

# ASAL

Automotive Stampings and Assemblies Limited

CIN: L28932PN1990PLC016314

ASAL/SE/2020-21  
July 28, 2020

The Executive Director,  
**BSE Limited**,  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Bldg., P.J. Towers,  
Dalal Street, Mumbai 400 001  
Scrip Code: **520119**

The Executive Director,  
**National Stock Exchange of India Ltd.**,  
Exchange Plaza,  
Bandra (East),  
Mumbai 400 051  
Scrip Code: **ASAL**

**Sub: Submission of 30<sup>th</sup> Annual Report for Financial Year 2019-20 alongwith Notice of 30<sup>th</sup> Annual General Meeting**

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III and Regulation 34 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended from time to time, we submit herewith 30<sup>th</sup> Annual Report for the Financial Year 2019-20 including the Notice of 30<sup>th</sup> Annual General Meeting (AGM).

In line with the provisions of General Circular No. 14/2020 dated April 8, 2020; the General Circular No. 17/2020 dated April 13, 2020 and the General Circular No. 20/2020 dated May 5, 2020 issued by issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020 issued by SEBI, the Notice of 30<sup>th</sup> AGM alongwith Annual Report for FY 2019-20 are being sent only through email (electronic mode) to those Members, whose email addresses are registered with the Company or Registrar and Share Transfer Agents / or their respective Depository Participant (s).

The Annual Report for the Financial Year 2019-20 and Notice of 30<sup>th</sup> Annual General Meeting are also available at the website of the Company [www.autostampings.com](http://www.autostampings.com).

Please take it on your records.

Thanking you,

Yours faithfully,

For **Automotive Stampings and Assemblies Limited**



**Ashutosh Kulkarni**  
**Company Secretary**

M. No. – A18549

**Encl: as above**

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

**Regd Office:** Plot No- 20/B FPN085, TACO House, V.G. Damle Path, Off Law College Road, Erandwane, Pune 411004

**Chakan:** Gat No. 427, Medankarwadi, Chakan, Tal. Khed, Dist: Pune –410 501 Tel: 91 2135 679800-03

**Halol:** Survey No. 173, Village Khakharia, Taluka: Savali, Dist: Vadodara, Halol – 389 350, Gujarat Telefax: 91 2667 288042,

**Uttarakhand:** Plot No. 71, Sector 11, Integrated Industrial Estate, Pantnagar, US Nagar 263153 State- Uttarakhand Tel: 91

05944250652

A **TATA** Enterprise

# ASAL

**Automotive Stampings and Assemblies Limited**

**CIN:L28932PN1990PLC016314**

Registered Office: TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane,  
Pune: 411004, Maharashtra, Tel.: 91 20 66085000 Fax: 91 20 6608 5034  
E-mail: [cs@autostampings.com](mailto:cs@autostampings.com) Website: [www.autostampings.com](http://www.autostampings.com)

**A TATA Enterprise**

**30<sup>th</sup> Annual Report 2019-20**

## Contents

	Page Nos.
Corporate Information	2
Financial Highlights	3
AGM Notice	4
Board's Report alongwith Annexures	31
Report on Corporate Governance	62
Auditor's Certificate on Corporate Governance	93
Financial Statements	
• Auditor's Report	95
• Balance Sheet	106
• Statement of Profit and Loss	107
• Cash Flow Statement	108
• Notes Forming part of Financial Statements	111

# ASAL

Thirtieth Annual Report 2019-20

---

## Automotive Stampings and Assemblies Limited

### CORPORATE INFORMATION

#### Board of Directors

(as on July 8, 2020)

Mr. Pradeep Bhargava (Chairman)

Mr. Shrikant Sarpotdar

Ms. Bhavna Bindra

Mr. Arvind Goel

Mr. Deepak Rastogi

Mr. Sanjay Sinha

Mr. Bharat Parekh

#### Chief Executive Officer

Mr. Neeraj Shrivastava (till May 3, 2019)

Mr. Jitendraa Dikkshit (w.e.f. October 17, 2019)

#### Chief Financial Officer

Mr. Easwaran S. (till September 20, 2019)

Mr. Yogesh Jaju (w.e.f March 12, 2020)

#### Company Secretary

Mr. Ashutosh Kulkarni

#### Statutory Auditors

B S R & Co. LLP

#### Internal Auditors

PricewaterhouseCoopers Private Limited

#### Secretarial Auditors

C. S Kelkar & Associates

#### Bankers

HDFC Bank

State Bank of India

Tata Capital Financial Services Limited

#### Works

##### Chakan Works :

Gat No. 427, Medankarwadi  
Chakan, Taluka: Khed, Pune 410 501.  
Maharashtra, India.

##### Chakan Works (leased):

Survey No. 679/2/2, Alandi Road, Kuruli,  
Chakan, Taluka : Khed, District,  
Pune - 410 501, Maharashtra, India.

##### Halol Works:

Survey No. 173,  
Village-Khakharia,  
Taluka: Savali, Near GIDC,  
Halol 389 350, Gujarat, India.

##### Pantnagar Works:

Plot No. 71, Sector 11,  
IIE Pantnagar Industrial Estate,  
Udham Singhnagar 263 153,  
Uttarakhand, India.

