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and Auditors' Report

Statutory Auditors

The Company in its 52nd Annual General Meeting had approved the appointment of M/s S. R. Batliboi& Co; LLP Chartered Accountants as statutory auditors of the Company to hold office till the conclusion of 57th Annual General Meeting.

The report of the statutory auditors read with notes on accounts is self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remarks.

Secretarial Auditors

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 appointed M/s K J & Associates, Company Secretaries, to undertake the

Secretarial Audit. The self-explanatory report of the Secretarial Audit is attached as Annexure-3. The Board of Directors in their meeting held on May 21, 2019 has appointed M/s. RSM & Co., Company Secretaries as Secretarial Auditors to conduct Secretarial Audit for the FY 2019-20.

Cost Auditors

M/s Jangira & Associates, Cost Accountants were appointed as cost auditors of the Company for the FY 2018-19 pursuant to the requirements of Section 148 of the Companies Act, 2013. The cost audit report for the FY 2017-18 would be filed with the Central Government within the prescribed time. The Board of Directors in its meeting held on May 21, 2019 has re-appointed M/s Jangira& Associates as cost auditors of the Company for the FY 2019-20. The approval for the remuneration payable to the Cost Auditor is being sought from the members of the Company in the ensuing Annual General Meeting.

Internal Auditors

Protivity India Member Private Limited was appointed as an Internal Auditors for FY 2018-19. The Board of Directors have re-appointed Protivity India Member Private Limited as Internal Auditors for FY 2019-20.

Subsidiary

As on March 31, 2019, the Company has one wholly owned subsidiary namely Jai Suspensions Limited. The subsidiary company has not started its business activity during FY 2018-19. The Company is also a majority partner in Jai Suspension Systems LLP. A statement containing the salient features of the financial statement of the subsidiary in the Form AOC-1 is attached with the financial statements of the Company as per the requirement of Section 129(3) of the Companies Act, 2013.

Equity Shares

The Company has not issued any sweat equity shares or equity shares with differential voting rights hence there are no information required to be furnished in terms of provisions of Rule 4(4) and Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

In compliance with the provisions of Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI (Share Based Employee Benefits) Regulations, 2014, the particulars with regard to employs stock options as on March 31, 2019 are annexed as Annexure-4 and forms an integral part of this report.

Transfer of amount to Investor Education and Protection Fund

In terms of provisions of Section 124(6) of Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, amount of dividend entitlements which remained unclaimed for seven consecutive years or more and corresponding shares thereof were transferred by the Company to Investor Education and Protection Fund during the FY 2018-19. The details of dividend and shares which were transferred to IEPF during the year has been provided under the Corporate Governance section of this report.

The detailed list of shareholders whose dividend or shares has been transferred to IEPF has been hosted on the website of the Company at www.jaispring.com.

Business Responsibility Report

Business Responsibility Report in terms of the provisions of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms integral part of the Annual Report and annexed as Annexure-5.

Management Discussion & Analysis

Management Discussion & Analysis Report is set out as separate section of the Annual Report.

Corporate Governance

Your Company aspires to achieve the highest standards of corporate governance and seeks to consistently enhance and improve its performance, emphasizing transparency in accordance with applicable laws, regulations and codes. As per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on Corporate Governance is set out in the Annexure-6 forming part of this report.

Material Changes and Commitment

There were no material changes and commitments affecting the financial position of the Company between the end of FY 2018-19 i.e. March 31, 2019 and date of this Report. There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its future operations.

Extract of Annual Return

The extract of the Annual Return in Form MGT-9 is available on the website of the Company at www.jaispring.com.

Particulars of Employees

Particulars of Directors and Employees as required under Section 197(12) of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as Annexure-7 and form part of this Report.

As per the provisions of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of ensuing Annual General Meeting.

Corporate Social Responsibility (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, a report on CSR activities undertaken by the Company as per CSR Policy of the Company for the year ended March 31, 2019, forms an integral part of this Annual Report and annexed as Annexure-8.

Fixed Deposit

During the year under review, your Company has not invited or accepted or renewed any fixed deposits from public under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Energy Conservation, Technology Absorption & Foreign Exchange

In accordance with the requirements of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts)Rules, 2014, a statement showing particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is annexed hereto as Annexure-9 and forms an integral part of this report.

Risk Management Policy

Risk evaluation and management is an ongoing process. As a process, risks associated with the business are identified and prioritized based upon the Company's overall risk appetite, strategy, severity and probability of occurrence. Risks identified under business operations and processes are addressed through mitigating actions. The key risk areas are monitored and assessed prudentially and effectively. One of the major aim of the Lakshya is to de-risk the Company from market, operational and other risks. The Company has established a three layer framework for risk identification, evaluation, control, minimization and control. The Company also has a risk management policy in place. Risk management policy of the Company is available at the website of the Company at www.jaispring.com.

Internal Financial Control

The Company has devised systems, policies, procedures, frameworks for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower

The Company has implemented whistleblower policy to deal with any fraud, irregularity or mismanagement in the Company. The policy enables any employee or director to directly communicate to the Chairman of the Audit Committee to report any fraud, irregularity or mismanagement in the Company. The policy ensures strict confidentiality while dealing with concerns and also that no discrimination or victimization is meted out to any whistleblower. The policy is also hosted on the website of the Company at www.jaispring.com.

Related-Party Transactions

In compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, each Related Party Transaction is placed before the Audit Committee for prior approval. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseen and repetitive in nature. Details of the transactions with related parties entered into by the Company are also periodically placed before the Audit Committee and the Board of Directors. The policy on Related Party Transactions, as approved by the Board, is available on the Company's website at www.jaispring.com. Form AOC-2 for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188 of the Companies Act, 2013 is annexed hereto as Annexure-10 and forms an integral part of this report.

Human Resource

Your Company considers its employees as a valuable resource and ensures the strategic alignment of human resource practices to business priorities and objectives. The Company has a HR policy which emphasizes the need of attaining organizational goals through individual growth and development. The Company always strives to rejuvenate competence through training and personal development across its workforce, employees, staff which excels them for higher engagement and exposure to new opportunities through skill development.

IPR

During the year, Company has filed application through Madrid system for international registration of its trademark "JAI". Company has also getting registration of its trademarks for new products like U-bolt, Centre bolt etc. Company's application for granting Indian Patent for Air Suspension is pending before the Indian Patent Authorities. Company is copyright holder of more than 90 designs of Leaf and Parabolic spring.

Disclosure for Compliance of Secretarial Standards

The Company has complied with the Secretarial Standard-1 (Meetings of Board of Directors) and Secretarial Standard-2 (General Meetings) issued by the Institute of Company Secretaries of India.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a mechanism in place to redress complaints reported under it. Internal Complaint Committee (ICC) has also been set up to redress the complaints received of sexual harassment. In the Financial Year 2018-19, 1 complaint was received by ICC and disciplinary action was taken by the ICC against the employee. There was no complaint of sexual harassment pending as on March 31, 2019.

Appreciation

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board of Directors

Place: New Delhi **(B. S. Jauhar)**
Date: May 21, 2019 Chairman

ANNEXURE-1 TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), the Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ('the Policy").

The Company presently has only one class of shares i.e. equity, for which the Policy is applicable. The Policy is subject to review as and when the Company issues different classes of shares.

The primary aim of the Company has always been to share the rewards of performance with shareholders. In accordance with the Company's medium-term strategy focused on value-creation for its stakeholders, the Company has a policy of distribution of 33% of the net profits in a year as dividend (inclusive of dividend distribution tax) or shares buy back or both. The Company will endeavor to maintain steady level of payout of 33% of the net profits unless otherwise decided by the Board of Directors in terms of this Policy.

During a financial year the Board may declare interim dividend(s) and/or the Board may also recommend final dividend. The final dividend shall be subject to approval of the members of the Company at the Annual General Meeting. The declaration and payment of dividend (including interim dividend) shall be in accordance with the provisions of Section 123 of the Companies Act, 2013 read with applicable rules made thereunder, SEBI Regulations and any other applicable provisions of various laws and statutes in force.

The Board will consider following financial parameters and internal and external factors for declaration of dividend:

(i) The Company's financial position and financial requirement including working capital, capital expenditure, debt repayment, repayment of debt etc.

(ii) expansion, modernization, diversification, acquisition plans

(iii) distributable surplus available as per the Companies Act, 2013 and regulations made thereunder

(iv) taxation policy

(v) condition or covenant of any agreement related to declaration and payment of dividend by the lenders of the Company

(vi) general economic and business conditions

(vii) any other factors and conditions which the Board of Directors may consider before declaring dividend

The Dividend for any financial year shall normally be paid out of the Company profits for that year. However, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Companies Act, 2013 read with applicable rules made thereunder, SEBI Regulations and any other applicable provisions of applicable laws and statutes in force.

The profits retained shall be continued to be deployed for all or any of the purposes below:

(i) to fund, fully or partially, ongoing and future expansion, modernization, expansions

(ii) to fund, fully or partially, financial requirements of the Company including working capital, capital expenditure, debt repayment etc.

(iii) for buyback of shares

(iv) for issuance of bonus shares

(v) for any other purpose(s) as may be permitted under the Companies Act, 2013 and other applicable laws

The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

(i) In the event of loss or inadequacy of profit

(ii) Prospective merger/acquisition opportunities, growth opportunities/threats/concerns of the Company

(iii) Higher working capital requirements for business operations of the Company

(iv) In the event where Board strongly believes the need to conserve capital for growth or other exigencies

(v) Due to any regulatory obligations and statutory restrictions

(vi) Allocation of funds for buy-back of securities

The Board of Directors shall have the right to modify, amend or change any or all the clauses of this Policy in accordance with the provisions of the Applicable laws/ Acts /SEBI Regulations or otherwise. In case of any amendment(s), clarification(s), circular(s) etc. issued under any Applicable laws/ SEBI Regulations, which is not in consistent with any of the provisions of this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall be deemed to be amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

The Policy will be available at the Company's website at www. jaispring.com.

ANNEXURE 2 TO THE DIRECTORS' REPORT

Appointment, nomination and remuneration of Directors, Key Managerial Personnel and Senior Management

In terms of the provisions of Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has a Nomination and Remuneration Committee of the Board to deal with the matter related to appointment, nomination and remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel. Following is the constitution and terms of reference of the Nomination and Remuneration Committee:

1. Mr. Shashi Bhushan Bansal, Chairman
2. Mr. J. K. Jain, Member
3. Mr. U. K. Singhal, Member

(i) The Committee shall identify persons who are qualified to become Directors and who may be appointed as KMP or Senior Management Personnel in accordance with the criteria laid down and shall recommend to the Board their appointment and removal and shall carry out evaluation of Director's performance.

(ii) The Committee shall also formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, KMP and Senior Management.

(iii) The Committee shall, while formulating the policy relating to the remuneration, ensure that-

a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Criteria for appointment of Directors, KMP and Senior Management Personnel

- The Committee shall identifies, ascertain and consider the integrity, qualification, expertise and experience of the person for appointment as Director or KMP or Senior Management Personnel before making recommendation to the Board about his appointment.
- Other factors which may be considered for appointment of Director, KMP and Senior Management Personnel are as follows:

i. Age, number of years of service, specialized expertise and period of employment or association with the Company

ii. Special achievements and operational efficiency which contributed to growth in business in the relevant functional area

iii. Constructive and active participation in the affairs of the Company

iv. Diversity of the Board

v. Demonstrable leadership qualities and interpersonal communication skills

vi. Transparency, unbiased and impartial opinions and ability of maintaining confidentiality

A person in order to be eligible for appointment as Independent Director, shall fulfill the criteria of Independence as defined in the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee considers and determines the remuneration payable to the Director or KMP or Senior Management Personnel and recommends the same to the Board for approval. The appointment, re-appointment and the remuneration of a Director or KMP or Senior Management Personnel is decided in accordance with the conditions laid down as per the provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the rules and regulations made thereunder and subject to the approval of the shareholders of the Company and Central Government, wherever required.

Senior Management Personnel shall include employee one level below chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The appointment of Whole Time Director or Managing Director is made for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term. The Non-Executive and Independent Director are appointed in terms of the provisions of Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the approval of the members of the Company, if required. An Independent Director is appointed for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. At the time of appointment of a person as an Independent Director a declaration is taken from such person that he fulfills the criteria of Independence as defined in the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Every independent director shall, at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. No person shall be appointed or continue as an alternate director for an independent director of a listed entity. All the Non-Executive and Independent Director receive remuneration by way of fees for attending meetings of Board or Committee thereof.

The Company has taken Directors & Officers liability insurance for its Directors and officers. The premium paid on such insurance is not treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

The Director, KMP and Senior Management Personnel retire as per the applicable provisions of the Companies Act, 2013 and terms of their appointment. The Board can re-appoint a retiring Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to the provisions of the Companies Act, 2013 or SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The performance evaluation of Directors is done by the Board based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings. The Present Structure of the Board Consist of optimum combination of Executive and Non- Executive Directors and the Board has also appointed Woman Director as mandated by the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Company also recognize that all appointments, whenever required shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective and the Board should be diversified Board containing expert from different field so that their experience as well as knowledge could be used for the benefit of the Company.

ANNEXURE-3 TO THE DIRECTORS' REPORT

Form No. MR-3
(SECRETARIAL AUDIT REPORT)
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Jamna Auto Industries Limited
Jai Springs Road, Industrial Area,
Yamuna Nagar- 135001,
Haryana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jamna Auto Industries 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 Jamna Auto Industries Limited'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 the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Jamna Auto Industries Limited ("the Company") for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments made from time to time;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client as amended from time to time;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time; and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 as amended from time to time;

(vi) The Factories Act, 1948,

(vii) The Payment of Wages Act, 1936

(viii) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and

(ix) The Environment Protection Act, 1986.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that:

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

Adequate notice 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.

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.

For **KJ & Associates**
Company Secretaries

(Ramesh Kumar)
Partner
M.No. : FCS -6393
C P No. : 5197
Place : New Delhi
Date : May 09, 2019

NOTE: Our report of even date is to be read in the light of the following:

1. Maintenance of Secretarial records is the responsibility of the management of the Company.

   Our responsibility is to express our opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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 areasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KJ & Associates**
Company Secretaries

(Ramesh Kumar)
Partner
M.No. : FCS -6393
C P No. : 5197
Place : New Delhi
Date : May 09, 2019

ANNEXURE-4 TO THE DIRECTORS' REPORT

Disclosure regarding Employees Stock Option Plan pursuant to SEBI (Share Based Employees Benefits) Regulations, 2014 and Rule 8 (12) of the Companies (Share Capital and Debentures) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2019

The Company has issued stock options to its permanent employees in accordance with the Company's Employee Stock Option Scheme 2006 and 2008. Both the Schemes are administered by the Compensation Committee constituted pursuant to SEBI (Share based employee benefits) Regulations, 2014. All the permanent employees of the Company and of the subsidiaries, including Directors but excluding promoters of the Company are eligible to participate in the Schemes. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

ESOP Scheme	Members approval	Number of options approved
ESOP Scheme-2006	January 25, 2007	3,14,000
ESOP Scheme-2008	July 01, 2008	Not more than 5% of the paid up equity shares capital of the company as on March 31, 2012

Date of Grant	**Number of options granted**	**Exercise Price (In Rs.)**	**Market price (In Rs.)**
ESOP Scheme-2006			
January 01, 2007	257,000	30.62	30.62
August 25, 2007	57,000	44.20	44.20
ESOP Scheme-2008			
February 08, 2010	867,461	54.95	54.95
August 05, 2010	361,250	120.65	120.65

The stock option shall vest proportionately over the period of 5 years from the date of grant in the ratio of 15% for the first year, 20% for second to forth year and 25% for the fifth year. The options would be granted at the exercise price that is equivalent to the prevailing market price at the time of grant. The exercise price, in cash, is paid by the employee at the time of exercise of the stock option. No stock option is granted in lieu of cash. The option lapses if not exercised within a period of 3 years from the date of vesting of option. The lapsed option is available for being re-granted/ re-issue at a future date. The maximum number of options that may be granted to any specific employee is upto 0.5 % of the issued capital of the company. A stock option, if exercised, is allotted 10 equity shares of Rs.1 each (after subdivision of equity shares).

The Company had been using intrinsic value method of accounting ESOP expenses as prescribed by SEBI (Share based employee benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, to account for stock options issued under the Company's stock option schemes. Under this method, compensation expenses are recorded on the basis of excess of the market price of share at the date of grant of option over exercise price of the option. There would be no impact on the profit or earnings per share had the Company used the fair value of the options as the method of accounting instead of intrinsic value as the fair value is less than the intrinsic value of the option.

(B) Summary of stock options

Options outstanding at the beginning of the year	28,025
Options granted during the year	Nil
Options forfeited / lapsed during the year	28,025
Options vested during the year	Nil
Options exercised during the year	Nil
Shares arising as a result of exercise of options	Nil
Source of shares	N. A.
Money realized by exercise of options (Rs.)	N. A.

Loan repaid by the trust during the year from exercise price received	N.A.
Options outstanding at the end of the year	Nil
Options exercisable at the end of the year	Nil
Variation in terms of options	Nil
Employee-wise details of options granted during the year to	
(i) KMP/ Senior managerial personnel	Nil
(ii) Other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
(iii) Employees who received the options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil
Diluted EPS (Rs)	3.51

(C) Weighted average shares price on the date of exercise of the options is Rs.120.65 (Previous year Rs.153.03)

(D) Weighted average fair value of options: The fair value of each option is estimated using the Black Scholes model after applying the following weighted average assumptions:-

	For the year ended March 31, 2019
Risk free interest rate	*
Expected life	*
Expected Volatility (%)	*
Expected Dividend (%)	*
Price of underlying shares in the market at the time of option grant	*

*Not applicable since the Company has not granted stock options during the year

ANNEXURE-5 TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

ANNEXURE I

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L35911HR1965PLC004485
2	Name of the Company	Jamna Auto Industries Limited
3	Registered address	Jai Springs Road, Industrial Area, Yamuna Nagar-135001, Haryana
4	Website	www.jaispring.com
5	E-mail id	praveen@jaispring.com
6	Financial Year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Category: Manufacture of diverse parts and accessories for motor vehicles NIC Code: 29301
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company is in the business of manufacturing of automotive suspension which includes (i) Parabolic and Tapered leaf spring (ii) Lift axle and (iii) Air suspension.
9	Total number of locations where business activity is undertaken by the Company	Seven
9 (a)	Number of International Locations	Nil
9 (b)	Number of National Locations	Seven
10	Markets served by the Company – Local/State/ National/International	The Company has PAN India market presence through its plants, depots and dealer networks. The Company also exports to international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	Rs.39.83 crore
2	Total Turnover	Rs.2046 crore
3	Total profit after taxes	Rs.140 crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.15%

5	List of activities in which expenditure in 4 above has been incurred	• Promotion of Education • Promotion of sports • Environment Conservation & Sustainability • Skill Development • Promotion of gender equality & empowering women • Elevation of hunger, poverty and malnutrition, • Promoting healthcare • Benefit to armed forces veterans, war widows and their dependents • Rural Development • Supporting art & culture

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, as on March 31, 2019, Company has one subsidiary namely Jai Suspensions Ltd.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

B. Details of Director/Directors responsible for BR

Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number : 01643796
Name : Mr. S.P.S. Kohli
Designation : Executive Director

Details of the BR head

	Particulars	Details
1	DIN Number	01643796
2	Name	Mr. S.P.S. Kohli
3	Designation	Executive Director
4	Telephone Number	+91-11-45504550
5	Email Id	spskohli@jaisprings.com

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

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the well-being of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance (Reply in Y/N)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the internal stakeholders of the Company. The external stakeholders are being consulted as per business requirements and on need basis.								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies adopted by the Company are in conformity with the applicable statutory laws, rules and regulations.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies have been approved by the Management of the Company and are approved by the Board wherever statutorily required.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Board of Directors have appointed Mr S.P.S. Kohli, Executive Director of the Company to oversee the implementations of the Business Responsibility								
6	Indicate the link for the policy to be viewed online?	All the policies which are statutorily required are hosted on the website of the Company i.e. www.jaispring.com. The access to the other policies are available to the employees and concerned stakeholders on need basis.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to key internal stakeholders. The external stakeholders are being communicated on need basis.								
8.	Does the Company have in-house structure to implement the policy/ policies.	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of the Policies are assessed under the Internal Audit Function.								

1. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	**1	-	**2

**1. The Company has not been engaged in any activity or business to influence public or regulatory policy. As such need for the policy is not been felt.

**2. Need for the policy is not been felt.

ii. Governance related to BR

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

The Board of Directors will assess the BR Performance on annual basis.

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

The Business Responsibility Report of the Company will be hosted on the website of the Company i.e. www.jaispring.com under Investor Relations section.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   The ethics, bribery and corruption are covered under the Code of conduct and HR Policy of the Company. The code and policies cover only the Company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

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

   The Company was not in receipt of any complaint during the past financial year.

Principle 2

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

   The Company is in the business of manufacturing of automotive suspension which includes parabolic/ tapered leaf spring, air suspension and lift axle. The Company is a responsible corporate citizen and strives to utilize the resources in effective manner. Our R & D team is continuously engaged to bring value engineering through design optimization leading to lesser fuel consumption, reduction in raw material and reduction in carbon footprint. The Company's R & D team is constantly carrying out research of product and processes to improve quality of product, life and performance.

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

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

      Value Engineering helps to reduce raw material consumption by reducing spring weight. This results in corresponding reduction in the weight of the vehicle with improved ride comfort, higher payload, lower fuel consumption.

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

      The Company as a responsible corporate citizen always strives to ensure utilization of resources in effective and efficient manner. Efforts are being taken for leveraging water conservation, energy efficiency, lesser fuel consumption and sustainable use of renewal sources. It is not feasible to measure the usage of energy, fuel, water by consumers.

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

   a. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

      Yes, the Company at working level focus on sustainable resourcing. Company's plants, warehouses and depots are strategically located near to its customers and suppliers which results in easy accessibility of material to customer and also reduction in freight movement on longer routes.

   b. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

      Yes, the Company continuously identifies local and small producers in nearby locations of plants. The Company encourage local sourcing which confirm to desirable parameters and product samples after quality test. The Company periodically does an review of its suppliers for their continuous improvement. Improvement points are also communicated to the supplier in the diligence activities.

1 **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company always ensure and take efforts for natural resource conservation, reuse, recycle, waste minimization. The Company has shifted its delivery mechanism of product to the customer through wooden pallets to Steel Recyclable Pallets for preventing wastage of wood.

Principle 3

1 **Please indicate the Total number of employees.**
3170

2 **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**
(Contractual workers - 1887)

3 **Please indicate the Number of permanent women employees.**
40 employees

4 **Please indicate the Number of permanent employees with disabilities**
10 employees

5 **Do you have an employee association that is recognized by management.**
No

6 **What percentage of your permanent employees is members of this recognized employee association?**
Not applicable

7 **Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labor/forced labor/involuntary labor	0	0
2.	Sexual harassment	1	0
3.	Discriminatory employment	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

A formal training program is in place for all categories of employees. The focus on training includes safety and skill development besides other aspect. All employees irrespective of any category are given training as per requirement.

The percentage of training given for safety & skill up-gradation during the year under review are as follows:

Particulars	Safety Training (%)	Skill development training (Functional/ Technical) training (%)
Staff	68.64	97.28
Permanent worker & JME	72.63	78.34
Contractual	70.86	60.4
Employee with disability	69.23	61.53

Principle 4

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes, the Company has identified disadvantaged, vulnerable & marginalized stakeholders from the local community and the work force. The Company has also engaged them for their socio-economic development through various CSR initiatives. The social development among disadvantaged, vulnerable & marginalized people are being ensured through awareness and sensitization programs, skill development programs, educational help, medical aid etc.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The programs under the CSR initiatives undertaken by the Company are focused primarily on those sections of the communities which are poor, needy, disadvantaged, vulnerable and marginalized. Sensitization and awareness programs are being conducted for the people who are vulnerable and marginalized. Skill Development Programs such as computer trainings, sewing and tailoring classes are conducted for benefitting the people who are disadvantaged, vulnerable and marginalized. Person with disability, senior citizens and widow are provided through educational reach, pension distribution, medical aid, counselling etc.

Principle 5

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The Company has HR Policy through which it endeavors to protect Human Rights at workplace. The Company's procedures and practices always strives to protect Human Rights even within the organization and all activities undertaken through Group/Joint Ventures/Suppliers/Contractors/NGOs/Others.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Nil

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   The Environment, Health and Safety Policy covers only the Company. However, the Company always ensure environment friendly and safe business practices while working within the organization and with every actions taken through Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   As a responsible corporate citizen, Company always ensure environmental protection. The Company continuously strives to minimize the environmental impact for reducing its own operational environmental footprint. The Company conducts awareness programes through CSR initiatives towards environment protect. The CSR initiatives taken by the Company forms the integral part of the annual report available on the website of the Company at www.jaispring.com.

3. **Does the Company identify and assess potential environmental risks?**

   Yes, potential environmental risks are identified in conformity with all applicable environmental laws. All necessary steps are being ensured for mitigating risk.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company always works on resource optimization, water and electricity conservation and waste reduction to reduce its environmental footprints. The Company has undertaken initiatives for usage of solar power through solar panels, solar lights towards energy efficiency. The Company is using the clean fuel in place of furnace oil in the plant locations where feasable.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause/ legal unresolved notices from CPCB/ SPCB are pending as on March 31, 2019.

Principle 7

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is a member of Automotive Component Manufacturers Association of India (ACMA).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas.**

   No

Principle 8

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

   The Company has a Corporate Social Responsibility (CSR) policy in place which drives its efforts in the areas which strives towards social and economic development.

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

   The Company has its own in-house team which plans, monitors and governs the corporate social responsibility initiatives / projects of the Company. The Company also collaborate with various foundations, NGOs, Local Administrations etc. on project basis for undertaking the CSR activities.

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

   Yes. The Company undertakes actions and spend expenditure towards corporate social responsibility initiatives after doing initial assessment and case studies. Before undertaking a project or program, meeting with local administrations and other bodies are held for making the pilot project and analysis of the initiatives for knowing the impact. The CSR team does base line survey and where feasible also takes feedback from the beneficiaries for the CSR initiatives taken.

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

   The Complete details of Company's contribution towards the community development has been specified under the Annexure pertaining to CSR details as annexed in the Board Report of the Company's Annual Report.

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

   The CSR Committee of the Company does all the required assessment for analysing the key areas for undertaking CSR initiatives and their impact thereto. A programme or project is developed and implemented for creating sense of belongingness and adoption by the community at large. The Community development initiatives are analysed by base line surveys and taking the feedback from the beneficiaries. The Company proactively engage beneficiaries with the project and programme on continuous basis for achieving sustainability of the project or program. Required necessary support is also provided to the project or program after the development which will be beneficial for the community.

Principle 9

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

   The Company promptly resolves the customers' complaint as and when received within stipulated time frame.

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

   The information which are statutorily required are displayed.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No

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

   The Company regularly engages with consumers to get their feedback on the product and always ensure necessary actions to increase their satisfaction level. The Company have quality service team for redressing the customer's concerns pertaining to the Company's product. Customer concerns are being taken for immediate redressals for achieving the customer's satisfaction.

ANNEXURE-6 TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Report on Corporate Governance

(1) Company's Philosophy on Corporate Governance

The Company aspires to achieve the highest standards of corporate governance and seeks to consistently enhance and improve its performance, emphasizing transparency in accordance with applicable laws and regulations. At Jamna Auto, we not only adheres to the prescribed corporate governance practices as per Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) but endeavor to implements and practices the principles of corporate governance based on fairness, transparency, integrity, honesty and accountability in its practices and dealings.

(2) Board of Directors

The Company's Board of Directors comprises executive, non-executive and independent directors. The Board provides strategic directions and oversees the overall functioning of the Company. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations. All the independent directors possess requisite qualification and experience in their own fields. All the Directors except independent directors are liable to retire by rotation. The confirmations has been received from the Independent Directors of the Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013. Based upon the confirmations and declarations, the Board is of the opinion that the Independent Directors fulfills the conditions as specified in SEBI Listing Regulations and other statutory laws and are independent of the management.

(a) Composition and category of directors

The Composition of Board of Directors as on March 31, 2019 are as follows:

No.	Name of the Directors	Designation	Relationship between directors inter-se
1	Mr. Bhupinder Singh Jauhar	Chairman	Mr. B.S. Jauhar, Mr. R.S. Jauhar and Mr. P.S. Jauhar are related to each other.
2	Mr. Randeep Singh Jauhar	Vice Chairman & Executive Director	
3	Mr. Pradeep Singh Jauhar	Managing Director & CEO	
4	Mr. Surinder Pal Singh Kohli	Executive Director	--
5	Mr. Jainendar Kumar Jain	Independent Director	--
6	Mr. Uma Kant Singhal	Independent Director	--
7	Mr. Shashi Bhushan Bansal	Independent Director	--
8	Mr. Rakesh Kalra	Independent Director	--
9	Ms. Payal Chawla	Independent Director	--

(b) Attendance of each director at the meeting of the board of directors and the last annual general meeting;

The attendance of each director at the Board Meeting and AGM was as follows:

No.	Name of the Directors	Attendance at		
		Board Meeting dates	Board Meetings	Last AGM held on September 29, 2018
1	Mr. Bhupinder Singh Jauhar	1. May 22, 2018, 2. August 08, 2018 3. October 01, 2018 4. November 12, 2018 5. January 31, 2019	4 out of 5	Yes
2	Mr. Randeep Singh Jauhar		5 out of 5	Yes
3	Mr. Pradeep Singh Jauhar		5 out of 5	Yes
4	Mr. Surinder Pal Singh Kohli		5out of 5	No
5	Mr. Jainendar Kumar Jain		3 out of 5	No
6	Mr. Uma Kant Singhal		5 out of 5	Yes
7	Mr. Shashi Bhushan Bansal		5 out of 5	Yes
8	Mr. Rakesh Kalra		5 out of 5	No
9	Ms. Payal Chawla		2 out of 5	No

During the year, a separate meeting of the Independent Directors was held on January 31, 2019 without the attendance of non- independent directors and members of the management.

(c) Number of other board of directors or committees in which a directors is a member or chairperson

No.	Name of the Directors	No. of Directorship in other Public Companies	Name of the Other Company in which Directorship held (Category of Director)	No. of Committees Positions held in other Companies	Name of the Other Company in which Committee Position held
1	Mr. Bhupinder Singh Jauhar	-	-	-	-
2	Mr. Randeep Singh Jauhar	2	Map Auto Limited (Non-Executive Director) AIS Distribution Services Limited (Non-Executive Director)	-	-
3	Mr. Pradeep Singh Jauhar	1	Map Auto Limited (Non-Executive Director)	-	-
4	Mr. Surinder Pal Singh Kohli	-	-	-	-
5	Mr. Jainendar Kumar Jain	-	-	-	-
6	Mr. Uma Kant Singhal	-	-	-	-
7	Mr. Shashi Bansal	-	-	-	-
8	Mr. Rakesh Kalra	5	*Kriti Nutrients Ltd (Non-Executive - Independent Director) *Kriti Industries (I) Ltd (Non-Executive - Independent Director) *Automotive Axle Ltd (Non-Executive - Independent Director) Minda Automotive Solutions Ltd (Non-Executive Director) Minda Stoneridge Instruments Ltd (Non-Executive Director)	6	Kriti Nutrients Ltd- Member of Audit Committee; Kriti Industries (I) Ltd- Member of Audit Committee; Automotive Axle Ltd- Member of Audit Committee and Stakeholders Relationship Committee; Minda Automotive Solutions Ltd - Chairman of Audit Committee; Minda Stoneridge Instruments Ltd - Member of Audit Committee and Stakeholders Relationship Committee
9.	Ms. Payal Chawla	1	*Ballarpur Industries Ltd (Non-Executive - Independent Director)	-	-

Note: Only Audit Committee and Stakeholders' Relationship Committee of Public Limited companies are considered for the purpose of reckoning committee positions.

* Listed Company

(d) Disclosure of relationships between directors inter-se;

Mr. B. S. Jauhar, Mr. R. S. Jauhar and Mr. P. S. Jauhar are related to each other. Mr. B. S. Jauhar is the father of Mr. R. S. Jauhar and Mr. P. S. Jauhar.

(e) Number of shares and convertible instruments held by non- executive directors;

No.	Name of Non-Executive Directors	No. of Shares/ Convertible Instruments held
1	Mr. Bhupinder Singh Jauhar	7,103,240 Equity Shares
2	Mr. J. K. Jain	Nil
3	Mr. U. K. Singhal	Nil
4	Mr. Shashi Bansal	Nil
5	Mr. Rakesh Kalra	1,000 Equity Shares
6	Ms. Payal Chawla	NIL

(f) Web link where details of familiarization programs imparted to independent directors is disclosed.

The Company regularly appraises the Directors at the meetings about the changes and updates in the regulatory and business environment to enable them to familiarize with the Company's procedures and practices. The details of familiarization programs imparted to directors is provided on the website of the Company i.e. www.jaispring.com. The appointment letter issued to independent Directors inter alia sets out the expectation of the Board from the appointed director, their fiduciary duties and the accompanying liabilities that come with the appointment as a director of the Company.

Discussions are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business environment, business strategy and risks involved. Each director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom to interact with the Company's management.

(g) A chart or a matrix setting out the skills/expertise/competence of the board of directors

No.	Name of the Directors	Competencies					
		Industry Experience and Knowledge	Financial Literacy	Legal/ Advocacy/ Regulatory	Strategic Planning/ Strategic Development	Strategic Marketing	Risk Management
1	Mr. Bhupinder Singh Jauhar	√			√	√	√
2	Mr. Pradeep Singh Jauhar	√	√		√	√	√
3	Mr. Randeep Singh Jauhar	√	√		√	√	√
4	Mr. SPS Kohli	√			√	√	√
5	Mr. U. K. Singhal		√	√	√		√
6	Mr. J. K. Jain		√		√		√
7	Mr. Shashi Bansal		√		√		√
8	Mr. Rakesh Kalra	√	√		√		√
9	Ms. Payal Chawla			√	√		√

(h) Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has Audit Committee comprises of three independent directors of the Company. The terms of reference to the Audit Committee inter alia includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or preapproval or any subsequent modification of transactions of the Company with related parties except the transactions with a wholly owned subsidiary whose accounts are consolidated with the company and placed before the shareholders at the General Meeting for approval;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the functioning of the Whistle Blower mechanism.
- Any other matter as entrusted upon the Audit Committee in pursuance to the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations.

All the members of the Audit Committee are financially literate and having insight to interpret and understand financial statements. Company Secretary of the Company acts as the Secretary to the Audit Committee.

The following is the composition of the Audit Committee and the attendance of Directors at the respective Committee meetings held during the year ended March 31, 2019.

No.	Name of the Directors	Designation	Whether attended the meeting
1	Mr. Shashi Bansal, Chairman	May 22, 2018	Yes
		August 08, 2018	Yes
		October 01, 2018	Yes
		November 12, 2018	Yes
		January 31, 2019	Yes
2	Mr.J. K.Jain, Member	May 22, 2018	No
		August 08, 2018	Yes
		October 01, 2018	Yes
		November 12, 2018	No
		January 31, 2019	Yes
3	Mr. U.K. Singhal, Member	May 22, 2018	Yes
		August 08, 2018	Yes
		October 01, 2018	Yes
		November 12, 2018	Yes
		January 31, 2019	Yes

(i) Nomination and Remuneration Committee

In accordance with Section 178 of the Companies Act, 2013 and SEBI Listing regulations, the Company has nomination and remuneration committee comprising of three independent directors of the Company. The role of the Nomination and Remuneration Committee of the Company is as under:

- Identifying persons who are qualified to become directors and who may be appointed or re-appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment, re-appointment, removal and their remuneration.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Review the term of appointment of Independent Directors on the basis of performance evaluation.
- Devising a policy on Board diversity

The Composition of Nomination and Remuneration Committee and their attendance at respective meetings are as follows:

	Director	Meeting date	Whether Meeting attended or not
1	Mr. Shashi Bansal, Chairman	May 22, 2018	Yes
		August 08, 2018	Yes
		January 31, 2019	Yes
2	Mr.J. K.Jain, Member	May 22, 2018	No
		August 08, 2018	Yes
		January 31, 2019	Yes
3	Mr. U.K. Singhal, Member	May 22, 2018	Yes
		August 08, 2018	Yes
		January 31, 2019	Yes

The performance evaluation of non-executive members is done by the Board annually based on the criteria of attendance and contributions at Board/Committee Meetings. The Directors of the Company are being appointed and their remuneration are being decided in compliance with the applicable statutory laws and the policy of appointment, nomination and remuneration of Directors, key managerial personnel and senior management personnel. The policy is available on the website of the Company at www.jaispring.com and also forms part of the Board's Report.

Compensation Committee:

The Compensation Committee of the Company has been formulated for the purpose of administering ESOP schemes, allot shares upon exercise of the stock options and consists of four directors as members to the committee.

The Composition of the Compensation Committee as on March 31, 2019 are as follows:

S.No.	Director	Position held
1.	Mr. U. K. Singhal	Chairman
2.	Mr. R. S. Jauhar	Member
3.	Mr. J. K. Jain	Member
4.	Mr. Shashi Bansal	Member

No meeting of Compensation Committee has been held during the year ended March 31, 2019.

Borrowing Investment and Administrative Committee:

The Board of Directors has constituted Borrowing, Investment & Administrative Committee to take up and expedite resolutions of routine matters. The Committee comprises of three directors. Mr. U.K. Singhal, Independent Director of the Company is the Chairman of the Committee. The Composition of Committee and their attendance at respective meetings are as follows:

S.No.	Director	Dates of meeting	Whether attended the meeting
1.	Mr. U. K. Singhal, Chairman	June 13, 2018	Yes
		August 08, 2018	Yes
		November 12, 2018	Yes
		January 31, 2019	Yes
2.	Mr. R. S. Jauhar, Member	June 13, 2018	Yes
		August 08, 2018	Yes
		November 12, 2018	Yes
		January 31, 2019	Yes
3.	Mr. SPS Kohli, Member	June 13, 2018	No
		August 08, 2018	Yes
		November 12, 2018	Yes
		January 31, 2019	Yes

Corporate Social Responsibility (“CSR”) Committee:

In accordance with Section 135 of the Companies Act, 2013, the Company has Corporate Social Responsibility (“CSR”) Committee which comprises of three directors. The Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. The Composition of Committee and their attendance at respective meetings during the year ended as on March 31, 2019 are as follows:

S.No.	Director	Meeting date	Whether attended or not
1.	Mr. Shashi Bansal, Chairman	May 22, 2018	Yes
2.	Mr. R. S. Jauhar, Member	May 22, 2018	Yes
3.	Mr. S. P. S. Kohli, Member	May 22, 2018	Yes

(j) Remuneration of Directors

The details of remuneration paid to Executive Directors during year ended March 31, 2019 is as follows. The remuneration paid is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013:

Particulars	Mr. R. S. Jauhar (Amount in Rs)	Mr. P. S. Jauhar (Amount in Rs)	Mr. S.P.S. Kohli (Amount in Rs)
Salary	1,72,88,064	1,75,79,200	32,04,000
Allowances	18,25,238	24,37,090	2,31,881
Perquisite	1,05,600	1,49,600	4,61,891
PF Contribution	12,96,605	16,69,440	0
Commission	8,75,00,000	8,75,00,000	0
Stock Options	0	0	0
Total Remuneration Paid	10,80,15,507	10,93,35,330	38,97,772

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fee to them for attending the meetings of the Board or Committee thereof which may affect the independence of the Directors. The Company has not granted any stock option to its Directors. Non-Executive Directors are paid sitting fees for attending meetings of the Board and Board Committees.

The details of sitting fees paid amounting to Rs. 10,000 each per meeting to Non-Executive directors are as follows:

Name of Director	(Amount in Rs)
Mr. J. K. Jain	90,000
Mr. U. K. Singhal	1,90,000
Mr. Shashi Bansal	1,50,000
Mr. Rakesh Kalra	60,000
Ms. Payal Chawla	20,000

(k) Stakeholders' Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, the Company has Stakeholders' Relationship Committee which is entrusted with the powers to oversee the matters pertaining to Shareholders' and Investors' complaints / grievances concerning transfer of shares, non-receipt of dividends, non-receipt of Annual Reports, transfers, transmissions, consolidation, splitting and issue of share certificates, in exchange of sub-divided / consolidated and others and any other related matters. The committee oversees the performance of the Company's appointed Registrar and Transfer Agent and has powers to recommend measures for overall improvement in the quality of services being provided to the Shareholders/Investors.

The Stakeholders' Relationship Committee of the Company consists of three directors. The following is the composition of the Committee and the attendance of Directors at the Stakeholders' Relationship Committee meetings held during the year ended March 31, 2019.

S.No.	Director	Meeting Date	Whether attended the meeting
1.	Mr. U. K. Singhal, Chairman	May 22, 2018	Yes
2.	Mr. R. S. Jauhar, Member	May 22, 2018	Yes
3.	Mr. S. P. S. Kohli, Member	May 22, 2018	Yes

(a) Name of non-executive director heading the committee: Mr. Uma Kant Singhal, Independent Director

(b) Name and designation of compliance officer : Mr. Praveen Lakhera, Company Secretary & Head-Legal

(c) Investors complaints\requests received and redressed during the year

Complaints pending at the beginning of the year	Complaints received during the year	Complaints resolved during the year	Complaints pending at the closing of the year
2	10	10	2

(l) General Body Meetings

Annual General Meetings

The details of Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

Venue	Financial Year	Date & Time	Type of Meeting	No. of Special Resolution Passed
Registered Office	2015-2016	August 12, 2016 at 09:30 A.M.	AGM	3
Registered Office	2016-2017	August 01, 2017 at 09:30 A.M.	AGM	5
Registered Office	2017-2018	September 29, 2018 at 09:30 A.M.	AGM	4

No special resolutions was proposed to be passed by the shareholders of the company through postal ballot during the year ended March 31, 2019.

The Company had provided e-voting facilities to members for casting their vote at the annual general meeting held on September 29, 2018.

(m) Means of Communication

The Quarterly, Half yearly and Annual results are submitted to the Stock Exchange(s) in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the quarterly/half yearly/annual results in the prescribed format, are published within 48 hours in prominent daily newspaper, such as The Business standard, The Financial Express and Jansatta" (Hindi). All vital information of the Company have been disseminated to Stock Exchanges and simultaneously on the Company's website i.e. at www.jaispring.com including Company's financial performance, official press releases and presentation to analysts etc. However, no official press news release were made and no presentations to institutional investors or to the analysts were specifically made during the year under review. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites.

(n) General Shareholder Information

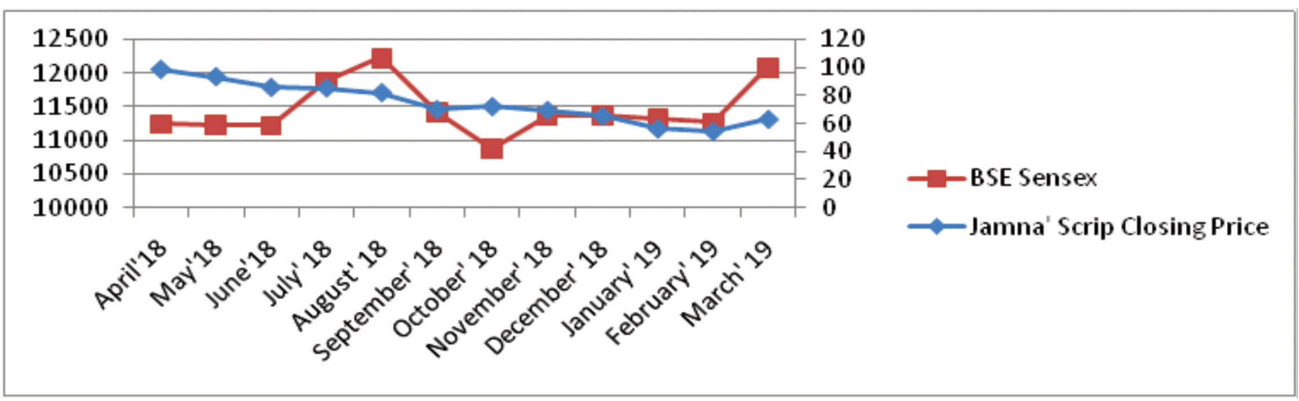
	Director	Meeting date
1.	Date,Time and Venue of the 53rd Annual General Meeting	July 30, 2019 at 9:30 a.m., at the Registered Office of the Company, at Jai Springs Road, Industrial Area,Yamuna Nagar– 135001, Haryana
2.	Financial Calendar	April 01, 2018 to March 31, 2019
3.	Book Closure Dates	July 22, 2019 to July 30, 2019 (both days Inclusive)
4.	Dividend Payment Date	During the year under review, the Board has declared the interim dividend of Re. 0.50 per equity share on November 12, 2018. The Final Dividend for the financial year ended March 31, 2019, if declared, at the ensuing Annual General Meeting shall be paid in accordance with the provisions of Companies Act, 2013.
5.	Listing on Stock Exchanges	
(a)	Equity Shares	Stock Code/Symbol
	The Bombay Stock Exchange Ltd, Phiroze Jee jeebhoy Towers, Dalal Street, Mumbai– 01.	'520051'
	TheNational StockExchange ofIndiaLtd. Exchange Plaza, 5 Floor, Plot No.C/1, "G Block" Bandra Kurla Complex, Bandra(E),Mumbai – 400051. Website- www.nseindia.com	'JAMNAAUTO'
(b)	GDRs	NOT APPLICABLE
6.	ISIN Code for the Company's Equity Shares	INE039C01032
7.	Corporate Identification Number (CIN)	L35911HR1965PLC004485

8.	Listing Fees	The Company has paid the listing fees for financial year 2019-20 to The Bombay Stock Exchange Limited (BSE) and to The National Stock Exchange of India Ltd (NSE), where the Shares of the Company are Listed.
9.	Share Transfer Agents/ Registrar to an issue	Skyline Financial Services (P) Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph: 011-40450193-197 Fax No. 011-26812682 Email:grievances@skylinerta.com; parveen@skylinerta.com
10.	Investor queries/request for transfer, transmission, issue of duplicate certificates, etc to be sent	Skyline Financial Services (P) Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph: 011-40450193-197 Fax No. 011-26812682 Email:grievances@skylinerta.com; parveen@skylinerta.com

Market Price Data

Particulars	BSE		NSE	
Months for the Financial Year 2018-2019	**High (Rs./share)**	**Low (Rs./share)**	**High (Rs./share)**	**Low (Rs./share)**
April' 18	99.9	78.55	99.95	78.70
May' 18	103.2	86	102.95	85.80
June' 18	95.75	80.15	96.00	80.05
July'18	94	79.9	93.95	79.70
August' 18	91.9	81	91.75	81.00
September' 18	84.25	68.2	84.35	68.00
October' 18	76.8	65	76.95	67.15
November' 18	79.3	68.9	79.40	68.80
December' 18	69.5	61	69.00	61.35
January' 19	65.8	52.25	65.75	52.20
February' 19	59.5	48.55	58.80	48.50
March' 19	65.35	54.65	65.25	55.00

Share Price Performance Comparison with BSE Sensex



Dematerialization of Shares

The Company has provided the facility to the shareholders for holding shares in dematerialize form with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL) towards ISIN No. INE039C01032. 39,11,70,775 Equity Shares representing 98.17% of equity share capital corresponding to 39,84,63,885 equity shares are held in dematerialized form as of March 31, 2019.

Share Transfer System

As per SEBI notification effective from April 01, 2019 requests for Transfer of Securities held in physical form would be carried out in dematerialized form only except in case of transmission or transposition of securities. Therefore, Registrar and Share

Transfer Agent and Company will not accept any request for transfer of shares in physical form. The processes for shares held in dematerialized form are dealt by the depository participants without any involvement of the Company. Pursuant to Regulation 40(9) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Certificate on half yearly basis confirming due compliance of share transfer formalities by the Company and Reconciliation of the Share Capital Audit obtained on quarterly basis have been submitted to stock exchanges where the shares of the Company are listed within stipulated time.

Distribution of Shareholding

Nominal Value of Each Share: Rs.1				
Share or Debenture holding Nominal Value (Rs.)	**Number of Shareholders**	**% to Total Numbers**	**Share or Debenture holding Amount (Rs.)**	**% to Total Amount**
Up To 5,000	1,02,461	97.7	4,83,92,910	12.14
5001 To 10,000	1,305	1.24	98,05,544	2.46
10001 To 20,000	525	0.5	75,90,976	1.91
20001 To 30,000	169	0.16	42,37,019	1.06
30001 To 40,000	97	0.09	34,35,954	0.86
40001 To 50,000	67	0.06	30,84,892	0.77
50001 To 1,00,000	97	0.09	72,43,757	1.82
1,00,000 and Above	147	0.14	31,46,72,833	78.97
Total	**1,04,868**	**100**	**39,84,63,885**	**100**

Shareholding Pattern as on March 31, 2019

Category	No. of Equity Shares of face Value of Rs. 1 each	% age
Promoters	19,07,73,150	47.88%
Mutual Funds/UTI	3,16,05,788	7.93%
Foreign Portfolio Investor	1,99,56,813	5.01%
Financial Institutions/Banks	13,81,388	0.35%
Individuals	12,93,41,138	32.46%
NBFC	1,71,176	0.04%
Bodies Corporate	87,11,307	2.19%
NRIs/Foreign Nationals/OCBs	41,11,296	1.03%
Others	124,11,829	3.11%
Total	**39,84,63,885**	**100%**

Outstanding GDRs or any other Convertible Instruments

The Company has not issued any GDR and any other convertible instruments during the year or in past which are outstanding at year end.

Credit Ratings

The Company has received the credit rating from ICRA Limited (“ICRA”). At present the Company’s long term credit rating is [ICRA] AA (pronounced ICRA double A) and short term rating as [ICRA]A1+ (pronounced ICRA A one plus) on the Working Capital Facilities and Term Loan Facility. ICRA has also re-affirmed credit rating of [ICRA] A1+ (pronounced as ICRA A one plus) of Commercial Paper (CP) issue of the Company. The Outlook on Long Term Rating has been revised to Stable from Positive.

Risk Management Policy

Risk evaluation and management is an ongoing process. As a process, risks associated with the business are identified and prioritized based upon the Company’s overall risk appetite, strategy, severity and probability of occurrence. Risks identified under business operations and processes are addressed through mitigating actions. The key risk areas are monitored and assessed prudentially and effectively. One of the major aim of the project Lakshya is to de-risk the Company from market, operational and other risks. The Company has established a three layer framework for risk identification, evaluation, control, minimization and control. The Company also has a risk management policy in place. Risk management policy of the Company is available at the website of the Company at www.jaispring.com.

Unclaimed/Unpaid Dividend

Pursuant to the provision of Section 124 of the Companies Act, 2013, Dividend remaining unclaimed/unpaid for a period of 7 years from the date of transfer to the Company's unpaid account are be transferred to the Investor Education and Protection Fund (IEP Fund). Following are the dates of dividend declared and the corresponding dates when unclaimed dividend due for transfer to IEP Fund.

Financial Year	Date of Declaration Dividend	Due Date for transfer to Investor Education and Protection Fund
2011-12 (Final Dividend)	18.08.2012	18.09.2019
2012-13 (Final Dividend)	20.09.2013	21.10.2020
2013-14 (Final Dividend)	03.09.2014	04.10.2021
2014-15 (Final Dividend)	29.09.2015	30.10.2022
2015-16 (Final Dividend)	12.08.2016	12.09.2023
2016-17 (Interim Dividend)	09.11.2016	10.12.2023
2016-17 (Final Dividend)	01.08.2017	01.09.2024
2017-18 (Interim Dividend)	11.11.2017	12.12.2024
2017-18 (Final Dividend)	29.09.2018	29.10.2025
2018-19 (Interim Dividend)	12.11.2018	12.12.2025

During the year following dividends alongwith equity shares on which dividend has not been claimed for seven consecutive years has been transferred to IEP Fund:

Financial Year	No. of equity shares transferred
2010-11 (Final Dividend)	81,970
2011-12 (Interim Dividend)	1,01,750
2011-12 (Second Interim Dividend)	1,72,850

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company for subsequent years on the web site of the Company at www.jaispring.com.

The detailed list of shareholders whose shares has been transferred to IEPF has been hosted on the website of the Company at www.jaispring.com.

(o) Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

In line with the requirements of the applicable statutory requirements, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.jaispring.com. The Policy intends to ensure that proper reporting, approvals and disclosure processes are in place for all transactions between the Company and Related Parties. There were no significant related party transactions that may have potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years

There were no instances of non-compliance or any penalties or strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.

(c) Whistle Blower Policy (Vigil Mechanism)

The Company has adopted a "Whistle Blower Policy" for its employees/Directors to report up to the Chairperson of the Audit Committee instances of unethical behaviour, actual or suspected fraud or violation of any law and policy adopted by the Company. No person has been denied access to the Audit Committee. The policy is displayed on the website of the company at www.jaispring.com. No instances of unethical behaviour or suspected fraud or violation of the policy is reported to the Committee during the year.

(d) Dividend Distribution Policy

As mandated by SEBI Listing Regulations for the Companies covered under top 500 as per the market capitalization on March 31, 2019, the Company has adopted a Dividend Distribution Policy which has been displayed on the Company's website www.jaispring.com.

(e) Material Subsidiary

The Company does not have any material subsidiary whose income or net worth exceeds 20% of the consolidated income and net worth respectively of the Company as on March 31, 2019. The Company has formulated the policy on material subsidiaries and the same is hosted on website of the Company at www.jaispring.com.

(f) Disclosure of Related Party Transactions

The Company has formulated a Policy on Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and SEBI Listing Regulations. The policy has been hosted on the website of the Company at www.jaispring.com. All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties, which could be considered material in accordance with the policy of the Company on related party transactions.

(g) Commodity Price Risk, Foreign Exchange Risk and Hedging Activities

The Company is exposed to foreign currency risk on account of adverse currency movements in global foreign markets, as the Company is dealing in foreign currency transactions related to imports and exports in USD, EUR, JPY and GBP. The Company is managing the uncertainty and volatility of foreign exchange fluctuation by hedging the risk to achieve greater predictability and stability. This mitigates the risk relating to foreign exchange by entering into forward foreign currency contracts and hedging mechanisms, as approved by Reserve Bank of India. However, it does not hedge any risk relating to commodity.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement

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

(i) Certifications

The following certificates are enclosed herewith with Report

- Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- Compliance Certification with respect to Code of Conduct by Board of Members and Senior Management and Compliances pertaining to Insider Trading.
- Compliance Certification by the Chief Executive Officer and Chief Financial Officer.
- Certification from Statutory Auditors for Complying with Corporate Governance norms.

(j) The Company has obtained the recommendations from the respective committees wherever statutorily required for the matter concerned in terms of their terms of reference and scope.

(k) Fees paid to Statutory Auditor

(Rs. In Lakhs)

Particulars	Parent Company	Other Group Companies
Fee of Statutory auditor	62.15	0
Fee of affiliated firms of Statutory auditor	73.27	3.08
Total	**135.42**	**3.08**

(l) DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS 2015

All Mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been complied by the Company. Towards the non-mandatory requirements, the Company has taken following steps:

The Board: The Board has Non -Executive Chairman i.e. Mr. B. S. Jauhar. The Company does not reimburse expenses incurred by the Non-Executive Chairman for maintenance of a separate Chairman's office. Mr. B. S. Jauhar however draws remuneration from Jai Suspension Systems LLP. The appointment of Independent Directors are in compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations.

Shareholder Rights: Please refer heading “Means of Communications”.

Audit qualifications: Company’s financial statement are unqualified.

Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

Registered Office

Jai Springs Road, Industrial Area,Yamuna Nagar– 135001, Haryana.

Plants location:

1. Jai Springs Road, Industrial Area, Yamuna Nagar – 135001, Haryana
2. U-27-29, Industrial Area, Malanpur, District Bhind– 477116, M.P.
3. Plot no. 22-25, Sengundram Village, Maraimalainagar Industrial Complex, Singaperumal Koil Post, District Kanchipuram - 603204, Tamil Nadu
4. 262 - 263, Village Karnidih, Chandil, District Saraikella, Kharswan - 832401, Jharkhand
5. Thally Road, Kalugondapalli Post, Hosur-635114, District Krishnagiri, Tamil Nadu
6. 128/2 Telco Road, Chinchwad, Taluka Haveli, Pune-411019, Maharashtra
7. 17-19, SIPCOT Pillaipakkam Industrial Park, Navalur Village, Sriperumpudur, District Kanchipuram, Tamil Nadu.

Corporate Office

1. 2, Park Lane, Kishangarh, VasantKunj, New Delhi-110070.
2. Hotel Novotel & Pullman, Commercial Tower, 5th Floor, Asset Area No. 2, Hospitality District, Aerocity, New Delhi-110037

Compliance Officer and Contact Address:

Mr.PraveenLakhera
Company Secretary & Head Legal
Jamna Auto Industries Limited
Hotel Novotel & Pullman, Commercial Tower,
5th Floor, Asset Area No. 2, Hospitality District, Aerocity,
New Delhi-110037
Tel.: 011-45504550
E-mail: praveen@jaispring.com

Management Responsibility Statement

The Management confirms that the financial statements are in full conformity with the requirements of the Companies Act, 2013 (Act) read with relevant rules of the Act and the Accounting Standards issued by the Institute of Chartered Accountants of India. The management accepts responsibility for the integrity and objectivity of these financial statements. The management believes that the financial statements of operations reflect fairly the Company’s financial position and the results of the operations.The Company has a system of Internal Control, which is reviewed and updated on the regular basis.The Financial Statements have been audited by S.R. Batliboi & Co.LLP, Chartered Accountants and have been reviewed by the Audit Committee.

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

Jamna Auto Industries Limited

Jai Springs Road, Industrial Area,

Yamuna Nagar- 135001,

Haryana.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Jamna Auto Industries Limited** having CIN L35911HR1965PLC004485 and having registered office at Jai Springs Road, Industrial Area, Yamuna Nagar- 135001, Haryana (hereinafter referred to as 'the Company'), and 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) 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 ended on March 31, 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.

Following are the Directors on the Board of the Company as on the date of this certificate:

Sr. No.	Name of Director	DIN
1	Mr. Pradeep Singh Jauhar	00744518
2	Mr. Randeep Singh Jauhar	00746186
3	Mr. Bhupinder Singh Jauhar	00944380
4	Mr. Surinder Pal Singh Kohli	01643796
5	Mr. Jainendar Kumar Jain	00066452
6	Mr. Rakesh Kalra	00780354
7	Mr. Shashi Bhushan Bansal	01118864
8	Mr. Uma Kant Singhal	01472482
9	Ms. Payal Chawla	06988235

Ensuring the eligibility 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 this 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 : Delhi

Date : May 18, 2019

For **KJ & Associates**

Company Secretaries

(Ramesh Kumar)

Partner

Membership No. : F-6393

CP No. : 5197

Declaration on Compliance with the Code of Conduct

This is to confirm and declare that, to the best of my information, all the Board Members and Senior Management Personnel of the Company have affirmed their compliance and undertaken to continue to comply with the Code of Conduct laid down by the Board of Directors of the Company.

For **Jamna Auto Industries Limited**

Place: New Delhi **Pradeep Singh Jauhar**
Date: May 21, 2019 **Managing Director & CEO**

COMPLIANCE CERTIFICATE

(Pursuant to the provisions of Regulation 33(2)(a) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Jamna Auto Industries Ltd.

Dear Sirs,

We have reviewed the Audited Financial Results of Jamna Auto Industries Limited for the quarter and year ended March 31, 2019 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, those deficiencies, of which we are aware, in design or operation of the internal control systems that we have taken the required steps to rectify these deficiencies.

We further certify that the following information have been indicated to the Auditors and the Audit committee:

a. There have been no significant changes in internal control over financial reporting during the period under review;

b. There have been no significant changes in accounting policies during the period under review; and

c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely

Place: New Delhi **Pradeep Singh Jauhar** **Pankaj Gupta**
Date: May 21, 2019 **Managing Director & CEO** **CFO**

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Members of Jamna Auto Industries Limited
2, Park Lane, Kishangarh,
Vasant Kunj,
Delhi 110070

1. The accompanying Corporate Governance Report prepared by Jamna Auto Industries Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on March 31, 2019 and verified that at least one women director was on the Board during the year;

   iv. Obtained and read the policy adopted by the Company for related party transactions;

   v. Obtained the list of related party transactions and list of related party and ensured that the related party transactions are approved by audit committee on quarterly basis.

   vi. Obtained and read the minutes of the following committee meetings held April 01, 2018 to March 31, 2019:
      (a) Board of Directors meeting;
      (b) Audit committee;
      (c) Annual General Meeting;
      (d) Nomination and remuneration committee;
      (e) Stakeholders Relationship Committee;
      (f) Corporate Social Responsibility;
      (g) Independent director meeting; and

   vii. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and

   viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and

explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2019, referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 94421
UDIN: 19094421AAAAAN1058

Place of Signature: New Delhi
Date: May 21, 2019

ANNEXURE-7 TO THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

A. The information required under section 197 of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as under

	Particulars	Details
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2018-19	a) Mr. R S Jauhar, Vice Chairman & Executive Director: 67.77 b) Mr. P S Jauhar, Managing Director and CEO: 67.77 c) Mr. SPS Kohli, Executive Director: 13.37
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	a) Mr. R S Jauhar, Vice Chairman & Executive Director: 10 b) Mr. P S Jauhar, Managing Director and CEO :10 c) Mr. SPS Kohli, Executive Director: NIL d) Mr. Pankaj Gupta: CFO -17 e) Mr. Praveen Lakhera, CS & Head Legal : 20
3	The percentage increase in the median remuneration of employees in the financial year 2018-19	1.20%
4	The number of permanent employees on the rolls of the Company	1283 Employees as on March 31, 2019
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2018-19 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;	CTC Salary increment KMP - 10.59% CTC Salary increment other than KMP- 10.53%
6	Affirmation that the remuneration is as per the remuneration policy	Affirmed

ANNEXURE-8 TO THE DIRECTORS' REPORT

Report on Corporate Social Responsibility Activities pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

2. A brief outline of the Company's CSR policy

i. Preamble

By induction of Section 135 of Companies Act, 2013, the Government of India has given the statutory strength to the concept of Corporate Social Responsibility. However JAI being already aware of its Corporate Social Responsibility much before induction of Section 135 was fulfilling the aspiration of society within the near about areas of its work units. This has resulted into a harmonious relationship between JAI and communities near about.

ii. Vision

A World having equal opportunities of education and work to all without any discrimination, comprising healthy and happy citizens living in a green environment.

iii. Mission

a.) Ensuring environmental sustainability and ecological balance.

b.) Provide support and opportunities to economically deprived children towards attaining high quality education and qualify competitions.

c.) Extend financial and equipment support to deserving sports persons in Olympic Games at School, University and State level.

d.) Reach the community primarily in the vicinity of Company's plants, offices, sites through social awareness, health checkup drives, adopting villages and schools to improve basic amenities.

iv. Focus Area

To achieve its mission of CSR Policy, the Company will focus in the following areas:-

(i) Environment Conservation & Sustainability

(ii) Promotion of Education

(iii) Promoting nationally recognized, Paralympics and Olympic sports

(iv) Community Outreach

(v) Contribution to Prime Minister Relief Fund and other alike funds

v. Operational Procedure

(i) The CSR activities shall be carried out in such areas and localities as may be recommended from time to time by the CSR Committee constituted under Section 135 (1) of the Companies Act, 2013. In its recommendation, the CSR Committee shall give preference to the areas in the vicinity of Company's plants, offices and sites.

(ii) The Company shall prepare the guidelines to carry out the various CSR activities and present it before the CSR Committee for recommendation and all CSR activities shall be carried out by the Company in such manner as may be recommended by the CSR Committee from time to time.

vi. Budget & Expenditure

(i) The CSR committee shall recommend to the Board of Directors, the total amount of budget to be expended on CSR activities in a financial year which shall not be less than the amount prescribed under section 135 of the Companies Act, 2013.

(ii) The CSR committee shall also recommend to the Board of Directors about amount of expenditure to be incurred in each activity referred in Para No. iv of the Policy.

(iii) Any surplus arises out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

vii. Control and Monitoring

(i) From time to time the Company shall prepare an Action Taken Report (ATR) or progress report in respect of projects or activities undertaken and present the same before the CSR committee.

(ii) The Company shall follow the instructions or suggestions made by the CSR committee after considering the ATR or progress report as the case may be.

3. The Composition of the CSR Committee.

1. Mr. Shashi Bhushan Bansal, Chairman
2. Mr. R.S. Jauhar, Member
3. Mr. S.P.S. Kohli, Member

4. Average net profit of the company for last three financial years

Particulars	2017-18 (Rs in Lakhs)	2016-17 (Rs in Lakhs)	2015-16 (Rs in Lakhs)
Net Profit (calculated as per Section 198)	17,300.57	13,155.54	9,387.50
Total of three years Profit	39,843.61		
Average Net Profits of preceding 3 years	13,281.20		
Amount eligible to be spent for CSR expenditure	**265.62**		

5. Prescribed CSR Expenditure (two per cent of the amount as in item 4 above)

Financial Year	Average Net Profit (Rs in lakhs)	CSR Expenditure (Rs in lakhs)
2018-19	13,281.20	265.62

6. Details of CSR expenditure spent during the financial year

(a) Total amount to be spent for the financial year: Rs.2.66 crore

(b) Amount unspent , if any: No

Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Project/programs 1, Local area or others - 2, Specify the state and district where projects/ programs where under-taken	Amount outlay (budget) project or pro-gram-wise (In Rs.)	Cumulative expenditure up to the reporting period (In Rs.)	Amount Spent direct or through implementing agency
1	Tree Plantation	Environment Conservation & Sustainability	Yamuna Nagar (Haryana), Gwalior (M.P.), Jamshedpur (Jharkhand), Kanchipuram (Tamil Nadu), Hosur (Tamil Nadu) and Delhi	41,00,000	67,76,451	Direct & through implementing agency
	Water Conservation					
	Waste Management					
	Sensitization activities					
	No to plastic use					
2	Scholarships	Promotion of Education	Yamuna Nagar (Haryana), Gwalior (M.P.), Jamshedpur (Jharkhand), Kanchipuram (Tamil Nadu), Hosur (Tamil Nadu) and Delhi	99,50,000	83,66,718	
	Support to educational institutions					
	Non formal education					
	Skill development					
3	Sponsorship	Promotion of sports	Yamuna Nagar (Haryana), Gwalior (M.P.), Jamshedpur (Jharkhand) and Delhi	30,00,000	29,91,339	
	Equipment/Kits					
	Sponsorship of sports events					
4	Basic infrastructure	Community Outreach	Yamuna Nagar (Haryana), Gwalior (M.P.), Jamshedpur (Jharkhand), Kanchipuram (Tamil Nadu), Hosur (Tamil Nadu) and Delhi	1,29,50,000	11,951,492	
	Livelihood training					
	Social empowerment					
Total				**3,00,00,000**	**30,086,000**	

S.P.S. Kohli
(Executive Director)
DIN: 01643796

Shashi Bhushan Bansal
(Chairman CSR Committee)
DIN: 01118864

ANNEXURE-9 TO THE DIRECTORS' REPORT

Disclosure of Particulars with respect to conservation of energy, technology absorption and foreign exchange outgo and earning as required under rule 8 of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

a) Energy conservation measure taken:

(i) Your Company is optimizing the production processes to reduce energy cost.

(ii) Furnaces are being reinsulated to avoid heat losses.

(iii) ETP treated water is being utilized for tree plantation and gardening.

(iv) Fume extraction system are under installation which will prevent quenching oil drops being released in the air.

b) Steps taken for utilizing alternate source of energy:

Your Company is engaged in energy conservation on continuous basis.

c) Capital investment on energy conservation equipment:

Nil

D. TECHNOLOGY ABSORBTION & CONTINUOUS IMPROVEMENT

a) Efforts made towards technology absorption

(i) Technology imported from NHK Spring Co; Ltd., Japan (NHK) for manufacturing of Tapered Leaf Springs has been fully absorbed.

(ii) Technology imported from Ridewell Corporation, USA for Design & Manufacturing of Air Suspension & Lift Axles is fully absorbed.

(iii) Technology imported from Tinsley Bridge Limited, UK for extralite spring technology and special steel technology is partially absorbed.

b) Benefits derived

(i) Technical help from NHK and Ridewellhas yielded better improvement in the quality and productivity for the new product range developed for overseas customers.

(ii) Your Company is also engaged in various other initiatives related to improvements in the process.

c) Technology imported:

Year of import:

(1985-90 for manufacturing Tapered Leaf Springs)

(2009-2010 for manufacturing Air Suspension)

(2018-19 for extralite spring technology and special steel technology)

Has technology been fully absorbed: Technology importedfor Tapered Leaf Springs and Air Suspension has been fully absorbed. Technology imported for extralite spring technology and special steel technology is partially absorbed.

d) Expenditure on R&D:

(Rs. in Crore)

	Year Ended March 31, 2019	Year Ended March 31, 2018
Recurring	3.41	2.94
Capital	12.36	0.69

C) Foreign Exchange Earnings and Outgo:

(Rs. in Crore)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Foreign exchange used	106.24	72.24
Foreign exchange earned	13.73	13.03

ANNEXURE-10 TO THE DIRECTORS' REPORT

FORM No. AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

6. Details of contracts or arrangements or transactions not at Arm's length basis

S. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting under first proviso to section 188 of the Act	Nil

7. Details of material contracts or arrangements or transactions at Arm's Length basis:

S. No	Particulars	Details
a)	Name (s) of the related party and nature of relationship	Jai Suspension Systems LLP The Company is a majority partner in the LLP by holding 99.9985% of total capital.
b)	Nature of contracts /arrangements /transactions	Sale, Purchase, Supply of goods or material or availing, rendering any service from/to LLP and providing guarantee on behalf of LLP
c)	Duration of the contracts/arrangements / transactions	On continuous billing basis
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale, Purchase, Supply of goods or material availing, rendering any service from/to LLP and providing guarantee on behalf of LLP
e)	Date of approval by the Board	May 22, 2018
f)	Amount paid as advances, if any	No

INDEPENDENT AUDITOR'S REPORT

To the Members of Jamna Auto Industries Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Jamna Auto Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Significant judgments and estimates relating to recording of price differences and trade schemes and their impact on revenue recognition	
Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume based discounts, price differences, rebates and other promotion incentives schemes ('trade schemes') provided to the customers. The Company's business also requires passing on price differences and trade schemes to the customers for the sales made by the Company. The Company at the year end, has provided for such price differences and trade schemes to be passed on to the customers. The estimated price differences	Our audit procedures included the following: • Assessed the Company's accounting policy for revenue recognition including the policy for recording price differences and savings as per trade schemes in terms of Ind AS 115. • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price difference and trade schemes, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls.

at the year-end is shown under note 18(c) to the financial statements and the provision for trade schemes is appearing in the note 20 and the consequentially impacts the revenue appearing in note 24 to the financial statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price differences and trade schemes to be recorded as at the year end.	• Evaluated management's methodology and assumptions used in the calculations of price difference and savings as per trade schemes. • Tested completeness and arithmetical accuracy of the data used in the computation of price difference and savings as per trade schemes. • Tested, on sample basis, credit notes issued/ payment made as per approved trade scheme/ agreed price differences passed on to the customers. • Also performed various analytical procedures to identify any unusual trends and identify unusual items.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, 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.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 35(c) to the standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421
Place of Signature: New Delhi
Date: May 21, 2019

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Jamna Auto Industries Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management the title deeds of immovable properties amounting to Rs. 529.38 lakhs included in fixed assets have been given as security (mortgage and charge) against the financing facility taken from banks and we have been explained that the original title deeds are kept as security with the trustee appointed by bankers. Similarly, title deeds of immovable properties amounting to Rs. 1,740.64 lakhs included in fixed assets are kept with Kotak Mahindra Bank and State Bank of India as security (mortgage and charge) against the financing facility provided by it. Therefore, these title deeds could not be made available to us for verification however, the same has been confirmed by the trustee/ banks. Accordingly, based on the information and explanation given to us by the management and confirmation received from trustee/banks we report that the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company has granted loans to one wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans to one wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/ receipts are regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of spring leaves and lift axle, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dispute	Forum where dispute is pending	Amounts (in lakhs)*	Period to which it relates	Paid under protest (in lakhs)
The Income Tax Act, 1961	Disallowances of expenses	Commissioner of Income Tax (Appeals)	7.56	2012-13, 2013-14	-
The Income Tax Act, 1961	Disallowances of expenses	Commissioner of Income Tax (Appeals)	3.98	2014-15, 2016-17	-
The Income Tax Act, 1961	Alleged diversion of profit to subsidiary	Commissioner of Income Tax (Appeals)	474.79	2012-13, 2013-14	-
The Income Tax Act, 1961	Alleged diversion of profit to subsidiary	Commissioner of Income Tax (Appeals)	44.35	2016-17	12.00
Finance Act 1994	Service Tax	Commissioner Appeal, Delhi	5.80	2005-2006, 2009-2010, 2010-2011	-
The Central Excise Act, 1944	Excise Act & Service Tax	Commissioner of Central Excise & Service Tax, Lucknow	5.95	2011-2012 to 2012-2013	-
Customs Act, 1962	Custom Act	Director Genral of Foreign Trade, New Delhi	8.25	2000-2008	-
Finance Act 1994	Service Tax	Assistant Commissioner of CGST, Gwalior	116.94	2016-17	81.82
Madhya Pradesh Sales Tax Act 1958	Entry Tax/ Sales Tax	MP Commercial Tax Appellate Board, Bhopal	17.59	2001-2002 and 2008-2009	1.63
Madhya Pradesh Sales Tax Act 1958	VAT	Supreme Court, New Delhi	477.54	2006-2007	-
Madhya Pradesh Sales Tax Act 1958	Entry Tax	Supreme Court, New Delhi	45.83	2006-2007	-
Madhya Pradesh Sales Tax Act 1958	VAT/CST/ET	Additional Commissioner, Grade-2, (Appeal) Fourth, Commercial Tax, Lucknow	149.60	2011-2012	-
Madhya Pradesh Sales Tax Act 1958	Nikaykar	MP Commercial Tax Appellate Board, Bhopal	0.65	1997-1998	0.12
Madhya Pradesh Sales Tax Act 1958	State Sales Tax	Commissioner, Commercial Tax, Gwalior	0.25	1999-2000	0.07
Jharkhand Value Added Tax Act	VAT	Commissioner (Appeal), Commercial Tax	21.39	2009-2010 to 2011-2012	21.39
Madhya Pradesh Sales Tax Act 1958	VAT	Add. Comm. Cum Appellate Authority, Commercial Tax, Gwalior	6.71	2015-2016	-
Madhya Pradesh Sales Tax Act 1958	CST	Add. Comm. Cum Appellate Authority, Commercial Tax, Gwalior	16.11	2015-2016	1.61
Finance Act 1994	Service Tax	Supreme Court of India	141.27	2008-2009	141.27
Finance Act 1994	Service Tax	Assistant Commissioner Customs & Central Excise, Gwalior	7.46	2009-2010 to 2012-2013	-
Finance Act 1994	Service Tax	Addl Comm. Gwalior	20.63	2005-2006 to 2009-2010	-
Finance Act 1994	Service Tax	Deputy Commissioner, Centra Excise, Chennai	1.92	2009-2010	-
Finance Act 1994	Service Tax	Assistant Commissioner, Central Excise, Chennai	5.51	2005-2006 and 2006-07	-
Finance Act 1994	Service Tax	Assistant Commissioner, Panchkula & Yamuna Nagar	26.45	2012-13 to 2015-16	-
Finance Act 1994	Service Tax	Assistant Commissioner CGST	1.49	2016-17	-

* Amount in lakhs represents gross amount thus does not represent the amount net of paid under protest.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution or bank and repayment of loan to Government in the nature of deferred tax loan.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the money raised by way of term loan for the purpose for which they were raised. Further, the Company has not raised any money by way of initial public offer/ further public offer/ debt instruments hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, 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 Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable 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) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421
Place of Signature: New Delhi
Date: May 21, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JAMNA AUTO INDUSTRIES LIMITED

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 Companies Act, 2013, to the extent 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421
Place of Signature: New Delhi
Date: May 21, 2019

Balance Sheet

as at March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

	Particulars	Note	As at March 31, 2019	As at March 31, 2018
A	**Assets**			
1	**Non-current assets**			
	Property, plant and equipment	3	**33,330.09**	27,166.82
	Capital work in progress		**3,948.30**	3,079.35
	Intangible assets	4	**180.64**	64.10
	Investment in subsidiaries	5	**1,877.16**	1,218.79
	Financial assets			
	Investments	6	**47.29**	46.63
	Loans	7	**1,306.35**	933.35
	Other financial assets	8	**568.44**	384.44
	Other non-current assets	9	**4,402.90**	1,672.22
	Deferred tax assets (net)	10	**935.52**	626.61
			46,596.69	35,192.31
2	**Current assets**			
	Inventories	11	**19,893.16**	14,584.21
	Financial assets			
	Loans	7	**133.20**	141.09
	Trade receivables	12	**23,175.44**	17,578.00
	Cash and cash equivalents	13	**1,896.21**	695.89
	Other bank balances	13.1	**522.25**	249.59
	Other financial assets	8	**2,302.87**	2,164.58
	Other current assets	9	**1,409.66**	2,777.41
			49,332.79	38,190.77
	Total-Assets		**95,929.48**	73,383.08
B	**Equity and Liabilities**			
1	**Equity**			
	Equity share capital	14	**3,983.19**	3,983.11
	Other equity	15	**47,467.07**	38,669.00
	Total equity		**51,450.26**	42,652.11
2	**Non-current liabilities**			
	Financial liabilities			
	Borrowings	16	**149.83**	2,250.88
	Other financial liabilities	17	**116.69**	113.51
	Long term provisions	18	**1,508.39**	1,074.55
	Deferred government grant	19	**1,190.26**	1,394.20
			2,965.17	4,833.14
3	**Current liabilities**			
	Financial liabilities			
	Borrowings	16	**-**	2,250.80
	Trade payables			
	- Total outstanding due of micro and small enterprises	20	**85.49**	-
	- Total outstanding due of other creditors other than micro and small enterprises	20	**33,064.44**	15,596.13
	Other financial liabilities	21	**1,170.63**	2,013.49
	Deferred government grant	19	**316.32**	260.93
	Provision for current tax (net)	22	**-**	47.84
	Short term provisions	18	**3,073.69**	3,036.58
	Other current liabilities	23	**3,803.48**	2,692.06
			41,514.05	25,897.83
	Total - Equity and liabilities		**95,929.48**	73,383.08

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
	Income			
I	Revenue from operations	24	**2,04,553.11**	1,63,084.50
II	Other income	25	**3,646.44**	3,904.50
III	**Total revenue**		**2,08,199.55**	1,66,989.00
	Expenses			
	Cost of raw materials and components consumed	27	**1,39,223.20**	1,03,406.95
	Increase in inventories of finished goods, work in progress and scrap	28	**(5,648.44)**	(761.20)
	Excise duty on sales of goods		**-**	2,229.49
	Employee benefit expenses	29	**15,024.98**	12,146.87
	Other expenses	30	**32,692.11**	26,995.33
IV	**Total expenses**		**1,81,291.85**	1,44,017.44
V	**Profit before finance costs, depreciation/amortisation expense and tax**		**26,907.70**	22,971.56
VI	**Finance costs**			
	Finance costs	31	**2,318.04**	1,694.66
	Finance income	26	**153.63**	163.65
	Net finance cost		**2,164.41**	1,531.01
VII	Depreciation and amortisation expense	32	**4,410.97**	3,941.46
	Profit before tax		**20,332.32**	17,499.09
	Tax expense			
	Current tax		**6,588.42**	5,400.24
	Deferred tax (credit)		**(234.48)**	(435.51)
	Total tax expense		**6,353.94**	4,964.73
	Profit for the year		**13,978.38**	12,534.36
	Other comprehensive income			
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
	- Re-measurement gains / (losses) on defined benefit plans		**(213.02)**	(75.05)
	- Deferred tax assets on above		**74.44**	25.97
	Other comprehensive income for the year, net of tax		**(138.58)**	(49.08)
	Total comprehensive income for the year		**13,839.80**	12,485.28
	Earnings per equity share (par value Rs. 1 (absolute amount) per share)	33		
	- Basic		**3.51**	3.15
	- Diluted		**3.51**	3.14
	[Earnings per equity share expressed in absolute amount in Indian Rupees]			

Significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Statement of changes in equity

for the year ended March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

(a) Equity share capital :

Particulars	No. of shares*	Amount
Equity shares of Rs. 1 each issued, subscribed and paid (refer note no 14)		
Balance as at April 1, 2017	39,81,07,430	3,982.61
Issued during the year	50,005	0.50
Closing balance as at March 31, 2018	39,81,57,435	3,983.11
Partial paid converted into fully paid	16,500	0.08
Closing balance as at March 31, 2019	**39,81,73,935**	**3,983.19**

* No. of shares issued, subscribed and fully paid only.

(b) Other equity (refer note no. 15)

Particulars	Capital reserve	Amalgamation reserve	Capital redemption reserve	Securities premium account	General reserve	Retained earnings	Total other equity
As at April 1, 2017	**315.71**	**1,481.46**	**400.00**	**15,114.93**	**4,077.62**	**8,147.33**	**29,537.05**
Add: Profit for the year	-	-	-	-	-	12,534.36	12,534.36
Add: Security premium for the year	-	-	-	2.23	-	-	2.23
Less: Dividend Paid	-	-	-	-	-	(2,787.99)	(2,787.99)
Less: Tax on dividend	-	-	-	-	-	(567.57)	(567.57)
Less: Other comprehensive income	-	-	-	-	-	(49.08)	(49.08)
As at March 31, 2018	315.71	1,481.46	400.00	15,117.16	4,077.62	17,277.05	38,669.00
Add: Profit for the year	**-**	**-**	**-**	**-**	**-**	13,978.38	13,978.38
Add: Security premium for the year	-	-	-	0.25	-	-	0.25
Less: Dividend Paid	-	-	-	-	-	(4,182.30)	(4,182.30)
Less: Tax on dividend	-	-	-	-	-	(859.68)	(859.68)
Less: Other comprehensive income	-	-	-	-	-	(138.58)	(138.58)
As at March 31, 2019	**315.71**	**1,481.46**	**400.00**	**15,117.41**	**4,077.62**	**26,074.87**	**47,467.07**
Total other equity	**315.71**	**1,481.46**	**400.00**	**15,117.41**	**4,077.62**	**26,074.87**	**47,467.07**

The accompanying notes form an integral part of the financial statements
As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Cash Flow Statement

for the year ended March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Profit before tax	**20,332.32**	17,499.09
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**4,410.97**	3,941.46
(Gain) / Loss on sale of property, plant and equipment	**(12.70)**	13.05
Finance cost	**2,318.04**	1,694.66
Finance income	**(63.59)**	(90.93)
Finance income from interest on loan given to subsidiary	**(90.04)**	(72.72)
Provision no longer required written back (refer note 25)	**(353.78)**	(288.06)
Provision for doubtful debts	**51.79**	92.03
Bad debts written off	**-**	77.68
Government grant and export incentive income recognised	**(316.32)**	(312.08)
Provision for contingencies	**140.00**	-
Share in profit of limited liability partnership	**(2,610.99)**	(3,209.85)
Operating profit before working capital changes	**23,805.70**	19,344.33
Changes in operating assets and liabilities:		
Increase in trade payable and other current liabilities	**18,876.40**	11,063.76
Increase in provision (Non current & current)	**260.53**	1,397.71
Increase in trade receivables	**(5,649.23)**	(12,919.20)
Increase in inventories	**(5,308.95)**	(5,874.16)
Decrease / (Increase) in loans (Non current & current)	**7.89**	(110.93)
Movement in government grant	**167.77**	180.12
Decrease in other non-current assets & other financial assets	**493.04**	296.31
Increase in other financial liabilities	**164.11**	93.13
Cash generated from operations	**32,817.26**	13,471.07
Direct taxes paid (net)	**(6,734.99)**	(5,312.00)
Net cash generated from operations	**26,082.27**	8,159.07
B. Cash flow from investing activities		
Purchase of property, plant and equipment	**(12,975.88)**	(6,086.52)
Proceeds from sale of property, plant and equipment	**16.98**	44.58
Investment in fixed deposits	**(253.27)**	(4.52)
Investment in others	**(0.66)**	-
Loan given to subsidiary (Jai suspensions limited)	**(373.00)**	(933.35)
Withdrawal from share in capital of limited liability partnership	**1,952.62**	4,536.46
Proceeds from sale of fixed deposits	**-**	8.64
Receipt of government grant	**-**	230.44
Interest received (finance income)	**175.11**	163.65
Net cash used in investing activities	**(11,458.10)**	(2,040.62)
C. Cash flow from financing activities		
Proceeds from calls in arrear of partly paid equity shares (including share premium)	**0.33**	2.73
Dividend paid (including dividend distribution tax) and deposit to investor education & protection fund	**(5,041.98)**	(3,319.51)
Proceeds from long term borrowings	**4,700.00**	3,000.00
Repayment of long term borrowings	**(8,485.47)**	(1,059.50)
Repayment of short term borrowings (net)	**(2,250.80)**	(2,976.87)
Interest paid	**(2,345.93)**	(1,681.79)
Net cash used in financing activities	**(13,423.85)**	(6,034.94)
Net increase in cash and cash equivalents (A+B+C)	**1,200.32**	83.51
Cash and cash equivalents at the beginning of the year	**695.89**	612.38
Cash and cash equivalents at the year end	**1,896.21**	695.89
Components of cash and cash equivalents:		
Cash in hand	**7.73**	5.92
Balances with scheduled banks		
- On current account	**1,888.48**	689.97
(Refer note 13)	**1,896.21**	695.89

Note:

Non-cash investing and financing transaction

Acquisition of property, plant and equipment by means of a finance lease	149.83	–

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

1 Corporate information

Jamna Auto Industries Limited ("the Company") is engaged in manufacturing and selling of Tapered Leaf, Parabolic Springs and Lift Axles. The Company has its manufacturing facilities at Malanpur, Chennai, Yamuna Nagar, Jamshedpur, Hosur, Pillaipakkam and Pune.

The Company is public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Jai Spring Road,Yamuna Nagar, Haryana -135001.

Information on related party relationships of the Company is provided in Note 36.

The financial statements were approved for issue in accordance with a resolution of the board of directors on May 21, 2019.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value as referred in the accounting policies:

(a) Certain financial assets and liabilities measured at fair value and

(b) Derivative financial instruments.

The Financial Statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs (Rs. 00,000), except wherever otherwise stated.

2.1 Significant accounting policies

a) Changes in accounting policies and disclosures

Ind AS 115 Revenue from contracts with customers

The Company has applied Ind AS 115 for the first time. Ind AS 115 supersedes Ind AS 18 "Revenue" and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at April 1, 2018. This did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Foreign currencies

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

Transactions and balances

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in profit or loss are also recognized in profit or loss)

d. Property, plant and equipment (PPE)

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

- Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.
- The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant & Equipment, i.e., when the Company intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment

Leasehold land is amortized over the period of lease on a straight line basis. Cost of leasehold improvements on property, plant and equipment are amortized on a straight-line basis over the period of lease or their useful lives, whichever is shorter.

Depreciation on other property, plant and equipment is calculated on a straight-line basis using rates arrived at based on the useful lives estimated by the management. The Company identifies and determines cost of each component/part of the asset separately, if the Component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining components of the asset. These components are depreciated separately over their useful lives and the remaining components are depreciated over the useful life of the principal assets. The Company has used following estimated useful life to provide depreciation on its property, plant and equipment:

Particulars	Estimated useful life (Years)
Factory buildings	30
Other buildings	60
Plant and machinery [1]	15-20
Research and development equipment	1
Furniture and fixtures [2]	4
Vehicles [2]	4
Office equipment [2]	3
Computers	3

(1) The management has estimated, supported by independent assessment, the useful life of certain plant and machinery as 20 years, which is higher than those indicated in schedule II of the Companies Act 2013.

(2) The management has estimated, based on past experience, the useful life of these blocks of assets as lower than the life indicated for respective block of assets in schedule II of the Companies Act 2013.

Residual value of property, plant and equipment is considered at 5%.

Property, plant and equipment individually costing up to Rs. 0.05 are depreciated at the rate of 100 percent.

e) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The useful life of the intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Software is amortized on a straight-line basis over the period of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) **Leases**

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 fulfilment 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.

A lease is classified at the inception date as a finance lease or an operating lease.

Operating Lease

Leases, where the lessor effectively retains substantially, all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Finance Lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

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.

Lands under finance lease

The Company has lands allotted by authorities for a lease term of ninety-nine years. These lands were acquired by paying the consideration, which reflected the prevalent market price and upfront payment of all future lease rentals. There are no further lease rental obligations upon the Company to be paid to the Authority. There are no restrictions on usage or transfer of the land to any party by the Company. In view of aforesaid facts and circumstances, the Company has classified these lands as finance lease.

g) **Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

h) **Impairment of non-financial asset**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Investments in quoted and unquoted equity instruments are recognized at fair value through Other Comprehensive income.

j) Inventories

Raw materials, components and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

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. Obsolete and non-moving inventory are determined on the basis of regular review and are valued at net realizable value or cost whichever is lower.

k) Revenue from contract with customers

The Company manufactures and sells a range of automobile suspension products. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 38.

The specific recognition criteria described below must also be met before revenue is recognized:

1) Sales of goods

Revenue from sale of goods is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

(i) Warranty obligations

The Company generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), consistent with its current practice. The Company adjust the transaction price for the time value of money where the period between the transfer of the promised goods or services to the customer and payment by customer exceed one year.

(ii) Significant financing components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(iii) Schemes

The Company operates several sales incentive programs wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme program such as credit notes, tours, reimbursement etc. Revenue from contract with customer is presented deducting cost of all these schemes.

2) Service income

Job work charges are accrued, as and when services are performed.

3) Interest income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head “other income” in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

4) Share of profit from LLP

Share of profit from LLP is recognized when the right to receive share of profit is established.

5) Export incentive

Export incentives are accrued in the underlying period of export sales in accordance with the terms of the export benefit scheme, provided that there is no significant uncertainty regarding the entitlement to the credit and the amount thereof.

l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates three defined benefit plans for its employees i.e. gratuity, long service award and benevolent fund. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for these plans using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/

losses are immediately taken to the statement of profit and loss and are not deferred.

m) Taxes

Current income tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for all deductible timing differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement” under the head deferred tax assets. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

n) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Ind AS 102 Share based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

o) Segment reporting

Identification of segments - The Company’s operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

p) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q) Earnings 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 period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty Provision

Provision for warranty related costs are recognized when the product is sold. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

Provision for price difference

The Company recognizes the price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimates and management's assessment, considering the past trend and various other factors. These provisions are reviewed on a regular basis and adjusted with respective element with statement of profit and loss from the adequacy and reasonability point of view.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

u) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, interest income, finance costs and tax expense.

v) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

- Disclosures for valuation methods, significant estimates and assumptions
- Financial guarantee
- Financial instruments (including those carried at amortized cost)

w) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are only classified as debt instruments at amortized cost.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) **Business Model Test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) **Cash Flow Characteristics Test:** Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive

cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk of the Company has not increased significantly, 12-month ECL is used to provide for impairment loss.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 16.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Financial guarantee contracts

Financial guarantee contracts obtained by the Company are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the financial guarantee is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Notes to the financial statements

for the year ended March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Leasehold improvment	Building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computer hardware	Total tangible assets
Gross carrying amount (at cost)										
As at April 1, 2017	**3,545.71**	**746.39**	**-**	**5,810.14**	**19,978.35**	**55.06**	**150.21**	**93.88**	**135.47**	**30,515.21**
Add: Additions	-	-	40.23	1,239.61	2,767.46	199.39	133.40	78.39	76.38	4,534.86
Less: Disposals	-	-	-	-	556.31	0.92	109.53	29.17	107.85	803.78
As at March 31, 2018	**3,545.71**	**746.39**	**40.23**	**7,049.75**	**22,189.50**	**253.53**	**174.08**	**143.10**	**104.00**	**34,246.29**
Add: Additions	41.20	2,950.08	-	1,021.57	6,307.18	24.51	79.19	35.93	60.82	10,520.48
Less: Disposals	-	-	-	-	3.37	0.29	-	0.37	0.25	4.28
As at March 31, 2019	**3,586.91**	**3,696.47**	**40.23**	**8,071.32**	**28,493.31**	**277.75**	**253.27**	**178.66**	**164.57**	**44,762.49**
Accumulated Depreciation										
As at April 1, 2017	**-**	**8.11**	**-**	**218.21**	**3,547.59**	**24.77**	**26.31**	**30.10**	**50.87**	**3,905.96**
Add: Charge for the year	-	8.11	3.44	314.85	3,356.96	41.92	88.16	47.78	58.44	3,919.66
Less: Disposals	-	-	-	-	521.66	0.92	89.42	28.79	105.36	746.15
As at March 31, 2018	**-**	**16.22**	**3.44**	**533.06**	**6,382.89**	**65.77**	**25.05**	**49.09**	**3.95**	**7,079.47**
Add: Charge for the year	-	17.00	4.00	379.47	3,709.93	55.52	71.40	54.57	61.04	4,352.93
As at March 31, 2019	**-**	**33.22**	**7.44**	**912.53**	**10,092.82**	**121.29**	**96.45**	**103.66**	**64.99**	**11,432.40**
Net carrying amount										
As at March 31, 2019	**3,586.91**	**3663.25**	**32.79**	**7,158.79**	**18,400.49**	**156.46**	**156.82**	**75.00**	**99.58**	**33,330.09**
As at March 31, 2018	3,545.71	730.17	36.79	6,516.69	15,806.61	187.76	149.03	94.01	100.05	27,166.82

4 Intangible assets

Particulars	Computer software	Total intangible assets
Gross carrying amount (at cost)		
As at April 1, 2017	94.08	94.08
Add: Additions	34.35	34.35
As at March 31, 2018	128.43	128.43
Add: Additions	174.58	174.58
Less: Disposals	0.46	0.46
As at March 31, 2019	**302.55**	**302.55**
Accumulated amortisation		
As at April 1, 2017	42.53	42.53
Add: Additions	21.80	21.80
As at March 31, 2018	64.33	64.33
Add: Additions	58.04	58.04
Less: Disposals	0.46	0.46
As at March 31, 2019	**121.91**	**121.91**
Net carrying amount		
As at March 31, 2019	**180.64**	**180.64**
As at March 31, 2018	64.10	64.10

5 Investment in subsidiaries

Particulars	As at March 31, 2019	As at March 31, 2018
At Cost		
Investment in Limited Liability Partnership		
99.99850% share in Jai Suspension Systems LLP	**1,777.16**	1,118.79
Investment in Company		
Jai Suspensions Limited (Unquoted equity shares)	**100.00**	100.00
Total	**1,877.16**	1,218.79

6 Investments in others

Particulars	As at March 31, 2019	As at March 31, 2018
At fair value through OCI (fully paid up)		
Unquoted equity shares		
100 equity share of Rs. 655 each in TCP Limited *	**0.66**	-
466,263 equity share of Rs. 10 each (March 31, 2018 : 466,263 shares of Rs. 10 each) in IND Bharath Powergencom Limited *	**46.63**	46.63
Total	**47.29**	46.63

* Investment is with an objective to attain continuous power supply and cost is estimated as fair value.

7 Financial assets - Loans (Unsecured considered good)

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Loans to related party				
Loan to subsidiary at amortised cost	**1,306.35**	933.35	-	-
Loans to others				
Advance to employees	-	-	**133.20**	141.09
Total	**1,306.35**	933.35	**133.20**	141.09

8 Financial assets - Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Security deposits at amortised cost	**564.64**	377.41	**8.32**	3.92
Non current bank balances (Refer note no 13.1)	**3.80**	3.80	**-**	-
Balance with sales tax, excise and custom authorities	**-**	-	**38.43**	390.03
Government grant receivable	**-**	-	**1,151.96**	1,151.96
Unbilled revenue	**-**	-	**1,055.17**	545.46
Derivative instruments at fair value through profit or loss	**-**	-	**0.16**	6.13
Interest accrued	**-**	3.23	**48.83**	67.08
Total	**568.44**	384.44	**2,302.87**	2,164.58

9 Other assets

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Capital advances				
Unsecured considered good	**3,222.84**	1,102.45	**-**	-
Unsecured considered doubtful	**3.85**	9.47	**-**	-
	3,226.69	1,111.92	**-**	-
Less: Provision for doubtful advances	**(3.85)**	(9.47)	**-**	-
Total (A)	**3,222.84**	1,102.45	**-**	-
Advance to suppliers - considered good	**52.50**	-	**524.42**	798.98
- considered doubtful	**41.52**	52.20	**-**	-
Prepaid expenses	**16.01**	1.89	**212.99**	221.16
Prepaid lease rent	**353.16**	371.81	**14.63**	14.63
Deferred Rent	**114.76**	116.04	**1.28**	1.28
Balance with custom authority	**-**	-	**0.41**	28.98
Prepaid taxes #	**0.38**	-	**625.05**	836.80
Duty paid under protest	**303.53**	49.36	**-**	16.87
Other recoverable in cash or kind	**210.31**	-	**30.88**	858.71
- considered doubtful	**-**	-	**12.43**	-
Advance income tax (net)	**129.41**	30.67	**-**	-
	1,221.58	621.97	**1,422.09**	2,777.41
Less :- Provision for doubtful advances	**(41.52)**	(52.20)	**(12.43)**	-
Total (B)	**1,180.06**	569.77	**1,409.66**	2,777.41
Grand Total (A+B)	**4,402.90**	1672.22	**1409.66**	2777.41

Goods and services tax paid on goods in transit.

10 Deferred tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets		
Provision for bad and doubtful debts	**119.36**	101.26
Provision for contingencies	**125.80**	126.71
Provision for price difference	**886.59**	840.19
Government grant deferred	**408.20**	494.05
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**995.07**	582.84
Total deferred tax asset	**2,535.02**	2,145.05
Less :- Deferred tax liability		
Excess of depreciation/ amortisation on fixed assets under income tax law over depreciation/amortisation provided in accounts	**(1,599.50)**	(1,518.44)
Total deferred tax liability (also refer note 45)	**(1,599.50)**	(1,518.44)
Deferred tax assets (net)	**935.52**	626.61

11 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material (at cost) [includes goods in transit: Rs. 260.29 (March 31, 2018: Rs. 418.14)]	**3,534.66**	5,417.80
Components (at cost)	**1,497.36**	730.71
Work-in-progress (at cost)	**2,263.26**	2,578.38
Finished goods (at lower of cost or net realisable value) [includes sales in transit: Rs. 924.77 (March 31, 2018: Rs. 2,518.56)]	**10,896.99**	4,984.14
Stores and spares (at cost)	**1,578.12**	801.11
Scrap (at net realisable value)	**122.77**	72.07
Total	**19,893.16**	14,584.21

12 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Receivables from related party (refer note 36)	**3,579.15**	3,823.13
Trade receivable others	**19,596.29**	13,754.87
Total	**23,175.44**	17,578.00
There are no security against trade receivable. The breakup is as follow:-		
Unsecured, considered good	**23,175.44**	17,578.00
Trade receivables which have significant increase in credit risk	**-**	-
Trade receivables-credit impaired	**341.58**	289.79
Total	**23,517.02**	17,867.79
Less: Allowance for trade receivables-credit impaired	**(341.58)**	(289.79)
Total	**23,175.44**	17,578.00

Trade receivables include :

No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

13 Cash and bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balance with banks		
On current account*	**1,888.48**	689.97
Cash on hand	**7.73**	5.92
Total	**1,896.21**	695.89

*exclusive of Rs. Nil (March 31, 2018: Rs. 1161.60) received from the customers, which already has been factored with a bank.

13.1 Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks		
On unpaid dividend account	**223.33**	203.94
Fixed deposits with bank with more than 12 months #	**3.80**	3.80
Fixed deposits with bank with more than 3 months and less than 12 months # #	**298.92**	45.65
Total	**526.05**	253.39
Amount disclosed under non current assets (Refer note 8)	**(3.80)**	(3.80)
Total	**522.25**	249.59

Includes fixed deposit kept as margin money Rs. 3.80 (March 31, 2018: Rs. 3.80)

Includes fixed deposit kept as margin money Rs. 298.92 (March 31, 2018: Rs. 45.65)

14 Share capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised shares (amount per share in absolute rupees)		
63,88,65,000 (March 31, 2018: 63,88,65,000) equity shares of Rs. 1 each	**6,388.65**	6,388.65
3,50,000 (March 31, 2018: 3,50,000) 12.50% optionally convertible cumulative preference shares of Rs. 100 each	**350.00**	350.00
Total	**6,738.65**	6,738.65
Issued, subscribed and paid up equity shares (amount per share in absolute rupees)		
"Subscribed and fully paid (39,81,73,935 (March 31, 2018: 39,81,57,435) equity shares of Rs. 1 each)"	**3,981.74**	3,981.57
"Subscribed but not fully paid (2,89,950 (March 31, 2018: 3,06,450) equity shares of Rs. 1 each, amount called up Rs. 1 each)"	**2.90**	3.06
Less: Call in arrears (held by other than directors)	**(1.45)**	(1.52)
Total	**3,983.19**	3,983.11

a Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2019		March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Equity Share - Subscribed and fully paid up				
At the beginning of the year	**39,81,57,435**	**3,981.57**	39,81,07,430	3,981.07
Add : Allotment of share (under ESOP scheme) (refer note no 44)	**-**	**-**	50,005	0.50
Add : Partial paid up converted to fully paid up	**16,500**	**0.17**	-	-
At the end of the year	**39,81,73,935**	**3,981.74**	39,81,57,435	3,981.57
Equity Share - Subscribed but not fully paid up				
At the beginning of the year	**3,06,450**	**3.06**	3,06,450	3.06
Less : Calls in arrear received	**16,500**	**0.16**	-	-
At the end of the year	**2,89,950**	**2.90**	3,06,450	3.06

b Term and Rights attached to equity shares

Each shareholder is entitled to one vote per share. The Company pays and declares dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of Rs. 1 (absolute amount) each fully paid				
MAP Auto Limited	**12,90,10,990**	**32.38%**	12,90,10,990	32.38%
Pradeep Singh Jauhar	**2,15,21,070**	**5.40%**	2,15,21,070	5.40%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Forfeited shares (amount originally paid up, included in capital reserve)

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
281,900 equity shares (March 31, 2018: 281,900) of Rs. 1 (absolute amount) each, amount called up Rs. 1 (absolute amount) each.	**2,81,900**	**1.45**	2,81,900	1.45
	2,81,900	**1.45**	2,81,900	1.45

15 Other equity

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium account		
Balance as per the last financial statements	**15,117.16**	15,114.93
Add : Premium on issue of shares under options (Refer note no 44)	**-**	2.23
Add : Premium on conversion of partially paid shares to fully paid	**0.25**	-
Closing balance	**15,117.41**	15,117.16
Other comprehensive income		
Balance as per the last financial statements	**(90.99)**	(41.91)
Add : Re-measurement gains / (losses) on defined benefit plans (net of tax) (Refer note no 34)	**(138.58)**	(49.08)
Closing balance	**(229.57)**	(90.99)
Surplus in the Statement of profit and loss		
Balance as per the last financial statements	**17,368.04**	8,189.24
Add: Profit for the year	**13,978.38**	12,534.36
Less:- Final dividend paid (related to previous year) (refer note no. 1 below)	**(2,190.73)**	(1,593.14)
Less: Tax on final dividend	**(450.31)**	(324.33)
Less:- Interim dividend paid (related to current year) (refer note no. 2 below)	**(1,991.57)**	(1,194.85)
Less:- Tax on interim dividend	**(409.37)**	(243.24)
Net surplus in the Statement of Profit and Loss	**26,304.44**	17,368.04
Other Reserves		
Capital reserve (refer note no 3 below)	**315.71**	315.71
Capital redemption reserve (refer note no 4 below)	**400.00**	400.00
Amalgamation reserve	**1,481.46**	1,481.46
General reserve	**4,077.62**	4,077.62
Total	**6,274.79**	6,274.79
Total reserves and surplus	**47,467.07**	38,669.00

1. The Company has proposed a final dividend of Rs. 0.45(absolute amount) for every equity share of Rs. 1 (absolute amount) (March 31, 2018 Rs. 0.55 (absolute amount) per equity share of Rs.1 (absolute amount) for the year, subject to the approval of shareholders.
2. The Company has declared a interim dividend of Rs. 0.50 (absolute amount) for every equity share of Rs. 1 (absolute amount) (March 31, 2018 Rs. 0.30 (absolute amount) per equity share of Rs.1 (absolute amount) for the current year ended March 31,2019.
3. Includes Rs.247 lakhs (March 31, 2018: Rs. 247 lakhs) amount forfeited against warrants and application money received in earlier years.
4. Represents reserve created on account of redemption of preference shares during earlier years.

16 Financial liabilities - Borrowings

Particulars	Non-current		Current maturities	
	As at March 31, 2019	As at March 31, 2018	As at March 31,2019	As at March 31, 2018
Long term borrowing				
Secured loans				
Term loans from banks				
- Indian rupee loan	**-**	2,250.00	**-**	1,473.67
Other loans and advances				
Long term finance lease obligations	**149.83**	-	**-**	-
Vehicle loans				
- From financial institutions	**-**	0.88	**0.88**	19.41
Unsecured loans				
Deferred sales tax loan	**-**	-	-	42.39
Total Long term borrowing	**149.83**	2,250.88	**0.88**	1,535.47
Less: Amount disclosed under the head "other current liabilities" (refer note no 21)	**-**	-	**0.88**	1,535.47
Net amount	**149.83**	2,250.88	**-**	-
Short term borrowing				
Secured #				
Cash credit *	**-**	-	**-**	2,228.91
Packing credit facility	**-**	-	**-**	21.89
Total current borrowing	**-**	-	**-**	2,250.80
The above include				
Aggregate Secured loans	**150.71**	5,994.76		
Aggregate Unsecured loans	**-**	42.39		

* Gross of credit received of Rs. Nil (March 31, 2018: Rs. 146.80) from a customer, which has been already factored with a bank.

	Security terms	Repayment terms and rate of interest
1.	**Kotak Mahindra Bank Rs. Nil (March 31, 2018: Rs. 3,000)**	
	(a) First charge on all existing and future movable fixed asset of the borrower at Malanpur, Yamunanagar, Jamshedpur and Chennai locations (b) Equitable mortgage by way of first charge on land and building of the borrower on immovable at its Malanpur, Yamunanagar, Jamshedpur and Chennai locations (c) Second charge on existing and future current assets of the borrower	Terms of repayment: 12 equal quarterly instalments of Rs. 250.00 each starting from July 2017, i.e. Starting from five quarters following the month of first disbursement of term loan. This loan has been taken during previous year The loan has been fully repaid in this year Rate of interest: During the year the interest rate varied from 8.45% to 8.85%
2.	**Kotak Mahindra Bank Rs. Nil (March 31, 2018 : Rs. 723.67)**	
	(a) Exclusive hypothecation charge on all existing and future movable fixed asset of the borrower at its Hosur Plant. (b) Exclusive Mortgage charge on immoveable properties being Land & building located at Kalukondapali Village, Thally Road, Denkanikotta Taluk, Krishnagiri Taluk-635114.	Terms of repayment: 9 equal quarterly instalments of Rs. 241.22 each starting from December 2016 , i.e. Starting from quarter following the month of first disbursement of term loan. The loan has been fully repaid in this year Rate of interest: During the year the interest rate varied from 8.30% to 8.80%
3.	**Vehicle loan Rs 0.88 (March 31, 2018: Rs. 20.29)**	
	Vehicle loans are secured by the hypothecation of the specific vehicles. The loans are repayable in equated monthly / quarterly instalments in accordance with terms and conditions of loan agreement. The period of loan ranges from 3 to 5 years and interest rate ranges from 9.50 % to 12.50 %	
4.	**Deferred sales tax loan Rs. Nil, (March 31, 2018: Rs. 42.39)**	
	As per the eligibility certificate issued, the Company was eligible for deferred sales tax loan and the same was repayable over the period from March 1, 2010 to February 28, 2019 and was unsecured and interest free.	
5.	**Finance Lease Rs. 149.83 (March 31, 2018: Nil)**	
	Finance lease obligation is secured by hypothecation of land building taken on lease. The interest rate implicit in the lease is 10% p.a. The payment is scheduled in 98 yearly installments starting from April 2019	

Short term borrowing

\# The Company has a facility for short term borrowings from banks. The balance outstanding as at the year end is Rs Nil, (March 31, 2018: Rs. 2,250.88) carries interest rate of 5% to 9.65% and is secured by:

a. First pari passu charge on entire current assets of the Company.

b. Second pari passu charge over immovable fixed assets of the Company's plants situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.

c. Second pari passu charge on all existing and future movable fixed assets of the Company situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.

17 Other financial liabilities

Particulars	Non-current	
	As at March 31, 2019	As at March 31, 2018
Security deposits at amortised cost	**116.69**	113.51
Total	**116.69**	113.51

18 Provisions

Particulars	Long - term		Short - term	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for employees benefits				
Provision for leave encashment	**474.93**	346.90	**121.06**	87.97
Provision for long service award	**27.10**	26.09	**6.00**	8.79
Provision for benevolent fund	**40.18**	34.47	**10.43**	6.93
Provision for gratuity (Refer note no. 34)	**966.18**	667.09	**-**	-
Total	**1,508.39**	1,074.55	**137.49**	103.69
Other provisions				
Provision for warranties (refer note 18(a))	**-**	-	**207.01**	202.58
Provision for contingencies (refer note 18(b))	**-**	-	**360.00**	362.60
Provision for price differences (refer note 18(c))	**-**	-	**2,369.19**	2,367.71
	-	-	**2,936.20**	2,932.89
	1,508.39	1,074.55	**3,073.69**	3,036.58

18(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**202.58**	143.51
Arising during the year	**126.07**	182.28
Utilized during the year	**(121.64)**	(123.21)
At the end of the year	**207.01**	202.58
Current portion	**207.01**	202.58
Non-current portion	**-**	-

18(b) Provision for contingencies

Provision for contingencies represents, provision made against claim made by one of the supplier not acknowledged by the Company and other possible losses based on best estimate of the management.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**362.60**	350.19
Arising during the year	**140.00**	230.45
Utilized during the year	**(142.60)**	(218.04)
At the end of the year	**360.00**	362.60
Current portion	**360.00**	362.60
Non-current portion	**-**	-

18(c) Provision for price differences (also refer note 48)

The Company's business requires passing on price differences to the customers for the sales made by the Company. The company at the year end, has provided for saving made in price differences to be passed on to the customers.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**2,367.71**	1,747.05
Arising during the year	**1,034.06**	1,595.13
Utilized during the year	**(1,032.58)**	(974.47)
At the end of the year	**2,369.19**	2,367.71
Current portion	**2,369.19**	2,367.71
Non-current portion	**-**	-

19 Deferred government grant

Particulars	As at March 31, 2019	As at March 31, 2018
As at April 1, 2018	**1,655.13**	1,787.09
Recognised during the year	**167.77**	171.66
Released to the statement of profit and loss (refer note no 25)	**(316.32)**	(303.62)
As at March 31, 2019	**1,506.58**	1,655.13
Current	**316.32**	260.93
Non Current	**1,190.26**	1,394.20

Notes:

1. Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

2. The Company has opted the EPCG scheme, to avail the benefit of saving of custom duty by committing export of goods worth six times, of the value of duty saved, over a period of six years from the date of utilisation of benefit. Duty so saved as been recognised as Government grant and being released to profit & loss on the basis of export obligation fulfilled.

At the year end, the Company has an outstanding export obligation of Rs. 8,920.32 (March 31, 2018: Rs. 6,070.41)

20 Financial liabilities -Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables		
- Total outstanding due to micro and small enterprises	**85.49**	-
- Total outstanding due of creditor other than micro and small enterprises (including acceptances Rs. 22,879.57 (March 31, 2018: Rs. Nil))*	**33,053.15**	15,486.15
- Trade payables to related parties	**11.29**	109.98
Total	**33,149.93**	15,596.13

* The acceptances are secured under short term borrowings facility from banks. Refer note 16 for details of securities.

The company provides various trade schemes to its customers. Trade payable includes liability towards such schemes (in addition to amount already credited to the respective customers accounts) amounting to Rs. 260.28 (March 31, 2018: Rs. 548.73)

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2019 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at March 31, 2019	As at March 31, 2018
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	**85.49**	-
Interest	**-**	-
ii) The amount of interest paid by the buyer in terms of section16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	**-**	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	**-**	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	**-**	-

The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are Rs. 85.49 (March 31, 2018 : Rs. Nil)

21 Other financial liabilities

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term borrowing (Refer note 16)	**0.88**	1,535.47
Derivative instruments at fair value through profit or loss	**141.54**	-
Interest accrued but not due on borrowings	**-**	27.89
Investor education and protection fund, will be credited by following amounts (as and when due) - Unpaid dividends	**223.33**	203.94
Other payables		
Creditors for capital goods	**804.88**	246.19
Total	**1,170.63**	2,013.49

22 Current tax liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current tax liabilities	**-**	47.84
Total	**-**	47.84

23 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Payments from customers	**2,425.04**	1,529.31
Statutory dues payable	**1,303.43**	1,162.76
Others	**75.01**	-
Total	**3,803.48**	2,692.07

24 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of products		
Sale of finished goods (automobile suspension products)* (also refer note 48)	**2,00,205.28**	1,59,271.13
Sale of services (job work income)	**-**	858.56

Other operating revenue		
- Scrap sale	**4,347.83**	2,954.81
Revenue from operations	**2,04,553.11**	1,63,084.50

*Sale of finished goods includes excise duty collected from customers amounting to Rs.Nil (March 31, 2018 : Rs.2,229.49). Revenue from operations for previous periods up to June 30, 2017 included excise duty. From July 1, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended March 31, 2019 is not comparable with March 31, 2018 to that extent.

25 Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other non-operating income		
Share in profit of limited liability partnership	**2,610.99**	3,209.85
Gain on disposal of property, plant and equipment (net)	**12.70**	-
Provision no longer required written back	**353.78**	288.06
Exchange fluctuation (Net)	**56.04**	-
Export Incentive	**24.27**	8.46
Government grants (Refer note no 19)	**316.32**	303.62
Miscellaneous income	**272.34**	94.51
Total	**3,646.44**	3,904.50

26 Finance income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- From banks	**16.21**	5.47
- From subsidiary	**90.04**	72.72
- From others	**47.38**	85.46
Total	**153.63**	163.65

27 Cost of raw material and components consumed

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	**6,148.51**	1,308.34
Add : Purchases during the year	**1,38,106.71**	1,08,247.12
Total	**1,44,255.22**	1,09,555.46
Less : Inventory at the end of the year	**5,032.02**	6,148.51
	1,39,223.20	1,03,406.95

28 Changes in inventory of finished goods, work in progress and scrap

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of year		
- Finished goods	**10,896.99**	4,984.14
- Work in progress	**2,263.26**	2,578.38
- Scrap	**122.78**	72.06
Total	**13,283.03**	7,634.58
Inventories at the beginning of year		
- Finished goods	**4,984.14**	6,101.93
- Work in progress	**2,578.38**	762.22
- Scrap	**72.07**	9.23
Total	**7,634.59**	6,873.38
Increase in inventory of finished goods, work in progress and scrap	**(5,648.44)**	(761.20)

29 Employee benefits expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages, bonus, commission and other benefits	**13,724.81**	10,941.18
Gratuity expense (refer note no 34)	**103.93**	192.15
Contribution to provident and other funds	**462.54**	379.42
Staff welfare expenses	**733.70**	634.12
Total	**15,024.98**	12,146.87

30 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	**5,728.45**	5,049.29
Power and fuel	**13,060.11**	8,886.74
Job work charges	**2,429.30**	2,426.72
Rent	**969.87**	728.53
Repair and maintenance		
- buildings	**241.98**	210.64
- plant and machinery	**581.02**	666.69
- others	**290.02**	257.20
Rates and taxes	**218.69**	143.74
Travelling and conveyance	**1,422.39**	1,194.11
Legal and professional (Refer note no 43 for payment made to auditors)	**952.78**	1,064.83
Loss on sale / discard of property, plant and equipment (net)	**-**	13.05
Provision for contingencies (refer note no 18)	**140.00**	230.45
Impairment allowance for trade receivables considered doubtful	**51.79**	92.03
Bad debts written off	**-**	77.68
Freight, forwarding and packing	**4,177.72**	3,787.67
Sales promotion and advertisement	**676.30**	538.28
Selling expenses	**151.12**	135.66
Commission on sales	**9.28**	7.69
Warranty claims	**126.07**	182.28
Security charges	**160.28**	144.43
Contribution towards Corporate Social Responsibility (CSR) (refer note no 46)	**300.86**	194.09
Donation	**2.16**	4.95
Royalty	**195.76**	248.72
Exchange fluctuation loss	**-**	31.44
Directors sitting fees	**5.10**	4.52
Insurance	**86.42**	68.82
Printing stationery and communication	**228.44**	211.06
Bank charges	**152.37**	116.24
Miscellaneous expenses	**333.83**	277.78
Total	**32,692.11**	26,995.33

31 Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest to banks	**2,314.45**	1,623.42
Interest others *	**3.59**	71.24
Total	**2,318.04**	1,694.66

* Includes interest on income tax Rs. 3.59 (March 31, 2018: Rs. 64.19)

32 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (Refer note no 3)	**4,352.93**	3,919.66
Amortisation on intangible assets (Refer note no 4)	**58.04**	21.80
Total	**4,410.97**	3,941.46

33 Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit for the year	**13,978.38**	12,534.36
Weighted average number of equity shares during the period in calculating basic EPS	**39,83,11,132**	39,82,92,648
Add: Stock options granted under ESOP but yet to be excersied	**-**	2,80,250
Weighted average number of equity shares during the period in calculating diluted EPS	**39,83,11,132**	39,85,72,898
Basic EPS (in Rs.)	**3.51**	3.15
Diluted EPS (in Rs.)	**3.51**	3.14

34 Gratuity and other employment benefit plans

The Company operates three plans viz gratuity, long term service awards and benevolent fund for its employees. Under the gratuity plan every employee who has completed atleast five years of service gets Gratuity on departure @15 days of last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy. Under long term service award the employee is entitled to a fixed amount on completion of ten years and fifteen years of service. The scheme of long term service award is unfunded.

(a) The following table summarize the funded status of the gratuity plans and the amount recognized in the Company's financial statements as at March 31, 2019 :

Particulars	As at	
	March 31, 2019	March 31, 2018
Change in benefit obligation		
Opening defined benefit obligation	**886.33**	609.31
Service cost	**104.71**	66.38
Past service cost	**-**	101.91
Interest expenses	**69.76**	47.07
Benefits paid	**(29.45)**	(13.20)
Remeasurements - Actuarial (gains)/ loss	**212.28**	74.86
Closing defined benefit obligation	**1,243.63**	886.33

Particulars	As at	
	March 31, 2019	March 31, 2018
Change in plan assets		
Opening fair value of plan assets	**219.24**	209.20
Expected return on plan assets	**17.23**	15.31
Contributions by employer	**1.76**	0.82
Acquisition	**53.31**	-
Benefits paid	**(13.35)**	(5.90)
Remeasurements - Actuarial gains/ (loss)	**(0.74)**	(0.19)
Closing fair value of plan assets	**277.45**	219.24

(b) Major categories of plan assets

Particulars	As at	
	March 31, 2019	March 31, 2018
Funds managed by insurer	**100%**	100%

(c) Amount for the year ended on March 31, 2019 recognized in the statement of profit and loss under employee benefits expenses:

Particulars	As at	
	March 31, 2019	March 31, 2018
Service cost	**104.71**	66.38
Past service cost	**-**	101.91
Net interest on the net defined benefit liability/ (asset)	**(0.78)**	23.86
Net gratuity cost	**103.93**	192.15

(d) Amount for the year ended on March 31, 2019 recognized in the statement of other comprehensive income:

Particulars	As at	
	March 31, 2019	March 31, 2018
Remeasurements of the net defined benefit liability/ (assets)		
Actuarial (gains)/ losses	**212.28**	74.86
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (assets)	**0.74**	0.19
Total	**213.02**	75.05

(e) Amounts recognised in the statement of other comprehensive income as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
Actuarial (gain)/loss on arising from change in demographic assumption	**(34.52)**	-
Actuarial loss/(gain) on arising from change in financial assumption	**17.87**	36.41
Actuarial loss on arising from experience adjustment	**228.93**	38.45
Actuarial loss on asset for the year	**0.74**	0.19
Total	**213.02**	75.05

(f) The principal assumptions used to determine benefit obligations as at March 31, 2019 are as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
Discount rate	**7.71%**	7.86%
Average rate of increase in compensations level	**10.00%**	7.00%
Retirement age (years)	**58**	58
Mortality rate inclusive of provision for disability	**100% of IALM (2012 - 14)**	**100% of IALM (2006 - 08)**
Employees turnover (age)	**Withdrawal rate in (%)**	
Upto 30 years	**20**	3
From 31 to 44 years	**7**	2
Above 44 years	**5**	1

One of the principal assumptions is the discount rate, which should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(g) The Company expects to contribute Rs. 172.92 (March 31, 2018: Rs. 105.56) towards gratuity during next one year.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	**172.92**	105.56
Between 2 and 5 years	**426.98**	231.58
Between 5 and 10 years	**619.38**	416.60
Beyond 10 years	**1,135.67**	1,172.14
Total	**2,354.95**	1,925.88

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.76 years (March 31, 2018: 14.57 years).

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Particulars	March 31, 2019		March 31, 2019	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Impact on defined benefit obligation	**(52.43)**	**64.23**	**55.36**	**(51.13)**

Particulars	March 31, 2018		March 31, 2018	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(107.99)	116.66	85.05	(84.11)

35 Commitments and contingencies

(a) Leases

Operating lease: Company as lessee

The Company has entered into certain operating leases for office premises, guest houses and others. These leases are cancellable as well as non-cancellable leases. Cancellable leases are having an average life of 11 months. These leases are renewable on mutual consent of lessor and the Company. There are no restrictions placed upon the Company by entering into these leases. During the year, the Company has incurred Rs. 969.87 (Previous year: Rs. 728.53) as rental expense. The minimum future lease payments under non-cancellable leases are as under:

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018
Within one year	**213.92**	181.49
After one year but not more than five years	**-**	154.44
More than five years	**-**	-

Finance lease: Company as lessee

(a) The Company has finance lease for land purchased in Indore. The Company's obligations under finance leases are secured by the lessor's title to the leased assets. The interest rate implicit in the lease obligation is estimated at 10% p.a. The payment is scheduled in 98 yearly instalments starting from April 1, 2019. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are, as follows:

Particulars	Total minimum lease payments outstanding as on	
	March 31, 2019	March 31, 2018
Within one year	**13.62**	-
After one year but not more than five years	**54.49**	-
More than five years	**1,280.43**	-
Total minimum lease payments	**1,348.54**	-

Particulars	Present value of minimum lease payments	
	March 31, 2019	March 31, 2018
Within one year	**13.62**	-
After one year but not more than five years	**43.18**	-
More than five years	**93.03**	-
Present value of minimum lease payments	**149.83**	-

(b) Capital commitments and other commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows : -

Particulars	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances of Rs. 3,226.69 (31.03.2018: Rs. 1,111.92)	**8,504.61**	1,340.77
Other commitments	**-**	30.00
	8,504.61	1,370.77

(c) Contingent liabilities (to the extent not provided for)

	Particulars	March 31, 2019	March 31, 2018
(i)	Income tax	**519.14**	1,345.22
(ii)	Claims against company not acknowledged as debts (civil cases)	**21.42**	28.59
(iii)	Custom and excise duty / service tax	**136.92**	216.27
(iv)	Sales tax and entry tax	**161.37**	198.12
	Total	**838.85**	1,788.20

In relation to income tax matters disclosed in (i) above:

1. With respect to assessment year 2009-10, the assessing officer had increased income of the Company by Rs. 2,560.85 contending that the Company has concealed production and sales to that extent. The Company filed an appeal before CIT(A) against the same and CIT(A) decided the case in favour of the Company. Department filed appeal against the said order before ITAT. In the current year, ITAT has dismissed the said appeal filed by the Department.

   Tax impact of the same is Rs. Nil (March 31, 2018: Rs. 870.43).

2. With respect to assessment years 2012-13 and 2013-14, the assessing officer had increased the taxable income of the Company by Rs 1,396.86 contending that it has sold material to its subsidiary firm (Jai Suspension System LLP (JSSLLP) at lower margin in order to divert its profits to JSSLLP as JSSLLP was enjoying tax exemption during that period. In the current year, assessing officer has increased the taxable income for the assessment year 2016-17 amounting to Rs. 128.15. The Company has paid amount of Rs. 12 under protest against the alleged demand. The Company has preferred an appeal with CIT(A) in respect of each assessment year and based on discussion with the legal counsel is confident of a favourable outcome.

   Tax impact of the same is Rs. 519.14 (March 31, 2018: Rs. 474.79)

In relation to Custom and excise duty / service tax matter disclosed in (iii) above:

1. Matter pending with Commissioner (Appeal) in respect of CENVAT Credit availed by the Company on service tax paid on charges of Custom House Agent for export of finished goods after clearance from the factory for the period from November 2005 to March 2010. The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs. 2.62 (March 31, 2018: Rs. 2.62).
2. Matter pending with Commissioner (Appeal) in respect of CENVAT Credit availed by the Company on service tax paid to the transport agency for outward transportation of the goods for the period 2010-11. The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs. 3.17 (March 31, 2018: Rs. 3.17).
3. Matter was pending before CESTAT, New Delhi in respect of SCN issued by the department against Cenvat not reversed on sale of exempted goods. During the current year, the Company has received order from CESTAT allowing the appeal in its favour. The amount involved is Rs. Nil (March 31, 2018 (including penalty amounting to Rs. 143.15): Rs. 196.28).
4. Matter pending before Commissioner of Central Excise & Service Tax, Lucknow in respect of Cenvat Credit wrongly availed as capital goods instead of input and service tax credit availed without actual documents. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is Rs. 5.95 (March 31, 2018: Rs. 5.95).
5. Matter pending before Director General of Foreign Trade, New Delhi in respect of EPCG licence obtained by the Company, however, the same was lost without being used in 2008. The Company is under an obligation to surrender the licence in case of non utilisation and has received a letter from the office of ADGFT for the same. The Company has appeared before the authority and submitted the facts of losing the licence without utilisation. Accordingly, the Company is of the opinion that it has fair chance of a favourable decision. The amount involved is Rs. 8.25 (March 31, 2018: Rs. 8.25).
6. Matter pending before Assistant Commissioner of CGST, Bhopal in respect of reversal of Service tax on outward freight, working of CAS-4 for goods transferred to Subsidiary entity. The Company has preferred an appeal before Assistant Commissioner and has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs.116.93 (March 31, 2018 : Nil).

In relation to sales tax and entry tax matters disclosed in (iv) above :

1. Matter pending before Hon'ble Supreme Court:

   Sales tax department raised demand in respect of entry tax levied on raw material. The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. During the current year, the Company has received few favourable orders. The Amount involved is Rs. 11.78 (March 31, 2018: Rs. 48.53).

2. Matter pending before Additional Commissioner, Commercial Tax, Lucknow

Sales tax department has raised demand for non submission of form F. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is Rs. 125.76 (VAT), Rs. 22.00 for entry tax and Rs. 1.83 for CST, totalling up to Rs. 149.59 (March 31, 2018: Rs. 149.59). The Company has made a payment of Rs. 22.89 under protest in this regard.

In relation to Supreme Court (SC) judgement on Provident Fund:

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The Company will update its provision, on receiving further clarity on the subject.

(d) Other contingent liabilities

	Particulars	March 31, 2019	March 31, 2018
(i)	Guarantee given by the Company to lender of its subsidiary	**13,500.00**	4,500.00
(ii)	Factoring of trade receivables	-	12,440.87
(iii)	Bank guarantees	**1,521.93**	614.42
	Total	**15,021.93**	17,555.29

In relation to (ii) above factoring comprise of:

1. "During the last year, the Company has entered into factoring arrangement of its trade receivables with its bankers, on without recourse basis. Liability of the Company was restricted only if it does not meet its performance obligation to its customers as per the terms of contract with the respective parties.

   Total amount of trade receivables which had been factored as at Balance Sheet date amounting to Rs. Nil (March 31, 2018: Rs. 12,440.87)."

36 Related party transactions

A) Related parties under IND AS-24 with whom transactions have taken place during the year

I. Subsidiary

Jai Suspension Systems LLP

Jai Suspensions Limited

II. Key managerial personnel and their relatives

Mr. B.S. Jauhar	Chairman
Mr. R.S. Jauhar	Vice Chairman & Executive Director
Mr. P.S. Jauhar	Managing Director & CEO
Mr. H.S. Gujral	Executive Director (resigned on 13.02.2018)
Mr. S.P.S. Kohli	Executive Director (appointed w.e.f. 13.02.2018)
Mrs. Sonia Jauhar	Wife of Vice Chairman
Mrs. Kirandeep Chadha	Daughter of Chairman

III. Companies/Concerns controlled by KMP & their relatives

Jamna Agro Implements Private Limited

S.W. Farms Private Limited

Map Auto Limited (Also having significant influence over the Company)

B) Transactions with related parties

Nature of Transaction	Subsidiaries		Companies/Concerns controlled by KMP & their relatives		Key management personnel and their relatives	
Transactions during the year	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Purchase of Raw materials and Components						
Jai Suspension Systems LLP	**526.11**	1,987.08	**-**	-	**-**	-
Purchase of fixed assets						
Jai Suspension Systems LLP	**-**	160.64	**-**	-	**-**	-
Job work charges						
Map Auto Limited	**-**	-	**707.51**	624.71	**-**	-
Jamna Agro Implements Private Limited	**-**	-	**35.36**	118.65	**-**	-
Rent expense						
SW Farms Private Limited	**-**	-	**25.03**	24.76	**-**	-
Jamna Agro Implements Private Ltd.	**-**	-	**19.12**	-	**-**	-
Mrs Sonia Jauhar	**-**	-	**-**	-	**11.38**	12.38
Mr P S Jauhar	**-**	-	**-**	-	**26.45**	23.16
Freight forwarding and packing expenses						
Map Auto Limited	**-**	-	**86.21**	416.26	**-**	-
Sale of finished goods						
Jai Suspension Systems LLP	**55,983.67**	24,217.38	**-**	-	**-**	-
Sale of fixed assets						
Jai Suspension Systems LLP	**4.78**	-	**-**	-	**-**	-
Map Auto Ltd	**-**	-	**1.53**	-	**-**	-
Job work income						
Jai Suspension Systems LLP	**-**	708.43	**-**	-	**-**	-
Share of profits of LLP						
Jai Suspension Systems LLP	**2,610.99**	3,209.85	**-**	-	**-**	-
Interest income						
Jai Suspensions Limited	**90.04**	72.72	**-**	-	**-**	-
Expense incurred on behalf of related party						
Jai Suspensions Limited	**1.89**	7.48	**-**	-	**-**	-
Remuneration						
Mr. P S Jauhar	**-**	-	**-**	-	**1,093.35**	949.64
Mr. R S Jauhar	**-**	-	**-**	-	**1,080.16**	945.74
Mr. H S Gujral	**-**	-	**-**	-	**-**	16.57
Mr. SPS Kohli	**-**	-	**-**	-	**38.98**	5.18
Mrs. Kirandeep Chadha	**-**	-	**-**	-	**20.70**	21.63
Loan given						
Jai Suspensions Limited	**373.00**	1,033.35	**-**	-	**-**	-

Repayment of loan received						
Jai Suspensions Limited	**-**	100.00	-	-	-	-
Guarantee and collaterals						
Guarantee given by Company for borrowing of related party	**9,000.00**	1,500.00	-	-	-	-
Withdrawal of guarantee given by Company for borrowing of related party	**-**	2,000.00	-	-	-	-

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Balances as at the year end						
Trade payable	**-**	-	**12.64**	109.98	**-**	-
Trade receivable	**3,579.15**	3,823.13	**-**	-	**-**	-
Other receivable	**-**	8.17	**-**	-	**-**	-
Interest receivable	**44.57**	65.45	**-**	-	**-**	-
Loan receivable	**1,306.35**	933.35	**-**	-	**-**	-
Guarantee given by Company for borrowings of the related party	**13,500.00**	4,500.00	**-**	-	**-**	-

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(b) All the liabilities for post retirement benefits being 'Gratuity' are provided on actuarial basis for the Company as a whole, the amount pertaining to Key management personnel are not included above.

(c) Transactions have been reported gross off Goods and Service Tax.

37 Segment reporting

Ind AS 108 establishes standards for the way the Company report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations comprises of only one segment automobile suspension products. The entire operations are governed by the same set of risk and returns. Based on the "management approach" as defined in Ind AS 108, the management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resource allocation. In view of the same, separate segment information is not required to be given as per the requirements of Ind AS 108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Company has assessed that they carry same risk and rewards. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.

- Sales outside India include sales to customers located outside India.

The following is the distribution of the Company's revenue of operations by geographical market, regardless of where the goods were produced:

Revenue from external customers

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Within India	**2,02,642.06**	1,61,705.21
Outside India	**1,911.05**	1,379.29
Total	**2,04,553.11**	1,63,084.50

Sales to customers generating more than 10% of total revenue aggregates to Rs. 142,554.12 (March 31, 2018 Rs. 106,718.53).

Trade receivables from customers generating more than 10% of total revenue aggregates to Rs. 19,749.87 (March 31, 2018 Rs. 14,477.80).

Trade receivable as per geographical locations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Within India	**23,055.76**	17,470.36
Outside India	**119.68**	107.64
Total	**23,175.44**	17,578.00

The trade receivable information above is based on the location of the customers.

All other assets (other than trade receivable) used in the Company's business are located in India and are used to cater both the customers (within India and outside India), accordingly the total cost incurred during the period to acquire the property, plant and equipment and intangible assets has not been disclosed.

38 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 34.

Taxation

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

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. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.“

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 39 for such measurement.

39 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company’s financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Method of Fair Value	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets					
Security deposits paid	Amortised Cost	**572.96**	381.33	**572.96**	381.33
Investment	Fair Value through OCI	**47.29**	46.63	**47.29**	46.63
Loan	Amortised Cost	**1,439.55**	1,074.44	**1,439.55**	1,074.44
Government grant receivable	Amortised Cost	**1,151.96**	1,151.96	**1,151.96**	1,151.96
Unbilled revenue	Amortised Cost	**1,055.17**	545.46	**1,055.17**	545.46
Derivative instruments	Fair Value through Profit and Loss	**0.16**	6.13	**0.16**	6.13
Other financial assets	Amortised Cost	**91.06**	464.14	**91.06**	464.14
Total		**4,358.15**	3,670.09	**4,358.15**	3,670.09
Financial liabilities					
Borrowings (including current maturities)	Amortised Cost	**150.71**	3,786.35	**150.71**	3,786.35
Other financial liabilities					
Security deposits received	Amortised Cost	**116.69**	113.51	**116.69**	113.51
MTM valuation of forward contracts (net)	Fair Value through Profit and Loss	**141.54**	-	**141.54**	-
Total		**408.94**	3,899.86	**408.94**	3,899.86

The management assessed that cash and cash equivalents, short-term borrowings, Interest accrued but not due, trade receivables, trade payables and creditor for fixed asset, investor education and protection fund approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The security deposits (paid/received) are evaluated by the company based on parameters such as interest rate, risk factors , risk characteristics, and individual credit worthiness of the counterparty. Based on this evaluation allowances are taken into account for the expected losses of the security deposits.

Borrowing are evaluated by the company based on parameters such as interest rates, specific country risk factors and prepayment.

40 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019 :

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Security deposits paid	**March 31, 2019**	**572.96**	**-**	**-**	**572.96**
Security deposits paid	March 31, 2018	381.33	-	-	381.33
Investments	**March 31, 2019**	**47.29**	**-**	**-**	**47.29**
Investments	March 31, 2018	46.63	-	-	46.63
Loan	**March 31, 2019**	**1,439.55**	**-**	**-**	**1,439.55**
Loan	March 31, 2018	1,074.44	-	-	1,074.44
Government grant receivable	**March 31, 2019**	**1,151.96**	**-**	**-**	**1,151.96**
Government grant receivable	March 31, 2018	1,151.96	-	-	1,151.96
Unbilled revenue	**March 31, 2019**	**1,055.17**	**-**	**-**	**1,055.17**
Unbilled revenue	March 31, 2018	545.46	-	-	545.46
Derivative instruments	**March 31, 2019**	**0.16**	**-**	**0.16**	**-**
Derivative instruments	March 31, 2018	6.13	-	6.13	-
Other financial assets	**March 31, 2019**	**91.06**	**-**	**-**	**91.06**
Other financial assets	March 31, 2018	464.14	-	-	464.14

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019 :

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial liabilities					
Borrowings (including current maturities)	**March 31, 2019**	**150.71**	**-**	**-**	**150.71**
Borrowings (including current maturities)	March 31, 2018	3,786.35	-	-	3,786.35
Other financial liabilities					
Security deposits received	**March 31, 2019**	**116.69**	**-**	**-**	**116.69**
Security deposits received	March 31, 2018	113.51	-	-	113.51
MTM valuation of forward contracts	**March 31, 2019**	**141.54**	**-**	**141.54**	**141.54**
MTM valuation of forward contracts	March 31, 2018	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the period.

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars	March 31, 2019	March 31, 2018
Borrowings including current maturities of long term borrowing (refer Note no. 16)	**150.71**	3,786.35
Payable for purchase of fixed assets (refer Note no. 21)	**804.88**	246.19
Net debts	**955.59**	4,032.54
Capital components		
Share capital	**3,983.19**	3,983.11
Other equity	**47,467.07**	38,669.00
Total equity	**51,450.26**	42,652.11
Capital and net debt	**52,405.85**	46,684.65
Gearing ratio (%)	**1.8%**	8.6%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

42 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk, legal risk, taxation risk, accounting risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity of Borrowings:

Particulars	Increase / decrease in basis points	March 31, 2019	March 31, 2018
Borrowing :			
Long term loan	Increase in floating interest rate by 100 basis points (1%) for borrowings	-	35.93
Working capital demand/ short term loan		-	169.25
Long term loan	Decrease in floating interest rate by 100 basis points (1%) for borrowings	-	(35.93)
Working capital demand/ short term loan		-	(169.25)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases(including property, plant and equipment).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the translation into INR of its foreign operations by entering into forward contracts.

Since the hedges transaction done by the Company does not have significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and accounting risk:

The Company is exposed to few legal and administrative proceedings arising during the course of business. The management makes an assessment of these pending cases and in case where it believes that loss arising from a proceeding is probable and can reasonably be estimated, the amount is recorded in the books of account. To mitigate these risks arising from the proceedings, the Company employs third party tax and legal experts to assist in structuring significant transactions and contracts.

(c) Credit risk

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

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The major customers of the Company are original equipment manufacturers (OEM's) which have a defined period for payment of receivables and from related party, hence the Company evaluates the concentration of risk with respect to trade receivables as low. At March 31, 2019, approximately 99% (March 31, 2018: 98%) of all the receivables outstanding were from OEMs and related party.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, all the minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Company does not hold collateral as security except in case of dealer's securities deposit in after market.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with the banks with high credit ratings. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as illustrated in Note 13.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds by doing liquidity planning. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, cash credits and advance payment terms.

Maturity profile of financial liabilities :

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2019						
Borrowings (including finance lease obligation)	-	14.50	-	51.64	84.57	150.71
Trade payables	-	33,149.93	-	-	-	33,149.93
Other financial liabilities	223.33	96.05	850.37	-	116.69	1,286.44
Total	**223.33**	**33,260.48**	**850.37**	**51.64**	**201.26**	**34,587.08**
March 31, 2018						
Borrowings (including finance lease obligation)	2,228.91	277.40	1,279.96	2,250.88	-	6,037.15
Trade payables	-	14,763.63	832.50	-	-	15,596.13
Other financial liabilities	203.94	274.08	-	-	113.51	591.53
Total	2,432.85	15,315.11	2,112.46	2,250.88	113.51	22,224.81

(e) Commodity risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchases of steel which is a volatile products and is major component of end product. The prices in these purchase contracts are linked to the price of raw steel and demand supply matrix. However, at present, the Company do not hedge its raw material procurements, as the price of the final product of the Company also vary with the price of steel which mitigate the risk of price volatility.

43 Payment to auditors (excluding taxes)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor		
- Audit fee	**35.50**	34.00
- Limited review fee	**19.00**	18.00
As other capacity		
- Other services	**5.00**	9.32
Reimbursement of expenses	**2.65**	6.93
Total	**62.15**	**68.25**

44 Share based payments

(A) The Company has issued stock options to its employees in accordance with the Company's Employee Stock Option Scheme 2006 and 2008. Both the schemes are administered by the Compensation Committee constituted pursuant to SEBI (Share based employee benefits) Regulations, 2014. All the permanent employees of the Company and the subsidiary, including Directors but excluding promoters of the Company are eligible to participate in the schemes. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the Company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

The stock option shall vest proportionately over the period of 5 years from the date of grant in the ratio of 15% for the first year, 20% for second to fourth year and 25% for the fifth year. The options would be granted at the exercise price that is equivalent to the prevailing market price at the time of grant. The exercise price, in cash, is paid by the employee at the time of exercise of the stock option. The option lapses if not exercised within a period of 3 years from the date of vesting of option. The lapsed option is available for being re-granted/ re-issued at a future date. The maximum number of options that may be granted to any specific employee is upto 0.5 % of the issued capital of the company.

ESOP Scheme	Members approval	Number of options
ESOP Scheme-2006	25.01.2007	3,14,000
ESOP Scheme-2008	01.07.2008	Not more than 5% of the paid up equity shares capital of the Company as on 31.03.2012

Date of grant	Number of options granted	Exercise price	Market price (Rs. in absolute term)
ESOP Scheme-2006			
25.01.2007	2,57,000	Rs 30.62	Rs 30.62
25.08.2007	57,000	Rs 44.20	Rs 44.20
ESOP Scheme-2008			
08.02.2010	8,67,461	Rs 54.95	Rs 54.95
05.08.2010	3,61,250	Rs 120.65	Rs 120.65

(B) Summary of stock options

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of Shares	Weighted Average Price	No. of Shares	Weighted Average Price
Options outstanding at the beginning of the year	**28,025**	**120.65**	57,462	120.65
Options granted during the year	**NIL**	**NIL**	NIL	NIL
Options forfeited / lapsed during the year	**28,025**	**120.65**	24,437	117.40
Options exercised during the year	**NIL**	**NIL**	5,000	54.95
Options outstanding at the end of the year	**NIL**	**NIL**	28,025	120.65
Options exercisable at the end of the year	**NIL**	**NIL**	28,025	120.65

All the options vested to its employees prior to transition date to Ind AS i.e. April 1, 2016.

(C) Weighted average share price on the date of exercise of the options is NIL (Previous year Rs. 120.65)

(D) Range of exercise price and weighted average remaining contractual life of stock options outstanding

For the year ended March 31, 2019			For the year ended March 31, 2018		
Number of stock options outstanding at the year end	Range of exercise price	Weighted average remaining contractual life	Number of stock options outstanding at the year end	Range of exercise price	Weighted average remaining contractual life
-	-	**0 years**	-	-	0 years
-	-	**0 years**	-	-	0 years
-	-	**0 years**	-	-	0 years
-	-	**0 years**	28,025	120.65	0.33 years

(E) Weighted average fair value of options: The fair value of each option is estimated using the Black Scholes model after applying the following weighted average assumptions:-

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Risk free interest rate	*	*
Expected life	*	*
Expected volatility(%)	*	*
Expected dividend (%)	*	*
Price of underlying shares in the market at the time of option grant	*	*

* Not applicable since the Company has not granted stock options during the year.

(F) The Company had been using intrinsic value method of accounting ESOP expenses as prescribed by SEBI (Share base employee benefits) Regulations, 2014, to account for stock options issued under the Company's stock options schemes. Under this method, compensation expenses are recorded on the basis of excess of the market price of share at the date of grant of option over exercise price of the option.

There would be no impact on the profit or earnings per share had the company used the fair value of the options as the method of accounting instead of intrinsic value as the fair value is less than the instrinsic value of the option.

(G) Following is the table showing Fair Value, Exercise Price and amount of expenditure not recognsied at each Balance Sheet date

As at	No. of options outstanding (vested but not exercised)	No. of Shares	Face Value of Each Share	Exercise Value	Fair Value	Amount not recognised in the profit and loss as expenses
March 31, 2018	28,025	2,80,250	1	33.81	220.42	186.60
March 31, 2019	-	-	NA	NA	NA	NA

The Company has availed the exemption given under Ind AS 101, since all the options granted were vested before the transition date.

45 Deferred tax assets (net)

Particulars	March 31, 2019	March 31, 2018
Deferred tax assets	**935.52**	626.61
Total	**935.52**	626.61

Income tax expenses reported in the statement of profit and loss comprises:	March 31, 2019	March 31, 2018
Current income tax expenses:		
Income tax	**6,588.42**	5,400.24
Deferred tax		
Relating to origination and reversal of temporary differences	**(234.48)**	(435.51)
Income tax expenses reported in statement of profit and loss	**6,353.94**	4,964.73

Statement of other comprehensive income	March 31, 2019	March 31, 2018
Net loss on remeasurements of defined benefit plan	**213.02**	75.05
Deferred tax asset on above	**(74.44)**	(25.97)
	138.58	49.08

Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:-

Particulars	March 31, 2019	March 31, 2018
Accounting profit before tax	**20,332.32**	17,499.09
Statutory income tax rate	**34.99%**	34.61%
Computed tax expenses	**7,115.09**	6,056.09
Adjustments in respect of current income tax of previous years	**24.89**	43.58
Non-deductible expenses for tax purposes :		
Income not considered for tax purpose (Income from subsidiary (Jai Suspensions Systems LLP)	**(913.69)**	(1,110.86)
Expenses/(Income) not considered for tax purpose (Permanent difference)	**50.62**	(87.43)
Others	**2.59**	37.39
At the effective income tax rate of 31% (March 31, 2018: 28%)	**6,279.50**	4,938.77

Deferred tax asset comprises

Deferred tax assets/ (liabilities)	Balance Sheet		During the year	
	March 31, 2019	March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Property, plant and equipment - Impact of difference between tax depreciation and depreciation charged to financial statements	**(1599.50)**	(1518.44)	**81.06**	69.34
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis				
Allowance for doubtful debts	**119.36**	101.26	**18.10**	32.82
Provision for contigencies	**125.80**	126.71	**(0.91)**	5.52
Provision for price difference	**886.59**	840.19	**46.40**	296.36
Provision for warranty	**72.34**	70.79	**1.55**	21.12
Impact of Government grant deferred	**408.20**	494.05	**(85.85)**	(80.39)
Gratuity	**337.62**	233.11	**104.51**	94.64
Employee incentive	**204.21**	-	**204.21**	-
Leave encashments	**208.26**	151.96	**56.30**	50.68
Bonus payable	**116.41**	107.45	**8.95**	21.32
Othes expenditure (net)	**56.24**	19.53	**36.72**	(6.53)
Total	**935.52**	626.61	**308.92**	504.89

Reconciliation of deferred tax assets (net)	March 31, 2019	March 31, 2018
Opening balance as per last balance sheet	**626.61**	121.72
Tax expenses recognised in statement of profit and loss	**308.92**	504.89
Closing balance	**935.52**	626.61

46 CSR expenditure

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility (“CSR”). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of Rs. 300.86 (March 31, 2018: Rs. 194.09) towards this cause and charged the same to the Statement of Profit And Loss.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Gross amount required to be spent by the Company during the year	**265.62**	176.90
(b) Amount spent during the year on other than construction of assets paid in cash	**300.86**	194.09

47. The Company has incurred expenses on its in-house research and development centre at Pune approved and recognised by the Ministry of Science & Technology.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a. Capital expenditure		
Purchase of capital assets	**1235.63**	68.69
b. Revenue expenditure		
Salaries, Allowances and Bonus	**182.76**	161.72
Contribution to Other Funds	**4.94**	4.82
Staff Welfare	**0.59**	0.53
Material Consumed	**5.11**	-
Rent	**27.77**	23.77
Repair & Maintenance	**7.19**	1.67
Travelling & Conveyance	**38.41**	46.60
Power & fuel	**38.86**	36.23
Miscellaneous	**35.00**	18.31
Depreciation	**27.61**	41.27

48. Revenue is measured by the Company at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of finished goods, the Company considers the effect of various factors such as price differences and volume based discounts, rebates and other promotion incentive schemes ("trade schemes") provided to the customers. Adequate provisions have been made for such price differences, and trade schemes with a corresponding impact on the revenue.

Accordingly, revenue for the current year is net price differences, trade schemes, rebates, discounts, etc.

49. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Equity Share Capital (including premium)	Total
Amount as at March 31, 2017	1,845.85	5,227.66	19,097.54	26,171.05
Proceeds from issue of equity share capital	-	-	2.73	2.73
Proceeds from borrowings	3,000.00	-	-	3,000.00
Repayment of borrowings	(1,059.50)	(2,976.86)	-	(4,036.36)
Amount as at March 31, 2018	3,786.35	2,250.80	19,100.27	25,137.42
Proceeds from issue of equity share capital	-	-	0.33	0.33
Proceeds from borrowings	4,700.00	-	-	4,700.00
Repayment of borrowings	(8,485.47)	(2,250.80)	-	(10,736.27)
Amount as at March 31, 2019	**0.88**	**-**	**19,100.60**	**19,101.48**

50. Standards issued but not yet effective

Ind AS 116 Leases

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard:

(i) Ind AS 116 Leases

Ind AS 116 was notified by the MCA on 30th March 2019. The standard is applicable for the financial year beginning on or after 1 April 2019 to all the companies reporting under Ind AS.

The new standard proposes an overhaul in the accounting for lessees by completely letting go off the previous "dual" finance vs. operating lease model. The guidance in the new standard requires lessees to adopt a single model approach which brings leases on the balance sheet on first day, in the form of a right-of-use asset and a lease liability

The Company is in the process of making an assessment of the impact of Ind-AS 116 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

(ii) Amendments to existing issues IND AS

The MCA has also carried out amendments in following accounting standards. These are:

(a) Ind AS 12 Income taxes to Appendix C Uncertainty over income tax treatments.

(b) Ind AS 19 Employee Benefits

(c) Ind AS 23 Borrowing Costs

(d) Ind AS 28 Investments in Associates and Joint Ventures

(e) Ind AS 109 Financial Instruments

(f) Ind AS 111 Joint Arrangements

Application of above standards are not expected to have any significant impact on the Company's financial statements.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Jamna Auto Industries Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Jamna Auto Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Significant judgments and estimates relating to recording of price differences and trade schemes and their impact on revenue recognition	
Revenue is measured by the Group at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Group considers the effects of various factors such as volume based discounts, price differences, rebates and other promotion incentives schemes ('trade schemes') provided to the customers.	Our audit procedures included the following: • Assessed the Group 's accounting policy for revenue recognition including the policy for recording price differences and savings as per trade schemes in terms of Ind AS 115.

The Group's business also requires passing on price differences and trade schemes to the customers for the sales made by the Group. The Group at the year end, has provided for such price differences and trade schemes to be passed on to the customers. The estimated price differences at the year-end is shown under note 17(c) to the financial statements and the provision for trade schemes is appearing in the note 19 and the same consequentially impacts the revenue appearing in note 23 to the financial statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price differences and trade schemes to be recorded as at the year end.	• Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price difference and trade schemes, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls. • Evaluated management's methodology and assumptions used in the calculations of price difference and savings as per trade schemes. • Tested completeness and arithmetical accuracy of the data used in the computation of price difference and savings as per trade schemes. • Tested, on sample basis, credit notes issued/ payment made as per approved trade scheme/ agreed price differences passed on to the customers. • Also performed various analytical procedures to identify any unusual trends and identify unusual items.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

AS financial statements.

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 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.

Other Matter

We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose Ind AS financial statements include total assets of Rs 18,614.55 lakhs as at March 31, 2019, and total revenues of Rs 55,677.95 lakhs and net cash inflows of Rs 16.08 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Since the other subsidiary being a Limited Liability Partnership is not governed by the Companies Act, 2013 and the auditors of such subsidiary have not issued a report on adequacy and operating effectiveness of the internal financial control over financial reporting of the subsidiary, hence the same is not covered by us in our report on internal financial controls over financial reporting.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We and the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries, none of the directors of the Group's entities, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act. Further this clause does not apply to the other subsidiary being a Limited Liability Partnership.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiaries, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. Further this clause does not apply to the two subsidiaries of the company;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 34 (c) to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421
Place of Signature: New Delhi
Date: May 21, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAMNA AUTO INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Jamna Auto Industries Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Jamna Auto Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary company (together referred to as "the Group"), which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, and its subsidiary company, which is incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31,2019, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to a subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary. Further, one other subsidiary, being a Limited Liability Partnership is not governed by the Companies Act, 2013 and the auditors of such subsidiary have not issued a report on adequacy and operating effectiveness of the internal financial control over financial reporting of the subsidiary, hence the same is not covered by us in our report on internal financial controls over financial reporting.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

Place of Signature: New Delhi

Date: May 21, 2019

Consolidated Balance Sheet

as at March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

	Particulars	Note	As at March 31, 2019	As at March 31, 2018
A	**Assets**			
1	**Non-current assets**			
	Property, plant and equipment	3	**37,091.28**	30,072.26
	Capital work in progress		**3,965.40**	3,085.28
	Intangible assets	4	**184.34**	69.06
	Investment in subsidiaries		**-**	-
	Financial assets			
	Investments	5	**47.29**	46.63
	Other financial assets	7	**692.72**	480.95
	Other non-current assets	8	**4,730.90**	2,855.84
	Deferred tax assets (net)	9	**857.41**	735.45
			47,569.34	37,345.47
2	**Current assets**			
	Inventories	10	**22,891.96**	15,847.26
	Financial assets			
	Loans	6	**139.51**	148.13
	Trade receivables	11	**30,410.26**	19,122.34
	Cash and cash equivalent	12	**1,935.82**	719.43
	Other bank balances	12.1	**524.51**	511.99
	Other financial assets	7	**1,567.38**	2,111.93
	Other current assets	8	**1,739.32**	3,132.87
			59,208.76	41,593.95
	Total-Assets		**106,778.10**	78,939.42
B	**Equity and Liabilities**			
1	Equity			
	Equity share capital	13	**3,983.19**	3,983.11
	Other equity	14	**46,971.75**	38,405.60
	Equity attributable to equity holders of the Parent		**50,954.94**	42,388.71
	Non-controlling interest	14	**0.13**	0.08
	Total equity		**50,955.07**	42,388.79
2	**Non-current liabilities**			
	Financial liabilities			
	Borrowings	15	**359.59**	2,457.11
	Other financial liabilities	16	**116.69**	113.51
	Long term provisions	17	**1,578.06**	1,128.87
	Deferred government grant	18	**1,190.26**	1,394.20
	Deferred tax liabilities (net)	9	**34.60**	-
			3,279.20	5,093.69
3	**Current liabilities**			
	Financial liabilities			
	Borrowings	15	**-**	2,261.01
	Trade payables			
	- Total outstanding due of micro and small enterprises		**85.49**	-
	" - Total outstanding due of other creditors other than micro and small enterprises "	19	**43,567.80**	20,372.93
	Other financial liabilities	20	**1,224.66**	2,079.58
	Deferred government grant	18	**316.32**	260.93
	Liabilities for current tax (net)	21	**-**	47.84
	Short term provisions	17	**3,139.61**	3,401.54
	Other current liabilities	22	**4,209.95**	3,033.11
			52,543.83	31,456.94
	Total - Equity and liabilities		**106,778.10**	**78,939.42**

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Pankaj Gupta
Chief Financial Officer

Statement of Consolidated Profit and Loss

for the year ended March 31, 2019

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	23	**213,481.23**	175,731.93
Other income	24	**1,072.66**	786.54
Total revenue		**214,553.89**	176,518.47
Expenses			
Cost of raw materials and components consumed	26	**142,999.89**	108,913.15
(Increase) / decrease in inventories of finished goods, work in progress and scrap	27	**(7,068.69)**	196.30
Excise duty on sales of goods		**-**	1,919.73
Employee benefit expenses	28	**15,803.45**	12,750.96
Other expenses	29	**34,077.04**	28,169.67
Total expenses		**185,811.69**	151,949.81
Profit before finance costs, depreciation/amortisation expense and tax		**28,742.20**	24,568.66
Finance cost			
Finance cost	30	**2,571.69**	1,907.07
Finance income	25	**24.75**	84.67
Net finance cost		**2,546.94**	1,822.40
Depreciation and amortisation expense	31	**4,645.48**	4,137.17
Profit before tax		**21,549.78**	18,609.09
Tax expense			
Current tax		**7,913.90**	6,366.01
Deferred tax (credit)		**(109.25)**	(287.50)
Total tax expense		**7,804.65**	6,078.51
Profit for the year		**13,745.13**	12,530.58
Other Comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
- Re-measurement (losses) on defined benefit plans		**(211.00)**	(88.98)
- Deferred tax impact on above		**73.73**	30.79
Other comprehensive income for the year, net of tax		**(137.27)**	(58.19)
Total comprehensive income for the year		**13,607.86**	12,472.39
Total comprehensive income for the year attributable to:			
Equity holders of the parent		**13,607.82**	12,472.34
Non-controlling interests		**0.04**	0.05
Earnings per equity share (par value Rs. 1 (absolute amount) per share)			
- Basic	32	**3.45**	3.15
- Diluted		**3.45**	3.14
[Earnings per equity share expressed in absolute amount in Indian Rupees]			

Significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements
As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Statement of Changes in Equity

for the year ended March 31, 2019

(All amounts in Rupees Lakhs, unless otherwise stated)

(a) Equity share capital :

Particulars	No. of shares*	Amount
Equity shares of Rs. 1 each issued, subscribed and paid (refer note no 13)		
Balance as at April 1, 2017	398,107,430	3,982.61
Issued during the year	50,005	0.50
Partial paid converted into fully paid	-	-
Closing balance as at March 31, 2018	398,157,435	3,983.11
Issued during the year	-	-
Partial paid converted into fully paid	16,500	0.08
Closing balance as at March 31, 2019	**398,173,935**	**3,983.19**

* No. of shares issued, subscribed and fully paid only.

(b) Other equity (refer note no. 14)

Particulars	Capital reserve	Amalga-mation reserve	Capital redemption reserve	Securities premium account	General reserve	Retained earnings	Total	Non-controlling interest	Total equity
As at April 1, 2017	315.71	1,481.46	400.00	15,114.93	4,077.62	7,896.82	29,286.54	0.04	29,286.58
Add: Profit for the year	-	-	-	-	-	12,530.58	12,530.58	-	12,530.58
Add: Security premium for the year	-	-	-	2.23	-	-	2.23	-	2.23
Less: Dividend Paid	-	-	-	-	-	(2,787.99)	(2,787.99)	-	(2,787.99)
Less: Tax on dividend	-	-	-	-	-	(567.57)	(567.57)	-	(567.57)
Less: Non controlling interest for the year	-	-	-	-	-	-	-	0.04	0.04
Less: Other comprehensive income	-	-	-	-	-	(58.19)	(58.19)	-	(58.19)
As at March 31, 2018	315.71	1,481.46	400.00	15,117.16	4,077.62	17,013.65	38,405.60	0.08	38,405.68
Add: Profit for the year	-	-	-	-	-	13,745.13	13,745.13	-	13,745.13
Add: Security premium for the year	-	-	-	0.25	-	-	0.25	-	0.25
Less: Dividend Paid	-	-	-	-	-	(4,182.30)	(4,182.30)	-	(4,182.30)
Less: Tax on dividend	-	-	-	-	-	(859.66)	(859.66)	-	(859.66)
Less: Shares allotted during the year	-	-	-	-	-		-	-	-
Less: Non controlling interest for the year								0.05	0.05
Less: Other comprehensive income	-	-	-	-	-	(137.27)	(137.27)	-	(137.27)
As at March 31, 2019	**315.71**	**1,481.46**	**400.00**	**15,117.41**	**4,077.62**	**25,579.55**	**46,971.75**	**0.13**	**46,971.88**
Total other equity	**315.71**	**1,481.46**	**400.00**	**15,117.41**	**4,077.62**	**25,579.55**	**46,971.75**	**0.13**	**46,971.88**

The accompanying notes form an integral part of the financial statements
As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2019

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Profit before income tax	**21,549.78**	18,609.09
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**4,645.48**	4,137.17
(Gain) / loss on sale of property, plant and equipment	**(12.70)**	5.36
Finance cost	**2,571.69**	1,321.21
Finance income	**(24.75)**	(84.67)
Provision for contingencies	**140.00**	-
Excess provision no longer required written back	**(353.78)**	(119.95)
Impairment allowance for trade receivables and advances considered doubtful	**49.69**	85.66
Bad debts written off	**-**	77.68
Government grant and export incentive income recognised	**(316.32)**	(312.08)
Operating profit before working capital changes	**28,249.09**	23,719.47
Movement in working capital		
Increase in other financial liabilities	**164.11**	42.05
Increase in trade payable and other current liabilities	**24,668.39**	14,342.01
(Decrease) / Increase in provision (Non current & current)	**(21.14)**	809.79
Decrease in trade receivables	**(11,337.61)**	(15,866.46)
Increase in inventories	**(7,044.70)**	(4,571.95)
Decrease / (Increase) in loans (Non current & current)	**8.62**	(99.92)
Movement in government grant	**167.77**	180.12
Increase in other non-current assets & other financial assets	**1,191.05**	228.84
Cash generated from operations	**36,045.58**	18,783.95
Income tax paid (net of refunds)	**(7,910.76)**	(6,163.01)
Net cash generated from operating activities	**28,134.82**	12,620.94
B. Cash flows from investing activities		
Payment for property, plant and equipment	**(13,076.58)**	(7,624.32)
Proceeds from sale of property, plant and equipment	**18.68**	94.31
Investments in Fixed deposits	**(250.00)**	(4.52)
Investment in others	**(0.66)**	-
Fixed deposits matured during the year	**256.87**	64.67
Receipt of government grant	**-**	230.44
Interest received (finance income)	**32.89**	84.67
Net cash used in investing activities	**(13,018.80)**	(7,154.75)
C. Cash flow from financing activities		
Proceeds from issue of equity shares (including share premium)	**0.34**	2.73
Dividend paid (including dividend distribution tax) and deposit to Investor education & protection fund	**(5,041.98)**	(3,319.51)
Proceeds from long term borrowings	**4,700.00**	3,000.00
Repayment of long term borrowings	**(8,697.24)**	(1,072.72)
Repayment of short term borrowings (net)	**(2,261.01)**	(2,966.65)
Interest paid	**(2,599.74)**	(1,308.35)
Net cash used in financing activities	**(13,899.63)**	(5,664.50)
Net increase in cash and cash equivalents (A+B+C)	**1,216.39**	(198.31)
Cash and cash equivalents at the beginning of the year	**719.43**	917.74
Cash and cash equivalents at the year end	**1,935.82**	719.43
Components of cash and cash equivalents:		
Cash in hand	**9.37**	7.04
Balances with banks		
- On current account	**1,926.45**	712.39
Total (Refer note 12)	**1,935.82**	719.43
Note:		
Non-cash investing and financing transaction		
Acquisition of property, plant and equipment by means of a finance lease	**359.59**	-

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Pankaj Gupta
Chief Financial Officer

Notes to the consolidated financial statements

for the year ended March 31, 2019

(All amounts are in Rupees Lakhs, unless otherwise stated)

1 Corporate information

The consolidated financial statements comprise financial statements of Jamna Auto Industries Limited (the company) and its subsidiaries, Jai Suspension Systems LLP and Jai Suspensions Limited (collectively, referred as the Group) for the year ended March 31, 2019. The Group is engaged in manufacturing and selling of Tapered Leaf, Parabolic Springs and Lift Axles. The Group has its manufacturing facilities at Malanpur, Chennai, Yamuna Nagar, Jamshedpur, Hosur, Pillaipakkam, Pune, Rudrapur and Lucknow.

The Company is public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Jai Spring Road, Yamuna Nagar, Haryana -135001

Information on the Group's structure is provided in Note 44. Information on other related party relationships of the Group is provided in Note 35.

The consolidated financial statements were approved for issue in accordance with a resolution of the board of directors on May 21, 2019.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value as referred in the accounting policies:

(a) Certain financial assets and liabilities measured at fair value and

(b) Derivative financial instruments.

The Consolidated financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs (Rs. 00,000), except wherever otherwise stated.

2.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of both entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March.

Consolidation procedure:

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2.2 Significant accounting policies

a) Changes in accounting policies and disclosures

Ind AS 115 Revenue from Contracts with Customers

The Group has applied Ind AS 115 for the first time. Ind AS 115 supersedes Ind AS 18 "Revenue" and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at April 1, 2018. This did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c) Foreign currencies

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

Transactions and balances

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in profit or loss are also recognized in profit or loss).

d) Property, plant and equipment (PPE)

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

- Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

- The Group identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant Equipment, i.e., when the Group intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment

Leasehold land is amortized over the period of lease on a straight line basis. Cost of leasehold improvements on property, plant and equipment are amortized on a straight line basis over the period of lease or their useful lives, whichever is shorter.

Depreciation on other property, plant and equipment is calculated on a straight-line basis using rates arrived at based on the useful lives estimated by the management. The Group identifies and determines cost of each component/part of the asset separately, if the Component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining components of the asset. These components are depreciated separately over their useful lives and the remaining components are depreciated over the useful life of the principal assets. The Group has used following estimated useful life to provide depreciation on its property, plant and equipment:

Particulars	Estimated useful life (Years)
Factory building	30
Other buildings	60
Plant and Machinery[1]	15-20
Research and development equipment	1
Furniture and fixtures[2]	4
Vehicles[2]	4-8
Office equipments[2]	3
Computers	3

(1) The management has estimated, supported by independent assessment, the useful life of certain plant and machinery as 20 years, which is higher than those indicated in schedule II of the Companies Act 2013.

(2) The management has estimated, based on past experience, the useful life of these blocks of assets as lower than the life indicated for respective block of assets in schedule II of the Companies Act 2013.

Residual value of property, plant and equipment is considered at 5%.

Property, plant and equipment individually costing up to Rs. 0.05 are depreciated at the rate of 100 percent.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The useful life of the intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Software is amortized on a straight-line basis over the period of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) Leases

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 fulfilment 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.

A lease is classified at the inception date as a finance lease or an operating lease.

Operating Lease

Leases, where the lessor effectively retains substantially, all the risks and benefits of ownership of the leased item, are classified as Operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Finance Lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group 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.

Lands under finance lease

The Group has lands allotted by authorities for a lease term of ninety-nine years. These lands were acquired by paying the consideration, which reflected the prevalent market price and upfront payment of all future lease rentals. There are no further lease rental obligations upon the Group to be paid to the Authority. There are no restrictions on usage or transfer of the land to any party by the Group. In view of aforesaid facts and circumstances, the Group has classified these lands as finance lease.

g) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

h) Impairment of non-financial asset

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

i) Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Investments in quoted and unquoted equity instruments are recognized at fair value through Other Comprehensive income

j) Inventories

Raw materials, components and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

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. Obsolete and non-moving inventory are determined on the basis of regular review and are valued at net realizable value or cost whichever is lower.

k) Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 37.

The specific recognition criteria described below must also be met before revenue is recognized:

1) Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

(i) Warranty obligations

The Group generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), consistent with its current practice. The Group adjust the transaction price for the time value of money where the period between the transfer of the promised goods or services to the customer and payment by customer exceed one year.

(ii) Significant financing components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(iii) Schemes

The Group operates several sales incentive programs wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programs such as credit notes, tours, reimbursement etc. Revenue from contract with customer is presented deducting cost of all these schemes.

2) Service income

Job work charges are accrued, as and when services are performed.

3) Interest income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "other income" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

4) Export incentives

Export incentives are accrued in the underlying period of export sales in accordance with the terms of the export benefit scheme, provided that there is no significant uncertainty regarding the entitlement to the credit and the amount thereof.

l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates three defined benefit plans for its employees i.e. gratuity, long service award and benevolent fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for this plan using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

m) Taxes

Current income tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for all deductible timing differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the head deferred tax assets. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

n) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Ind AS 102 Share based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

o) Segment reporting

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

p) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q) Earnings 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 period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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) Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty Provision

Provision for warranty related costs are recognized when the product is sold. Provision is based on historical experience. The estimate of such warranty related costs are revised annually.

Provision for price difference

The Group recognizes the price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimates and management's assessment, considering the past trend and various other factors. These provisions are reviewed on a regular basis and adjusted with respective element with statement of profit and loss from the adequacy and reasonability point of view.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

t) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

u) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, interest income, finance costs and tax expense.

v) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

- Disclosures for valuation methods, significant estimates and assumptions
- Financial guarantee
- Financial instruments (including those carried at amortized cost)

w) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are only classified as debt instruments at amortized cost.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) **Business model test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) **Cash flow characteristics test:** Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk of the Group has not increased significantly, 12-month ECL is used to provide for impairment loss.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 15..

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Notes to the consolidated financial statements

for the year ended March 31, 2019

(All amounts in Rupees Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Leasehold Improvment	Leasehold Building	Building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computer hardware	Total tangible assets
Gross carrying amount (at Cost)											
As at April 1, 2017	**3,545.70**	**816.27**	**-**	**208.63**	**6,127.73**	**20,605.37**	**41.08**	**344.66**	**109.37**	**165.65**	**31,964.46**
Add: Additions	-	-	40.23	-	2,336.77	3,301.84	227.86	158.35	83.53	78.69	6,227.27
Less: Disposals	-	-	-	-	-	574.56	71.35	133.24	51.71	138.19	969.05
As at March 31, 2018	3,545.70	816.27	40.23	208.63	8,464.50	23,332.65	197.59	369.77	141.19	106.15	37,222.68
Add: Additions	41.20	3,984.16	-	-	1,021.57	6,350.68	32.58	79.19	38.47	63.33	11,611.18
Less: Disposals	-	-	-	-	-	3.37	0.29	1.71	0.37	0.24	5.98
As at March 31, 2019	**3,586.90**	**4,800.43**	**40.23**	**208.63**	**9,486.07**	**29,679.96**	**229.88**	**447.25**	**179.29**	**169.23**	**48,827.87**
Accumulated Depreciation											
As at April 1, 2017	-	8.99	-	3.95	229.89	3,496.25	24.99	57.86	33.21	57.06	3,912.20
Add: Charge for the year	-	8.99	3.44	9.48	343.73	3,444.93	48.64	125.04	54.95	68.40	4,107.60
Less: Disposals	-	-	-	-	-	528.11	69.87	102.00	43.94	125.46	869.38
As at March 31, 2018	-	17.98	3.44	13.43	573.62	6,413.07	3.76	80.90	44.22	-	7,150.42
Add: Charge for the year	-	45.35	4.00	9.48	413.57	3,817.70	63.68	107.92	59.56	64.92	4,586.18
As at March 31, 2019	**-**	**63.33**	**7.44**	**22.91**	**987.19**	**10,230.77**	**67.44**	**188.82**	**103.78**	**64.92**	**11,736.60**
Net carrying amount											
As at March 31, 2019	**3,586.90**	**4,737.10**	**32.79**	**185.72**	**8,498.88**	**19,449.19**	**162.44**	**258.43**	**75.51**	**104.31**	**37,091.28**
As at March 31, 2018	3,545.70	798.29	36.79	195.20	7,890.88	16,919.58	193.83	288.87	96.97	106.15	30,072.26

4 Intangible assets

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	**Computer software**	**Total intangible assets**
Gross carrying amount (at Cost)		
As at April 1, 2017	126.84	126.84
Add: Additions	35.87	35.87
Less: Disposals	39.70	39.70
As at March 31, 2018	123.01	123.01
Add: Additions	174.58	174.58
As at March 31, 2019	**297.59**	**297.59**
Accumulated amortisation		
As at April 1, 2017	49.40	49.40
Add: Charge for the year	29.57	29.57
Less: Disposals	25.02	25.02
As at March 31, 2018	53.95	53.95
Add: Charge for the year	59.30	59.30
As at March 31, 2019	**113.25**	**113.25**
Net carrying amount		
As at March 31, 2019	**184.34**	**184.34**
As at March 31, 2018	69.06	69.06

5 Investments in others

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
At fair value through OCI (fully paid up)		
Unquoted equity shares		
100 equity share of Rs. 655 each in TCP Limited *	**0.66**	-
466,263 equity share of Rs. 10 each (March 31, 2018 : 466,263 shares of Rs. 10 each) in IND Bharath Powergencom Limited *	**46.63**	46.63
Total	**47.29**	46.63

* Investment is with an objective to attain continuous power supply and cost is estimated as fair value.

6 Financial assets - Loans (Unsecured considered good)

Particulars	**Current**	
	As at March 31, 2019	**As at March 31, 2018**
Advance to employees	**139.51**	148.13
Total	**139.51**	148.13

7 Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Security deposits at amortised cost	**631.62**	439.50	**8.52**	5.54
Non current bank balances (note 12.1)	**7.75**	4.34	**-**	-
Balance with sales tax, excise and custom authorities	**51.99**	33.38	**38.43**	392.30
Government grant receivable	**-**	-	**1,151.96**	1,151.96
Unbilled revenue	**-**	-	**363.54**	545.46
Derivative instruments at fair value through profit or loss	**-**	-	**0.16**	6.13
Interest accrued	**1.36**	3.73	**4.77**	10.54
Total	**692.72**	480.95	**1,567.38**	2,111.93

8 Other assets

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Capital advances				
Unsecured considered good	**3,459.20**	2,136.53	**-**	-
Unsecured considered doubtful	**3.85**	9.47	**-**	-
	3,463.05	2,146.00	**-**	-
Less: Provision for doubtful advances	**(3.85)**	(9.47)	**-**	-
Total (A)	**3,459.20**	2,136.53	**-**	-
Advances recoverable in cash or in kind				
Advance to suppliers - considered good	**52.50**	-	**525.05**	799.32
- considered doubtful	**41.52**	52.20	**-**	-
Prepaid expenses	**56.80**	45.14	**276.50**	261.49
Prepaid lease rent	**353.16**	371.81	**14.63**	14.63
Deferred Rent	**114.76**	116.04	**1.28**	1.28
Balance with custom authority	**-**	-	**0.41**	28.98
Prepaid taxes #	**0.38**	17.52	**821.78**	1,031.00
Duty paid under protest	**315.34**	95.73	**-**	16.87
Other recoverable in cash or kind	**210.61**	-	**34.77**	863.96
- considered doubtful	**-**	-	**12.43**	-
Advance income tax (net)	**168.15**	73.07	**64.90**	115.34
	1,313.22	771.51	**1,751.75**	3,132.87
Less :- Provision for doubtful advances	**(41.52)**	(52.20)	**(12.43)**	-
Total (B)	**1,271.70**	719.31	**1,739.32**	3,132.87
Grand Total (A+B)	**4,730.90**	2,855.84	**1,739.32**	3,132.87

Goods and services tax paid on goods in transit.

9 Deferred tax liability / (assets) (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets		
Provision for bad and doubtful debts	**125.04**	109.76
Provision for contingency	**125.80**	126.71
Provision for price difference	**886.59**	840.19
Government grant deferred	**408.20**	494.05
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**1,065.85**	755.65
Minimum alternate tax credit	**-**	95.63
Total deferred tax asset	**2,611.48**	2,421.99
Less :- Deferred tax liability		
Excess of depreciation/ amortisation on fixed assets under income tax law over depreciation/ amortisation provided in accounts	**(1,788.67)**	(1,686.54)
Total deferred tax (liability	**(1,788.67)**	(1,686.54)
Deferred tax assets (net) (refer note 45)	**822.81**	735.45
Deferred tax assets (net)	**857.41**	735.45
Deferred tax liabilities (net)	**34.60**	-

10 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material [includes goods in transit: Rs. 671.73 (March 31, 2018: Rs. 598.35)]	**4,282.90**	5,888.87
Components	**1,614.51**	826.63
Work-in-progress	**2,731.16**	2,762.59
Finished goods [includes sales in transit: Rs. 948.39 (March 31, 2018: Rs. 2,536.04)]	**12,520.03**	5,470.62
Stores and spares	**1,620.58**	826.48
Scrap	**122.78**	72.07
Total	**22,891.96**	15,847.26

11 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	**30,410.26**	19,122.34
Total	**30,410.26**	19,122.34
There are no security against the trade receivable. The breakup is as follow:-		
Unsecured, considered good	**30,410.26**	19,122.34
Trade receivables which have significant increase in credit risk	**-**	-
Trade receivables-credit impaired	**357.84**	314.06
Total	**30,768.10**	19,436.40
Less: Allowance for trade receivables-credit impaired	**(357.84)**	(314.06)
Total	**30,410.26**	19,122.34

Trade receivables

No trade receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

12 Cash and bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balance with banks		
On current account*	**1,926.45**	712.39
Cash on hand	**9.37**	7.04
Total	**1,935.82**	719.43

* exclusive of Rs. Nil (March 31, 2018: Rs. 1161.60) received from the customers, which already has been factored with banks.

12.1 Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks		
On unpaid dividend account	**223.44**	204.05
Fixed deposits with original maturity of more than 12 months #	**7.75**	4.34
Fixed deposits with original maturity of more than 3 months and less than 12 months # #	**301.07**	307.94
Total	**532.26**	516.33
Amount disclosed under non current assets (refer note 7)	**(7.75)**	(4.34)
Total	**524.51**	511.99

Includes fixed deposit kept as margin money Rs. 7.75 (March 31, 2018: Rs. 4.34)
Includes fixed deposit kept as margin money Rs. 301.07 (March 31, 2018: Rs. 307.94)

13 Share capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised share capital (amount per share in absolute rupees)		
638,865,000 (March 31, 2018: 638,865,000) equity shares of Rs. 1 each	**6,388.65**	6,388.65
350,000 (March 31, 2018: 350,000) 12.50% optionally convertible cumulative preference shares of Rs. 100 each	**350.00**	350.00
Total	**6,738.65**	6,738.65
Issued, subscribed and paid up equity shares (amount per share in absolute rupees)		
Subscribed and fully paid (398,173,935 (March 31, 2018: 398,157,435) equity shares of Rs. 1 each)	**3,981.74**	3,981.57
Subscribed but not fully paid (289,950 (March 31, 2018: 306,450) equity shares of Rs. 1 each, amount called up Rs. 1 each)	**2.90**	3.06
Less: Call in arrears (held by other than directors)	**(1.45)**	(1.52)
	3,983.19	3,983.11

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	March 31, 2019		March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Equity Share - Subscribed and fully paid up				
At the beginning of the year	**39,81,57,435**	**3,981.57**	39,81,07,430	3,981.07
Add : Allotment of share (under ESOP scheme) (refer note no 43)	**-**	**-**	50,005	0.50
Add : Partial paid up converted to fully paid up	**16,500**	**0.17**	-	-
At the end of the year	**39,81,73,935**	**3,981.74**	39,81,57,435	3,981.57
Equity Share - Subscribed but not fully paid up				
At the beginning of the year	**3,06,450**	**3.06**	3,06,450	3.06
Less : Calls in arrear received	**16,500**	**0.16**	-	-
At the end of the year	**2,89,950**	**2.90**	3,06,450	3.06

b. Term and Rights attached to equity shares

Each shareholder is entitled to one vote per share. The Group pays and declares dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Group are set out below

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of Rs. 1 (absolute amount) each fully paid				
MAP Auto Limited	**129,010,990**	**32.38%**	129,010,990	32.38%
Pradeep Singh Jauhar	**21,521,070**	**5.40%**	21,521,070	5.40%

As per records of the Group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Forfeited shares (amount originally paid up, included in capital reserve)

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Equity share capital (281,900 equity shares (March 31, 2018: 281,900) of Rs. 1 (absolute amount) each, amount called up Rs. 1 (absolute amount) each.	**281,900**	**1.45**	281,900	1.45
	281,900	**1.45**	281,900	1.45

14 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium account		
Balance as per the last financial statements	**15,117.16**	15,114.93
Add : Premium on issue of shares under options (Refer note no 43)	**-**	2.23
Add : Premium on conversion of partially paid shares to fully paid	0.25	-
Closing balance	**15,117.41**	15,117.16
Non-controlling interest	**0.13**	0.08
Other comprehensive income		
Balance as per the last financial statements	**(102.79)**	(44.60)
Add : Re-measurement gains / (losses) on defined benefit plans (net of tax) Refer note no 33	**(137.27)**	(58.19)
Closing balance	**(240.06)**	(102.79)
Surplus in the Statement of profit and loss		
Balance as per the last financial statements	**17,116.44**	7,941.42
Add: Profit for the year	**13,745.13**	12,530.58
Less:- Final dividend paid (related to previous year) (refer note no. 1 below)	**(2,190.73)**	(1,593.14)
Less: Tax on final equity dividend	**(450.29)**	(324.33)
Less:- Interim dividend paid (related to current year) (refer note no. 2 below)	**(1,991.57)**	(1,194.85)
Less:- Tax on interim dividend (refer note no 4 below)	**(409.37)**	(243.24)
Net surplus in the Statement of Profit and Loss	**25,819.61**	17,116.44
Other Reserves		
Capital reserve (refer note no 3 below)	**315.71**	315.71
Capital redemption reserve (refer note no 4 below)	**400.00**	400.00
Amalgamation reserve	**1,481.46**	1,481.46
General reserve	**4,077.62**	4,077.62
Total	**6,274.79**	6,274.79
Total reserves and surplus	**46,971.88**	38,405.68

1. The Company has proposed a final dividend of Rs. 0.45 (absolute amount) for every equity share of Rs. 1 (absolute amount) (March 31, 2018 Rs. 0.55 (absolute amount) per equity share of Rs.1 (absolute amount) for the year, subject to the approval of shareholders.
2. The Company has declared an interim dividend of Rs. 0.50 (absolute amount) for every equity share of Rs. 1 (absolute amount) (March 31, 2018 Rs. 0.30 (absolute amount) per equity share of Rs.1 (absolute amount) for the year.
3. Includes Rs.247 lakhs (March 31, 2018: Rs. 247 lakhs) amount forfeited against warrants and application money received in earlier years.
4. Represents reserve created on account of redemption of preference shares during earlier years.

15 Financial liabilities - Borrowings

Particulars	Non-current		Current maturities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Long term borrowing				
Secured loans				
Term loans from banks				
- Indian rupee loan	**-**	2,250.00	**-**	1,473.67
Other loans and advances				
Long term finance lease obligations	**359.59**	205.07	**-**	-
Vehicle loans				
- From financial institutions	**-**	2.04	**2.04**	26.11
Unsecured loans				
Deferred sales tax loan	-	**-**	-	42.39
Total	**359.59**	2,457.11	**2.04**	1,542.17
Less: Amount disclosed under the head "other current liabilities" (refer note no 20)	**-**	-	**2.04**	1,542.17
Net amount	**359.59**	2,457.11	**-**	**-**
Short term borrowing				
Secured #				
Cash credit * ^	**-**	-	**-**	2,239.12
Packing credit facility	**-**	-	**-**	21.89
Total current borrowing	**-**	-	**-**	2,261.01
The above include				
Aggregate Secured loans	**361.62**	6,217.90		
Aggregate Unsecured loans	**-**	42.39		

* Gross of credit received of Rs. Nil (March 31, 2018: Rs. 146.80) from a customer, which has been already factored with a bank.

	Security terms	Repayment terms and rate of interest
1.	**Kotak Mahindra Bank Rs. Nil (March 31, 2018: Rs. 3,000.00)**	
	(a) First charge on all existing and future movable fixed asset of the borrower at Malanpur, Yamunanagar, Jamshedpur and Chennai locations (b) Equitable mortgage by way of first charge on land and building of the borrower on immovable at its Malanpur, Yamunanagar, Jamshedpur and Chennai locations (c) Second charge on existing and future current assets of the borrower	Terms of repayment: 12 equal quarterly instalments of Rs. 250.00 each starting from July 2017, i.e. Starting from five quarters following the month of first disbursement of term loan. This loan has been taken during previous year. The loan has been fully repaid in this year Rate of interest: During the year the interest rate varied from 8.45% to 8.85%.
2.	**Kotak Mahindra Bank Rs. Nil (March 31, 2018 : Rs. 723.67)**	
	(a) Exclusive hypothecation charge on all existing and future movable fixed asset of the borrower at its Hosur Plant. (b) Exclusive Mortgage charge on immoveable properties being Land & building located at Kalukondapali Village, Thally Road, Denkanikotta Taluk, Krishnagiri Taluk-635114.	Terms of repayment: 9 equal quarterly instalments of Rs. 241.22 each starting from December 2016 , i.e. Starting from quarter following the month of first disbursement of term loan. This loan has been taken during the last year. The loan has been fully repaid in this year Rate of interest: During the year the interest rate varied from 8.30% to 8.80%.

3.	**Vehicle loan Rs. 2.04 (March 31, 2018: Rs.28.15)**
	Vehicle loans are secured by the hypothecation of the specific vehicles. The loans are repayable in equated monthly / quarterly instalments in accordance with terms and conditions of loan agreement. The period of loan ranges from 3 to 5 years and interest rate ranges from 9.50% to 13.00%.
4.	**Deferred sales tax loan Rs. Nil, (March 31, 2018: Rs. 42.39)**
	As per the eligibility certificate issued, the Group is eligible for deferred sales tax loan and the same is repayable over the period from March 1, 2010 to February 28, 2019 and is unsecured and interest free.
5.	**Finance Lease Rs 149.82 (March 31, 2018: Nil)**
	Finance lease obligation is secured by hypothecation of land at Indore location taken on lease. The interest rate implicit in the lease is 10% p.a. The payment is scheduled in 98 yearly instalments starting from April 2019.
6.	**Finance Lease Rs 209.76 (March 31, 2018: 205.07)**
	Finance lease obligation is secured by hypothecation of factory building taken on lease at Lucknow location. The interest rate implicit in the lease is 10% p.a. The payment is scheduled in 264 monthly instalments starting from November 2016.
Short term borrowing-for Parent Company	
	The Parent Company has a facility for short term borrowings from banks. The balance outstanding as at the year end is Rs Nil, (March 31, 2018: Rs. 2,261.01) carries interest rate of 5.00% to 9.65% and is secured by:
a.	First pari passu charge on entire current assets of the Group.
b.	Second pari passu charge over immovable fixed assets of the Group's plants situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.
c.	Second pari passu charge on all existing and future movable fixed assets of the Group's plants situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.
Short term borrowing-for Subsidiary entity	
^	The subsidiary has a facility for short term borrowing from banks. The balance outstanding as at the year end is Rs. Nil (March 31, 2018: Rs. 10.21) which carries interest rate of 8.50% to 9.50% and is secured by : - first pari passu charge on current assets and movable assets of the subsidiary and - corporate guarantee of the Parent Company.

16 Other financial liabilities

Particulars	Non-current	
	As at March 31, 2019	**As at March 31, 2018**
Security deposits at amortised cost	**116.69**	113.51
Total	**116.69**	113.51

17 Provisions

Particulars	Long - term		Short - term	
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
Provision for employees benefits				
Provision for leave encashment	**497.38**	361.45	**136.32**	101.40
Provision for long service award	**28.18**	27.17	**6.78**	9.58
Provision for benevolent fund	**42.90**	36.79	**10.80**	7.30
Provision for gratuity (Refer note no. 33)	**1,009.60**	703.46	**49.51**	40.48
Total	**1,578.06**	1,128.87	**203.41**	158.76
Other provisions				
Provision for warranties (refer note 17(a))	**-**	-	**207.01**	202.58
Provision for contingencies (refer note 17(b)	**-**	-	**360.00**	362.60
Provision for price differences (refer note 17(c))	**-**	-	**2,369.19**	2,677.60
Total	**-**	-	**2,936.20**	3,242.78
Grand Total	**1,578.06**	1,128.87	**3,139.61**	3,401.54

17(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**202.58**	193.51
Arising during the year	**126.07**	182.28
Utilized during the year	**(121.64)**	(173.21)
At the end of the year	**207.01**	202.58
Current portion	**207.01**	202.58
Non-current portion	**-**	-

17(b) Provision for contingencies

Provision for contingencies represents, provision made against claim made by one of the supplier not acknowledged by the Group and other possible losses based on best estimate of the management.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**362.60**	350.19
Arising during the year	**140.00**	230.45
Utilized during the year	**(142.60)**	(218.04)
At the end of the year	**360.00**	362.60
Current portion	**360.00**	362.60
Non-current portion	**-**	-

17(c) Provision for price differences (also refer note no.48)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	**2,677.60**	2,414.39
Arising during the year	**1,034.06**	1,786.47
Utilized during the year	**(1,342.47)**	(1,523.26)
At the end of the year	**2,369.19**	2,677.60
Current portion	**2,369.19**	2,677.60
Non-current portion	**-**	-

18 Deferred government grant

Particulars	As at March 31, 2019	As at March 31, 2018
As at 1 April	**1,655.13**	1,787.09
Recognised during the year	**167.77**	171.66
Released to the statement of profit and loss (Refer note no 24)	**(316.32)**	(303.62)
As at 31 March	**1,506.58**	1,655.13
Current	**316.32**	260.93
Non Current	**1,190.26**	1,394.20

Notes:

1. Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

2. The Group has opted the EPCG scheme, to avail the benefit of saving of custom duty by committing export of goods worth six times, of the value of duty saved, over a period of six years from the date of utilisation of benefit. Duty so saved as been recognised as Government grant and being released to profit & loss on the basis of export obligation fulfilled.

At the year end, the Group has an outstanding export obligation of Rs. 8,920.32 (March 31, 2018: Rs. 6,070.41)

19 Financial liabilities -Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables		
- Total outstanding due of micro and small enterprises	**85.49**	-
" - Total outstanding due of creditors other than micro and small enterprises (including acceptances Rs. 32,627.97 (March 31, 2018: Rs. Nil))*"	**43,567.80**	20,372.93
Total	**43,653.29**	20,372.93

* The acceptances are secured under short term borrowings facility from banks. Refer note 15 for details of securities.

The Group provides various trade schemes to its customers. Trade payable includes liability towards such schemes (in addition to amount already credited to the respective customers accounts) amounting to Rs.260.28 (March 31, 2018: Rs. 548.73)(also refer note no.48)

20 Other financial liabilities

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term borrowing (Refer note no 15)	**2.04**	1,542.17
Derivative instruments at fair value through profit or loss	**141.54**	-
Interest accrued but not due on borrowings	**0.01**	28.06
Investor education and protection fund, will be credited by following amounts (as and when due) - Unpaid dividends	**223.33**	203.94
Other payables		
Creditors for capital goods	**857.74**	305.41
Total	**1,224.66**	2,079.58

21 Current tax liabilities

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Current tax liabilities	**-**	47.84
Total	**-**	47.84

22 Other current liabilities

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Advance Payments from customers	**2,425.68**	1,588.89
Security Deposit	**-**	11.00
Statutory dues payable	**1,709.26**	1,433.22
Deferred revenue payable	**75.01**	-
Total	**4,209.95**	3,033.11

23 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of products		
Sale of products - finished goods (automobile suspension products)*(also refer note no. 48)	**209,123.33**	172,685.94
Other operating revenue		
- Scrap sale	**4,357.90**	3,045.99
Total revenue from operations	**213,481.23**	175,731.93

*sale of finished goods includes excise duty collected from customers amounting to Rs.Nil (March 31, 2018 : Rs.1,919.73). Revenue from operations for previous periods up to June 30, 2017 includes excise duty. From July 1, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended March 31, 2019 is not comparable with March 31, 2018 to that extent.

24 Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gain on disposal of property, plant and equipment	**12.70**	-
Provision no longer required, written back	**382.32**	370.25
Exchange fluctuations (net)	**55.52**	-
Export incentives	**24.27**	8.46
Government grants (Refer note 18)	**316.32**	303.62
Miscellaneous income	**281.53**	104.21
	1,072.66	786.54

25 Finance income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- From banks	**24.75**	31.12
- From others	**-**	53.55
	24.75	84.67

26 Cost of raw material and components consumed

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	**6,715.50**	2,229.19
Add : Purchases during the year	**142,181.80**	113,399.46
Total	**148,897.30**	115,628.65
Less : Inventory at the end of the year	**5,897.41**	6,715.50
Total	**142,999.89**	108,913.15

27 (Increase)/decrease in inventory of finished goods, work in progress and scrap

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of year		
- Finished goods	**12,520.03**	5,470.62
- Work in progress	**2,731.16**	2,762.59
- Scrap	**122.78**	72.07
Total	**15,373.97**	8,305.28
Inventories at the beginning of year		
- Finished goods	**5,470.62**	7,360.82
- Work in progress	**2,762.59**	1,001.45
- Scrap	**72.07**	139.31
Total	**8,305.28**	8,501.58
Changes in inventory of finished goods, work in progress and scrap	**(7,068.69)**	196.30

28 Employee benefits expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages, bonus, commission and other benefits	**14,420.20**	11,475.37
Gratuity expense (refer note no 33)	**122.60**	201.72
Contribution to provident fund and other funds	**492.62**	413.02
Staff welfare expenses	**768.03**	660.85
Total	**15,803.45**	12,750.96

29 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	**6,152.21**	5,235.98
Power and fuel	**13,186.54**	8,928.76
Job work charges	**2,560.72**	2,582.23
Rent	**1,096.90**	867.34
Repair and maintenance		
- Buildings	**249.01**	213.08
- Plant and machinery	**628.26**	701.19
- Others	**310.41**	280.67
Rates and taxes	**220.50**	145.91
Travelling and conveyance	**1,445.02**	1,257.79
Legal and professional (Refer note no 42 for payment made to auditors)	**993.07**	1,102.56
Loss on sale / discard of fixed assets	**-**	5.36
Sundry balances written off	**1.02**	-
Provision for contingencies (refer note no 17)	**140.00**	230.45
Impairment allowance for trade receivables and advances considered doubtful	**49.69**	85.66
Bad debts written off	**4.25**	77.68
Freight, forwarding and packing	**4,312.59**	3,944.96
Sales promotion and advertisement	**677.01**	545.76
Selling expenses	**250.42**	197.13
Commission on sales	**9.28**	11.73
Warranty expense	**128.31**	185.14
Security charges	**171.76**	156.53
Contribution towards Corporate Social Responsibility (CSR) (refer note no 46)	**300.86**	194.09
Donation	**2.27**	4.95
Royalty	**288.64**	425.03
Exchange fluctuation loss	**-**	31.23
Director sitting fees	**5.10**	4.52
Insurance	**92.74**	75.46
Printing stationery and communication	**234.77**	221.42
Bank charges	**180.93**	134.75
Miscellaneous expenses	**384.76**	322.31
Total	**34,077.04**	28,169.67

30 Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest to banks	**2,541.69**	1,804.40
Interest to others *	**30.00**	102.67
Total	**2,571.69**	1,907.07
'* Includes interest on income tax Rs. 3.59 (March 31, 2018: Rs. 64.19)		

31 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (Refer note no 3)	**4,586.18**	4,107.60
Amortisation of intangible assets (Refer note no 4)	**59.30**	29.57
Total	**4,645.48**	4,137.17

32 Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net profit after tax	**13,745.13**	12,530.58
Weighted average number of equity shares during the period in calculating basic EPS	**39,83,11,132**	39,82,92,648
Add: Stock options granted under ESOP but yet to be excersied	**-**	280,250
Weighted average number of equity shares during the period in calculating diluted EPS	**39,83,11,132**	39,85,72,898
Basic EPS (in Rs.)	**3.45**	3.15
Diluted EPS (in Rs.)	**3.45**	3.14

33 Gratuity and other employment benefit plans

The Group operates three plans viz gratuity, long term service awards and benevolent fund for its employees. Under the gratuity plan every employee who has completed atleast five years of service gets Gratuity on departure @15 days of last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy. Under long term service award the employee is entitled to a fixed amount on completion of ten years and fifteen years of service. The scheme of long term service award is unfunded.

(a) The following table summarize the funded status of the gratuity plans and the amount recognized in the Group's financial statements as at March 31, 2019 :

Particulars	As at	
	March 31, 2019	March 31, 2018
Change in benefit obligation		
Opening defined benefit obligation	**963.18**	714.77
Service cost	**114.54**	75.55
Past service cost	**-**	101.91
Interest expenses	**78.60**	51.67
Benefits paid	**(30.02)**	(69.60)
Remeasurements - Actuarial (gains)/ loss	**210.26**	88.88
Closing defined benefit obligation	**1,336.56**	963.18

Particulars	As at	
	March 31, 2019	March 31, 2018
Change in plan assets		
Opening fair value of plan assets	**219.24**	262.50
Expected return on plan assets	**17.23**	17.76
Contributions by employer	**1.76**	0.82
Acquisition	**53.31**	-
Benefits paid	**(13.35)**	(61.74)
Remeasurements - Actuarial gains/ (loss)	(0.74)	(0.10)
Closing fair value of plan assets	**277.45**	**219.24**

(b) Major categories of plan assets

Particulars	As at	
	March 31, 2019	March 31, 2018
Funds managed by insurer	**100%**	100%

(c) Amount for the year ended on March 31, 2019 recognized in the statement of profit and loss under employee benefit expenses:

Particulars	As at	
	March 31, 2019	March 31, 2018
Service cost	**114.54**	75.55
Past service cost	**-**	101.91
Net interest on the net defined benefit liability/ (asset)	**8.06**	24.26
Net gratuity cost	**122.60**	201.72

(d) Amount for the year ended on March 31, 2019 recognized in the statement of other comprehensive income:

Particulars	As at	
	March 31, 2019	March 31, 2018
Remeasurements of the net defined benefit liability/(assets)		
Actuarial (gains)/ losses	**210.26**	88.88
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (assets)	**0.74**	0.10
Total	**211.00**	88.98

(e) Amounts recognised in the statement of other comprehensive income as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
Actuarial (gain)/loss on arising from change in demographic assumption	**(34.52)**	-
Actuarial loss/(gain) on arising from change in financial assumption	**17.87**	40.48
Actuarial loss on arising from experience adjustment	**230.95**	48.31
Actuarial loss on asset for the year	**0.74**	0.19
Total	**215.04**	88.98

(f) The principal assumptions used to determine benefit obligations as at March 31, 2019 are as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
Discount rate (For Parent)	**7.71%**	7.86%
Discount rate (For Subsidiary)	**7.54%**	7.86%
Average rate of increase in compensations level	**10.00%**	7.00%
Retirement age (years)	**58**	58
Mortality rate inclusive of provision for disability	**100% of IALM (2012 - 14)**	100% of IALM (2006 - 08)
Employees turnover (age) -For Parent	**Withdrawal rate in (%)**	
Upto 30 years	**20**	3
From 31 to 44 years	**7**	2
Above 44 years	**5**	1
Employees turnover (age) -For Subsidiary	**Withdrawal rate in (%)**	
Upto 30 years	**37**	3
From 31 to 44 years	**15**	2
Above 44 years	**9**	1

One of the principal assumptions is the discount rate, which should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(g) The Group expects to contribute Rs. 222.80 (March 31, 2018: Rs. 146.37) towards gratuity during the year 2018-19.

The following payments are expected contributions to the defined benefit plan in future years:

Gratuity

Particulars	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	**222.80**	146.37
Between 2 and 5 years	**432.83**	236.84
Between 5 and 10 years	**640.50**	459.48
Beyond 10 years	**1,199.61**	1,210.71
Total	**2,495.74**	2,053.40

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.76 years (March 31, 2018: 14.57 years) for the parent company and 19.42 years (March 31, 2018 : 13.91) years for the subsidiary.

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Gratuity Plan

Particulars	March 31, 2019		March 31, 2019	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Impact on defined benefit obligation	**(55.81)**	**68.20**	**59.02**	**(54.47)**

Particulars	March 31, 2018		March 31, 2018	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(112.16)	121.33	89.72	(88.31)

34 Commitments and contingencies

(a) Leases

Operating lease: Group as lessee

The Group has entered into certain operating leases for office premises, guest houses and others. These leases are cancellable as well as non-cancellable leases. Cancellable leases are having an average life of 11 months. These leases are renewable on mutual consent of lessor and the Group. There are no restrictions placed upon the Group by entering into these leases. During the year, the Group has incurred Rs. 1,096.90 (March 31, 2018 : Rs. 867.34) as rental expense. The minimum future lease payments under non-cancellable leases are as under:

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018
Within one year	**301.62**	261.74
After one year but not more than five years	**399.86**	532.84
More than five years	**2,456.45**	2,565.61

Finance lease: Group as lessee

(a) In respect of Property acquired in finance lease, the minimum lease rentals outstanding as on March 31, 2019 are as follows:

Particulars	Total minimum lease payments outstanding as on	
	March 31, 2019	March 31, 2018
Within one year	**29.83**	14.84
After one year but not more than five years	**128.41**	69.95
More than five years	**1,734.55**	474.30
Total	**1,892.79**	559.09

Particulars	Present value of minimum lease payments outstanding as on	
	March 31, 2019	March 31, 2018
Within one year	**25.68**	12.20
After one year but not more than five years	**86.11**	44.90
More than five years	**196.94**	114.00
Total	**308.73**	171.10

(b) General Description of Lease Terms:

The Company has finance lease for land purchased in Indore. The Company's obligations under finance leases are secured by the lessor's title to the leased assets. The interest rate implicit in the lease obligation is estimated at 10% p.a. The payment is scheduled in 98 yearly instalments starting from April 1, 2019.

Also, Finance lease obligation in subsidiary entity is secured by factory building taken on lease. The interest rate implicit in the lease obligation is estimated at 10% p.a. The payment is scheduled in 264 monthly instalments starting from November 2016.

(b) Capital commitments and other commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows :-

Particulars	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for [(Net of advances of Rs. 3,463.05) (March 31, 2018 : Rs. 2,146.00)]	**8,847.96**	1,343.58
Other commitments	**-**	30.00
Total	**8,847.96**	1,373.58

(c) Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2019	March 31, 2018
(i) Income tax	**1,075.61**	1,901.69
(ii) Claims against group not acknowledged as debts (civil cases)	**21.42**	28.59
(iii) Custom and excise duty / service tax / GST	**136.92**	216.27
(iv) Sales tax and entry tax	**308.48**	781.73
Total	**1,542.43**	2,928.28

In relation to (i) above income tax matters contested by the Group comprise of:

1) With respect to assessment year 2009-10, the assessing officer had increased income of the Group by Rs. 2,560.85 contending that the Group has concealed production and sales to that extent. The group filed an appeal before CIT(A) against the same and CIT(A) decided the case in favour of the group. Department filed appeal against the said order before ITAT. In the current year, ITAT has dismissed the said appeal filed by the Department.

Tax impact of the same is Rs. Nil (March 31, 2018: Rs. 870.43).

2) With respect to assessment years 2012-13 and 2013-14, the assessing officer had increased the taxable income of the Group by Rs 1,396.86 contending that it has sold material to its subsidiary firm (Jai Suspension System LLP (JSSLLP) at lower margin in order to divert its profits to JSSLLP as JSSLLP was enjoying tax exemption during that period. In the current year, assessing officer has increased the taxable income for the assessment year 2016-17 amounting to Rs. 128.15. The Group has paid amount of Rs. 12 under protest against the alleged demand. The Group has preferred an appeal with CIT(A) in respect of each assessment year and based on discussion with the legal counsel is confident of a favourable outcome.

   Tax impact of the same is Rs. 519.14 (March 31, 2018: Rs. 474.79)

3) An order dated 21/12/2016 had been received from the Income Tax for the AY 2013-14, wherein disallowance of deduction u/s 80-IC had been made for Rs. 1,800.89 (March 31, 2018: 1,800.89) for excess claim of deduction on account of interunit transfer as per provisions of section 80-IA (10). The tax effect of such additions made is Rs. 556.47 (March 31, 2018: 556.47). The Group preferred an appeal before CIT (A) and based on internal assessment and discussion with its legal counsel, Group is confident of a favourable outcome.

In relation to (iii) above excise and service tax matters contested by the Group comprise of:

1) Matter pending with Commissioner (Appeal) in respect of CENVAT Credit availed by the Group on service tax paid on charges of Custom House Agent for export of finished goods after clearance from the factory for the period from November 2005 to March 2010. The Group has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs. 2.62 (March 31, 2018: Rs. 2.62).

2) Matter pending with Commissioner (Appeal) in respect of CENVAT Credit availed by the Group on service tax paid to the transport agency for outward transportation of the goods for the period 2010-11. The Group has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs. 3.17 (March 31, 2018: Rs. 3.17).

3) Matter was pending before CESTAT, New Delhi in respect of SCN issued by the department against Cenvat not reversed on sale of exempted goods. During the current year, the Group has received order from CESTAT allowing the appeal in its favour. The amount involved is Rs. Nil (March 31, 2018 (including penalty amounting to Rs. 143.15): Rs. 196.28).

4) Matter pending before Commissioner of Central Excise & Service Tax, Lucknow in respect of Cenvat Credit wrongly availed as capital goods instead of input and service tax credit availed without actual documents. The Group has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is Rs. 5.95 (March 31, 2018: Rs. 5.95).

5) Matter pending before Director General of Foreign Trade, New Delhi in respect of EPCG licence obtained by the Group, however, the same was lost without being used in 2008. The Group is under an obligation to surrender the licence in case of non utilisation and has received a letter from the office of ADGFT for the same. The Group has appeared before the authority and submitted the facts of losing the licence without utilisation. Accordingly, the Group is of the opinion that it has fair chance of a favourable decision. The amount involved is Rs. 8.25 (March 31, 2018: Rs. 8.25).

6) Matter pending before Assistant Commissioner of CGST, Bhopal in respect of reversal of Service tax on outward freight, working of CAS-4 for goods transferred to Subsidiary entity. The Group has preferred an appeal before Assistant Commissioner and has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is Rs.116.93 (March 31, 2018 : Nil).

In relation to (iv) above sales tax and entry tax matters contested by the Group comprise of:

1) Matter pending before Hon’ble Supreme Court:

   Sales tax department raised demand in respect of entry tax levied on raw material. The Group has done an analysis and is of the opinion that it has fair chance of favourable decision. During the current year, the Group has received few favourable orders. The Amount involved is Rs. 11.78 (March 31, 2018: Rs. 48.53).

2) Matter pending before Additional Commissioner, Commercial Tax, Lucknow

   Sales tax department has raised demand for non submission of form F. The Group has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is Rs. 125.76 (VAT), Rs. 22.00 for entry tax and Rs. 1.83 for CST, totalling up to Rs. 149.59 (March 31, 2018: Rs. 149.59). The Group has made a payment of Rs. 22.89 under protest in this regard.

3) Group received sales tax assessment orders under Uttrakhand/Jharkhand VAT Act/CST Act for the financial years 2010-11, 2011-12 & 2012-13 wherein assessing officer raised demand of Rs.3.39 Lakhs (March 31,2018: Rs.3.39 Lakhs). The Group preferred appeals against such orders and based on legal advice and internal assessment Group is confident that no liability is probable in the matter.

4) Under Rajasthan Value Added Tax Act, 2003, Group received orders for financial years 2012-13 & 2013-14 wherein demand has been deleted therefore outstanding demand is.Nil (March 31,2018: Rs. 254.41 Lakhs).

5) Under Central Sales Act, 1956, Group received orders for financial years 2012-13 & 2013-14 wherein demand of Rs.6.49 Lakhs (March 31, 2018: Rs. 7.50 Lakhs) had been raised. The Group preferred rectification against such orders and based on legal advice and internal assessment, Group is confident that no liability is probable in the matter.

6) Under Kerala VAT Act, 2003, orders had been received for the financial years 2011-12 & 2013-14, wherein demands for Rs 14.43 Lakhs and Rs 5.33 lakhs respectively have been raised by CTO, Kakkanad. Group had preferred appeals against such orders before Dy. Commissioner (Appeal), who has restored the matter back to the A.O. Based on legal advice and internal assessment Group is confident that no liability is probable in the matter.

7) Under Maharashtra VAT Act, 2002, orders had been received for the financial years 2012-13 wherein demands for Rs 178.99 Lakhs for VAT has been deleted, outstanding demand is Nil (March 31,2018: 178.99 lakhs).

8) Under CST Act 1956 demand for Rs 45.42 Lakhs (March 31,2018: Rs 45.42 Lakhs) for CST had been raised by CST department. Group has preferred appeals against such order and based on legal advice and internal assessment Group is confident that no liability is probable in the matter.

9) Under The Rajasthan Tax on Entry of Goods into local Areas Act, 1999 Group received order for financial year 2009-10 wherein outstanding demand is Rs. 2.37 Lakhs (March 31,2018: Rs. 4.46 Lakhs). The Group persuing the matter with A.O. for rectification against such order and based on legal advice and internal assessment Group is confident that no liability is probable in the matter.

10) An order dated 24/06/2013 was passed by Hon'ble Calcutta High Court (Single Bench) holding that Entry Tax imposition was unconstitutional and quashed the same. After this, the matter was taken up by West Bengal Government for review by the larger bench of the High Court. The petition was admitted by the High Court. The High Court (Larger Bench) refused to grant refund of the entry tax already deposited and also directed to carry on assessment proceedings in the matter. Pursuant to the order, the Group had stopped paying Entry Tax in West Bengal. As the matter is subjudice, the liability on account of entry tax is taken in the contingent liability for FY 2013-14 to FY 2017-18 till the disposal of appeal pending before larger bench of the High Court. The amount involved is Rs. 69.68 Lakhs (March 31,2018: Rs.69.68 Lakhs).

In relation to Supreme Court (SC) judgement on Provident Fund:

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The Group will update its provision, on receiving further clarity on the subject.

(d) Other contingent liabilities

Particulars	March 31, 2019	March 31, 2018
(i) Factoring of trade receivables	-	15,421.03
(ii) Bank guarantees	**1,521.93**	617.42
Total	**1,521.93**	16,038.45

In relation to (i) above factoring comprise of:

During the last year, the Group has entered into factoring arrangement of its trade receivables with its bankers, on without recourse basis. Liability of the Group was restricted only if it does not meet its performance obligation to its customers as per the terms of contract with the respective parties.

Total amount of trade receivables which had been factored as at Balance Sheet date amounting to Rs. Nil (March 31, 2018: Rs. 15,421.03).

35 Related party transactions

A) Related parties under Ind AS-24 with whom transactions have taken place during the year

I. Key managerial personnel and their relatives

Mr. B.S. Jauhar	Chairman
Mr. R.S. Jauhar	Vice Chairman & Executive Director
Mr. P.S. Jauhar	Managing Director & CEO
Mr. H.S. Gujral	Executive Director (resigned on 13.02.2018)
Mr. S.P.S. Kohli	Executive Director (appointed w.e.f. 13.02.2018)
Mrs. Sonia Jauhar	Wife of Vice Chairman
Mrs. Kirandeep Chadha	Daughter of Chairman

II. Companies/Concerns controlled by KMP & their relatives

Jamna Agro Implements Private Limited

S.W. Farms Private Limited

Map Auto Limited (Also having significant influence over the Company)

B) Transactions with related parties

Nature of Transaction	Companies/Concerns controlled by KMP & their relatives		Key management personnel and their relatives		Total	
Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Job work charges						
Map Auto Limited	**707.51**	624.71	**-**	-	**707.51**	624.71
Jamna Agro Implements Private Limited	**35.36**	118.65	**-**	-	**35.36**	118.65
Rent expense						
SW Farms Private Limited	**25.03**	24.76	**-**	-	**25.03**	24.76
Jamna Agro Implements Private Ltd.	**19.12**	-	**-**	-	**19.12**	-
Mrs Sonia Jauhar	**-**	-	**11.38**	12.38	**11.38**	12.38
Mr P S Jauhar	**-**	-	**26.45**	23.16	**26.45**	23.16
Freight forwarding and packing expenses						
Map Auto Limited	**86.21**	416.26	**-**	-	**86.21**	416.26
Sale of fixed assets						
Map Auto Ltd	**1.53**	-			**1.53**	-
Security Deposit taken						
Mr P S Jauhar	**-**	-	**-**	7.50	**-**	7.50
Mr R S Jauhar	**-**	-	**-**	7.50	**-**	7.50
Remuneration						
Mr. B S Jauhar	**-**	-	**138.60**	136.10	**138.60**	136.10
Mr. P S Jauhar	**-**	-	**1,093.35**	949.64	**1,093.35**	949.64
Mr. R S Jauhar	**-**	-	**1,080.16**	945.74	**1,080.16**	945.74
Mr. H S Gujral	**-**	-	**-**	16.57	**-**	16.57
Mr. SPS Kohli	**-**	-	**38.98**	5.18	**38.98**	5.18
Mrs. Kirandeep Chadha	**-**	-	**20.70**	21.63	**20.70**	21.63

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Balances as at the year end						
Trade payable	**12.64**	112.86	**-**	-	**12.64**	112.86

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(b) All the liabilities for post retirement benefits being 'Gratuity' are provided on actuarial basis for the Group as a whole, the amount pertaining to Key management personnel are not included above.

(c) Transactions have been reported gross off Goods and Service Tax.

36 Segment Reporting

Ind AS 108 establishes standards for the way the Group report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group operations comprises of only one segment i.e. manufacturing and selling of automobile suspension products. The entire operations are governed by the same set of risk and returns. Based on the “management approach” as defined in Ind AS 108, the management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resource allocation. In view of the same, separate segment information is not required to be given as per the requirements of Ind AS 108 on “Operating Segments”. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

The analysis of geographical segment is based on the geographical location of the customers. The Group operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Group has assessed that they carry same risk and rewards. The Group has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.

- Sales outside India include sales to customers located outside India.

The following is the distribution of the Group revenue of operations by geographical market, regardless of where the goods were produced:

Revenue from external customers

Particulars	Year ended	Year ended
	March 31, 2019	**March 31, 2018**
Within India	**211,570.18**	174,352.64
Outside India	**1,911.05**	1,379.29
Total	**213,481.23**	175,731.93

Sales to customers generating more than 10% of total revenue aggregates to Rs. 1,51,012.06 (March 31, 2018 Rs. 117,179.36)

Trade receivables from customers generating more than 10% of total revenue aggregates to Rs.26,984.70 (March 31, 2018: Rs. 16,022.14).

Trade receivable as per geographical locations

Particulars	Year ended	Year ended
	March 31, 2019	**March 31, 2018**
Within India	**30,290.58**	19,014.70
Outside India	**119.68**	107.64
Total	**30,410.26**	19,122.34

The trade receivable information above is based on the location of the customers.

All other assets (other than trade receivable) used in the Group business are located in India and are used to cater both the customers (within India and outside India), accordingly the total cost incurred during the period to acquire the property, plant and equipment and intangible assets has not been disclosed.

37 Significant accounting judgements, estimates and assumptions

The preparation of the Group financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 33.

Taxation

In preparing consolidated financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Group 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. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized in the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 38 for such measurement.

38 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Method of Fair Value	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets					
Security deposits paid	Amortised Cost	**640.14**	445.03	**640.14**	445.03
Investment	Fair Value through OCI	**47.29**	46.63	**47.29**	46.63
Loan	Amortised Cost	**139.51**	141.09	**139.51**	141.09
Government grant receivable	Amortised Cost	**1,151.96**	1,151.96	**1,151.96**	1,151.96
Unbilled revenue	Amortised Cost	**363.54**	545.46	**363.54**	545.46
Derivative instruments	Fair Value through Profit and Loss	0.16	6.13	0.16	6.13
Other financial assets	Amortised Cost	**106.56**	457.47	**106.56**	457.47
Total		**2,449.16**	2,793.77	**2,449.16**	2,793.77
Financial liabilities					
Borrowings (including current maturities)	Amortised Cost	**361.64**	3,999.28	**361.64**	3,999.28
Other financial liabilities					
Security deposits received	Amortised Cost	**116.69**	113.51	**116.69**	113.51
MTM valuation of forward contracts (net)	Fair Value through Profit and Loss	**141.54**	-	**141.54**	-
Total		**619.87**	4,112.79	**619.87**	4,112.79

The management assessed that cash and cash equivalents, short-term borrowings, interest accrued but not due, trade receivables, trade payables and creditor for fixed asset, investor education and protection fund approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The security deposits (paid/received) are evaluated by the Group based on parameters such as interest rate, risk factors, risk characteristics, and individual credit worthiness of the counterparty. Based on this evaluation allowances are taken into account for the expected losses of the security deposits.

Borrowing are evaluated by the Group based on parameters such as interest rates, specific country risk factors and prepayment.

39 Fair Value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Security deposits paid	**March 31, 2019**	**640.14**	**-**	**-**	**640.14**
Security deposits paid	March 31, 2018	445.03	-	-	445.03
Investments	**March 31, 2019**	**47.29**	**-**	**-**	**47.29**
Investments	March 31, 2018	46.63	-	-	46.63
Loan	**March 31, 2019**	**139.51**	**-**	**-**	**139.51**
Loan	March 31, 2018	141.09	-	-	141.09
Government grant receivable	**March 31, 2019**	**1,151.96**	**-**	**-**	**1,151.96**
Government grant receivable	March 31, 2018	1,151.96	-	-	1,151.96
Unbilled revenue	**March 31, 2019**	**363.54**	**-**	**-**	**363.54**
Unbilled revenue	March 31, 2018	545.46	-	-	545.46
Derivative instruments	**March 31, 2019**	**0.16**	**-**	**0.16**	**-**
Derivative instruments	March 31, 2018	6.13	-	6.13	-
			-	**-**	**-**
Other financial assets	**March 31, 2019**	**106.56**	**-**	**-**	**106.56**
Other financial assets	March 31, 2018	457.47	-	-	457.47

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities **as at March 31, 2019 :**

Particulars	**Date of valuation**	**Total**	**Fair value measurement using**		
			Quoted prices in active markets	**Significant observable inputs**	**Significant unobservable inputs**
			(Level 1)	**(Lev el 2)**	**(Level 3)**
Financial liabilities					
Borrowings (including current maturities)	**March 31, 2019**	**361.64**	**-**	**-**	**361.64**
Borrowings (including current maturities)	March 31, 2018	3,999.28	-	-	3,999.28
Other financial liabilities					
Security deposits received	**March 31, 2019**	**116.69**	**-**	**-**	**116.69**
Security deposits received	March 31, 2018	113.51	-	-	113.51
MTM valuation of forward contracts	**March 31, 2019**	**141.54**	**-**	**141.54**	**-**
MTM valuation of forward contracts	March 31, 2018	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the period.

40 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.The Group monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars	**March 31, 2019**	**March 31, 2018**
Borrowings including current maturities of long term borrowing (refer Note no. 15)	**361.64**	3,999.28
Payable for purchase of fixed assets (refer Note no. 20)	**857.75**	305.41
Net debts	**1,219.39**	4,304.69
Capital components		
Share capital	**3,983.19**	3,983.11
Other equity	**46,971.75**	38,405.60
Total equity	**50,954.94**	42,388.71
Capital and net debt	**52,174.33**	46,693.40
Gearing ratio (%)	**2.3%**	9.2%

In order to achieve this overall objective, the Group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

41 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk, legal risk, taxation risk, accounting risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity of Borrowings:

Particulars	Increase / decrease in basis points	March 31, 2019	March 31, 2018
Borrowing :			
Long term loan	Increase in floating Interest rate by 100 basis points (1%) for borrowings	-	35.93
Working capital demand/ Short term loan		-	191.08
Long term loan	Decrease in floating Interest rate by 100 basis points (1%) for borrowings	-	(35.93)
Working capital demand/ Short term loan		-	(191.08)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases(including property, plant and equipment).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Group hedges its exposure to fluctuations on the translation into INR of its foreign operations by entering into forward contracts.

Since the hedge transaction done by the Group does not have significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and accounting risk:

The Group is exposed to few legal and administrative proceedings arising during the course of business. The management makes an assessment of these pending cases and in case where it believes that loss arising from a proceeding is probable and can reasonably be estimated, the amount is recorded in the books of account. To mitigate these risks arising from the proceedings, the Group employs third party tax and legal experts to assist in structuring significant transactions and contracts.

(c) Credit risk

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

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. The major customers of the Group are original equipment manufacturers (OEM's) which have a defined period for payment of receivables and hence the Group evaluates the concentration of risk with respect to trade receivables as low. At March 31, 2019, approximately 99% (March 31, 2018: 98%) of all the receivables outstanding were from OEMs.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, all the minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Group does not hold collateral as security except in case of dealer's securities deposit in after market.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with the banks with high credit ratings. The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as illustrated in Note 12.

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Group monitors its risk of a shortage of funds by doing liquidity planning. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, cash credits and advance payment terms.

Maturity profile of financial liabilities :

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2019						
Borrowings (including finance lease obligations)	-	15.66	-	51.64	294.34	361.64
Trade payables	-	43,653.29	-	-	-	43,653.29
Other financial liabilities (Excluding current maturities)	223.33	96.06	903.24	-	116.69	1,339.32
Total	**223.33**	**43,765.01**	**903.24**	**51.64**	**411.03**	**45,354.25**
March 31, 2018						
Borrowings (including finance lease obligations)	2,239.12	282.49	1,281.59	2,252.01	205.07	6,260.29
Trade payables	-	19,540.43	832.50	-	-	20,372.93
Other financial liabilities (Excluding current maturities)	203.94	274.24	59.23	-	113.51	650.92
Total	**2,443.06**	**20,097.16**	**2,173.32**	**2,252.01**	**318.58**	**27,284.14**

(e) Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchases of steel which is a volatile products and is major component of end product. The prices in these purchase contracts are linked to the price of raw steel and demand supply matrix. However, at present, the Group do not hedge its raw material procurements, as the price of the final product of the Group also vary with the price of steel which mitigate the risk of price volatility.

42 Payment to auditors of holding Company (excluding taxes)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor		
- Audit fee	**35.50**	34.00
- Limited review fee	**19.00**	18.00
As other capacity		
- Other services	**5.00**	9.32
Reimbursement of expenses	**2.65**	6.93
Total	**62.15**	68.25

43 Share based compensation

(A) The Group has issued stock options to its employees in accordance with the Group's Employee Stock Option Scheme 2006 and 2008. Both the schemes are administered by the Compensation Committee constituted pursuant to SEBI (Share based employee benefits) Regulations, 2014. All the permanent employees of the Group and the subsidiary entities, including Directors but excluding promoters of the Group are eligible to participate in the schemes. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the Group, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

The stock option shall vest proportionately over the period of 5 years from the date of grant in the ratio of 15% for the first year, 20% for second to fourth year and 25% for the fifth year. The options would be granted at the exercise price that is equivalent to the prevailing market price at the time of grant. The exercise price, in cash, is paid by the employee at the time of exercise of the stock option. The option lapses if not exercised within a period of 3 years from the date of vesting of option. The lapsed option is available for being re-granted/re-issued at a future date. The maximum number of options that may be granted to any specific employee is upto 0.5 % of the issued capital of the Group.

ESOP Scheme	Members approval	Number of options
ESOP Scheme-2006	25.01.2007	314000
ESOP Scheme-2008	01.07.2008	Not more than 5% of the paid up equity shares capital of the Group as on 31.03.2012

Date of grant	Number of options granted	Exercise price	Market price (Rs. in absolute term)
ESOP Scheme-2006			
25.01.2007	257,000	Rs 30.62	Rs 30.62
25.08.2007	57,000	Rs 44.20	Rs 44.20
ESOP Scheme-2008			
08.02.2010	867,461	Rs 54.95	Rs 54.95
05.08.2010	361,250	Rs 120.65	Rs 120.65

(B) Summary of stock options

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of Shares	Weighted Average Price	No. of Shares	Weighted Average Price
Options outstanding at the beginning of the year	**28,025**	**120.65**	57,462	120.65
Options granted during the year	**NIL**	**NIL**	NIL	NIL
Options forfeited / lapsed during the year	**28,025**	**120.65**	24,437	117.40
Options exercised during the year	**NIL**	**NIL**	5,000	54.95
Options outstanding at the end of the year	**NIL**	**NIL**	28,025	120.65
Options exercisable at the end of the year	**NIL**	**NIL**	28,025	120.65

(C) Weighted average share price on the date of exercise of the options is NIL (March 31, 2018; Rs. 120.65)

(D) Range of exercise price and weighted average remaining contractual life of stock options outstanding

For the year ended March 31, 2019			For the year ended March 31, 2018		
Number of stock options outstanding at the year end	Range of exercise price	Weighted average remaining contractual life	Number of stock options outstanding at the year end	Range of exercise price	Weighted average remaining contractual life
-	-	0 years	-	-	0 years
-	-	0 years	-	-	0 years
-	-	0 years	-	-	0 years
-	-	0 years	28,025	120.65	0.33 years

(E) Weighted average fair value of options: The fair value of each option is estimated using the Black Scholes model after applying the following weighted average assumptions:-

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Risk free interest rate	*	*
Expected life	*	*
Expected volatility(%)	*	*
Expected dividend (%)	*	*
Price of underlying shares in the market at the time of option grant	*	*

* Not applicable since the Group has not granted stock options during the year.

(F) The Group had been using intrinsic value method of accounting ESOP expenses as prescribed by SEBI (Share Base Employee Benefits) Regulations, 2014, to account for stock options issued under the Group's stock options schemes. Under this method, compensation expenses are recorded on the basis of excess of the market price of share at the date of grant of option over exercise price of the option.

There would be no impact on the profit or earnings per share had the Group used the fair value of the options as the method of accounting instead of intrinsic value as the fair value is less than the intrinsic value of the option.

(G) Following is the table showing Fair Value, Exercise Price and amount of expenditure not recognized at each Balance Sheet date

As at	No. of options outstanding (vested but not exercised)	No. of Shares	Face Value of Each Share	Exercise Value	Fair Value	Amount not recognised in the profit and loss as expenses
March 31, 2018	28,025	2,80,250	1	33.81	220.42	186.60
March 31, 2019	-	-	NA	NA	NA	NA

44 Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2018-19

	As at March 31, 2019				As at March 31, 2018			
Name of the Entity	**Net Assets, i.e., total assets minus total liabilities**		**Share in total comprehensive income**		**Net Assets, i.e., total assets minus total liabilities**		**Share in total comprehensive income**	
	As % of consolidated net assets	**Amount**	**As % of consolidated total comprehensive income**	**Amount**	**As % of consolidated net assets**	**Amount**	**As % of consolidated total comprehensive income**	**Amount**
Jamna Auto Industries Limited (Consolidated)	**100.00**	**50,955.07**	**100.00**	**13,607.86**	100.00	42,388.79	100.00	12,472.39
Parent Company	**96.70**	**49,271.35**	**81.74**	**11,122.54**	97.28	41,237.89	74.79	9,327.61
India Subsidiaries	**3.30**	**1,683.59**	**18.26**	**2,485.28**	2.71	1,150.82	25.21	3,144.73
Minority interests in the subsidiaries	**0.00**	**0.13**	**0.00**	**0.04**	0.00	0.08	0.00	0.05
Total	**100.00**	**50,955.07**	**100.00**	**13,607.86**	100.00	42,388.79	100.00	12,472.39

Note: Above figures for the net assets and share in total comprehensive income of entities are after elimination of all intra group transactions.

45 Deferred tax assets / (liabilities) (net)

Particulars	March 31, 2019	March 31, 2018
Deferred tax assets / (liabilities)	**822.81**	735.45
Total	**822.81**	735.45

Income tax expenses reported in the statement of profit and loss comprises:	March 31, 2019	March 31, 2018
Current Income tax expenses:		
Income tax	**7,913.90**	6,366.01
Deferred tax		
Relating to origination and reversal of temporary differences	**(109.25)**	(287.50)
Income tax expenses reported in statement of profit and loss	**7,804.65**	6,078.51

Statement of other comprehensive income	March 31, 2019	March 31, 2018
Net loss on remeasurements of defined benefit plan	**211.00**	88.98
Deferred tax asset charged on above	**(73.73)**	(30.79)
Other comprehensive income for the year net of tax	**137.27**	58.19

Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:-

Particulars	March 31, 2019	March 31, 2018
Accounting profit before tax	**21,549.78**	18,609.09
Statutory income tax rate	**34.99%**	34.61%
Computed tax expenses	**7,541.13**	6,440.23
Adjustments in respect of current income tax of previous years	**22.73**	65.30
Non-deductible expenses for tax purposes :	**52.40**	21.42
Tax Benefits on Deduction u/s 80IC	**-**	(353.09)
Income not considered for tax purpose (Permanent differences)	**111.71**	(164.37)
Others	**2.94**	38.23
At the effective income tax rate of 36% (March 31, 2018: 33%)	**7,730.92**	6,047.72

Deferred tax asset comprises

Deferred tax assets/ (liabilities)	Balance Sheet		During the year	
	March 31, 2019	March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Property, plant and equipment - Impact of difference between tax depreciation and depreciation charged to financial statements	**(1710.49)**	(1611.32)	**(99.17)**	9.20
Deferred tax on profit elimination	**(78.18)**	(75.28)	**(2.90)**	(26.95)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis				
Allowance for doubtful debts	**125.04**	109.75	**15.29**	33.31
Minimum alternate tax credit entitlement	**0.00**	95.63	**(95.63)**	(149.55)
Less Minimum alternate tax credit adjusted with income tax payable	**0.00**	0.00	**95.63**	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**70.70**	172.81	**(102.11)**	(56.64)
Provision for contingencies	**125.80**	126.71	**(0.91)**	5.52
Provision for price difference	**886.59**	840.19	**46.40**	296.36
Provision for warranty	**72.34**	70.79	**1.55**	21.12
Impact of Government grant deferred	**408.20**	494.05	**(85.85)**	(80.39)
Gratuity	**337.62**	233.11	**104.51**	94.64
Employee incentive	**204.21**	0.00	**204.21**	-
Leave encashments	**208.26**	151.96	**56.30**	50.68
Bonus payable	**116.41**	107.45	**8.96**	21.32
Other expenditure (net)	**56.31**	19.60	**36.71**	(6.46)
Total	**822.81**	735.45	**182.99**	212.16

Reconciliation of deferred tax assets (net)	March 31, 2019	March 31, 2018
Opening balance as per last balance sheet	**735.45**	523.29
Tax expenses recognised in statement of profit and loss	**182.99**	212.16
Less Minimum alternate tax credit adjusted with income tax payable	**(95.63)**	-
Closing balance	**822.81**	735.45

46 CSR expenditure

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of Rs. 300.86 (March 31, 2018: Rs. 194.09) towards this cause and charged the same to the Statement of Profit And Loss.

Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Gross amount required to be spent by the Group during the year	**265.62**	176.90
(b) Amount spent during the year on other than construction of assets paid in cash	**300.86**	194.09

47. The Group has incurred expenses on its in-house research and development centre at Pune approved and recognised by the Ministry of Science & Technology.

Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
a. Capital expenditure		
Purchase of capital expenditure	**1,235.63**	68.69
b. Revenue expenditure		
Salaries, Allowances and Bonus	**182.76**	161.72
Contribution to Other Funds	**4.94**	4.82
Staff Welfare	**0.59**	0.53
Material Consumed	**5.11**	-
Rent	**27.77**	23.77
Repair & Maintenance	**7.19**	1.67
Travelling & Conveyance	**38.41**	46.60
Power & fuel	**38.86**	36.23
Miscellaneous	**35.00**	18.31
Depreciation	**27.61**	41.27

48. Revenue is measured by the Group at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of finished goods, the Group considers the effect of various factors such as price differences and volume based discounts, rebates and other promotion incentive schemes ("trade schemes") provided to the customers. Adequate Provisions have been made for such price differences, and trade schemes, with a corresponding impact on the revenue.

Accordingly, revenue for the current year is net of price differences, trade schemes, rebates, discounts, etc.

49. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

Particular	Non-current borrowings	Current borrowings	Equity Share Capital (including premium)	Total
Net debt as at March 31, 2017	2,072.01	5,227.66	19,097.54	26,397.21
Proceeds from issue of equity share capital	-	-	2.73	2.73
Proceeds from borrowings	3,000.00	-	-	3,000.00
Repayment of borrowings	(1,072.73)	(2,966.65)	-	(4,039.38)
Net debt as at March 31, 2018	3,999.28	2,261.01	19,100.27	25,360.56
Proceeds from issue of equity share capital	-	-	0.34	0.34
Proceeds from borrowings	4,700.00	-	-	4,700.00
Repayment of borrowings	(8,697.24)	(2,261.01)	-	(10,958.25)
Net debt as at March 31, 2019	**2.04**	**-**	**19,100.61**	**19,102.65**

50. Standards issued but not yet effective

Ind AS 116 Leases

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard:

(i) Ind AS 116 Leases

Ind AS 116 was notified by the MCA on March 30, 2019. The standard is applicable for the financial year beginning on or after April 01, 2019 to all the companies reporting under Ind AS.

The new standard proposes an overhaul in the accounting for lessees by completely letting go off the previous "dual" finance vs. operating lease model. The guidance in the new standard requires lessees to adopt a single model approach which brings leases on the balance sheet on first day, in the form of a right-of-use asset and a lease liability

The Group is in the process of making an assessment of the impact of Ind-AS 116 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

(ii) Amendments to existing issues IND AS

The MCA has also carried out amendments in following accounting standards. These are:

(a) Ind AS 12 Income taxes to Appendix C Uncertainty over income tax treatments.

(b) Ind AS 19 Employee Benefits

(c) Ind AS 23 Borrowing Costs

(d) Ind AS 28 Investments in Associates and Joint Ventures

(e) Ind AS 109 Financial Instruments

(f) Ind AS 111 Joint Arrangements

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No.: 094421

Place: New Delhi
Date: May 21, 2019

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Pankaj Gupta
Chief Financial Officer

Form AOC- 1

(Pursuant to the first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries

(Amount in Rupees)

Name of the Subsidiary		Jai Suspensions Limited
S.No.	**Reporting Period**	**April 01, 2018 to March 31, 2019**
1	Reporting Currency	INR
2	Exchange Rate	-
3	Share Capital	10,000,000
4	Reserves and Surplus	(19,357,106)
5	Total Assets	126,241,648
6	Total Liabilities	126,241,648
7	Investments	-
8	Turnover	-
9	Profit before taxation	(12,087,253)
10	Provision for taxation	-
11	Profit after taxation	(12,087,253)
12	Proposed Dividend	-
13	% of shareholding	100%

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Vice Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No.: A12507

Pankaj Gupta
Chief Financial Officer

Place: New Delhi
Date: May 21, 2019

Note

Note