##### Corporate Identity Number

L28932PN1990PLC016314

---

#### Address for Correspondence

##### Registered Office:

TACO House, Plot No. 20/B FPN085,  
V.G. Damle Path, Off Law College Road,  
Erandwane, Pune: 411004 Maharashtra, India  
Email: [cs@autostampings.com](mailto:cs@autostampings.com)  
website : [www.autostampings.com](http://www.autostampings.com)

##### Registrar & Share Transfer Agents:

Link Intime India Private Limited  
Block 202, 2nd Floor Akshay Complex,  
Near Ganesh Temple, Off. Dhole Patil Road,  
Pune 411 001, Maharashtra, India  
Tel.: (91) 020 26160084  
Fax: (91) 020 26163503  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**30th Annual General Meeting on Thursday, August 20, 2020 at 11.00 a.m. (IST)  
through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**

**FINANCIAL HIGHLIGHTS**

(₹ in Crore)

Particulars	Financial Year										
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenue	417.30	531.90	571.73	465.18	341.78	290.55	264.09	305.82	330.84	483.66	362.84
Profit / (Loss) before Interest, Depreciation, Tax and Extra-ordinary Income	28.20	33.88	29.31	13.66	9.78	(6.44)	(1.84)	2.74	(25.05)	13.63	(9.10)
Extra- Ordinary Income	-	-	-	-	-	-	-	12.84	-	-	21.00
Profit / (Loss) After Tax	5.10	10.17	5.97	(4.43)	(8.29)	(23.17)	(20.80)	(2.87)	(46.56)	(12.63)	(17.01)
Share Capital	19.20	19.20	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86
Reserves & Surplus	30.50	37.07	62.69	58.26	49.97	26.62	5.26	1.70	(44.77)	(57.42)	(74.70)
Shareholders' Funds	49.70	56.27	78.55	74.12	65.83	42.48	21.12	17.57	(28.91)	(41.56)	(58.83)
Loan Funds	52.50	60.48	31.93	52.79	61.06	64.18	75.25	72.39	102.91	145.84	145.24
Total Capital Employed	102.20	116.75	110.48	126.91	126.89	106.66	96.37	89.96	74.00	104.28	86.41
Net Block	100.40	99.25	117.95	110.55	121.36	113.48	104.51	109.85	104.01	107.06	99.12
Preference Dividend	1.08	1.08	0.41	-	-	-	-	-	-	-	-
Equity Dividend	1.53	2.04	2.38	-	-	-	-	-	-	-	-
Rate of Dividend	15.00%	20.00%	15.00%	-	-	-	-	-	-	-	-
No. of Shareholders	3,363	4,220	4,889	4,636	4,381	4,101	4,001	4,087	4,993	5,142	5,115
Earnings / (Loss) Per Equity Share (Basic) (₹)	3.81	8.74	3.89	(2.79)	(5.23)	(14.61)	(13.11)	(1.81)	(29.35)	(7.96)	(10.72)

\* Previous years figures have been regrouped, wherever necessary.

## NOTICE

**NOTICE** is hereby given that the Thirtieth (30th) Annual General Meeting (AGM) of the Members of Automotive Stampings and Assemblies Limited will be held on Thursday, the 20<sup>th</sup> day of August, 2020 at 11.00 a.m.(IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Sinha (DIN: 08210898) who retires by rotation and, being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

3. **Appointment of Ms. Bhavna Bindra (DIN: 07314422) as Non- Executive Independent Director**

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

“**RESOLVED THAT** Ms. Bhavna Bindra (DIN: 07314422), who was appointed as an Additional Director of the Company by the Board of Directors with effect from July 15, 2019 and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 (‘the Act’) and Article 37 of the Articles of Association of the Company, but who is eligible for appointment as Director and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Ms. Bhavna Bindra, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation to hold office for a term of 5 (five) consecutive years commencing from July 15, 2019 up to July 14, 2024 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable for the purpose of giving effect to this Resolution.”

#### 4. Appointment of Mr. Jitendraa Dikkshit as a Manager designated as Chief Executive Officer

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the approval of Members of the Company be and is hereby accorded for the appointment of Mr. Jitendraa Dikkshit, as a “Manager” under Section 196 of the Act, designated as the ‘Chief Executive Officer’ of the Company (hereinafter referred to as the “appointee”) and terms of his remuneration for a period of 3 years from October 17, 2019 to October 16, 2022 upon the terms and conditions as set out below and as mentioned in the agreement entered into in this behalf with him, with authority to the Board of Directors and/ or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and /or the Agreement in such manner as may be agreed from time to time between the Board of Directors and the appointee:-

#### **Remuneration:**

- a. Basic Salary: In the scale of basic salary of ₹ 1,00,000/- to ₹ 1,80,000/- per month with authority to the Board and/or Nomination and Remuneration Committee to fix his salary within the abovescale from time to time, Present basic salary being ₹ 1,25,000/- per month. The increments may be decided by the Board and/or Nomination and Remuneration Committee from time to time subject however, upto an amount not exceeding ₹ 1,80,000/- per month.
- b. Incentive Remuneration: Upto 200 % of basic salary to be paid at the discretion of the Board and/or ‘Nomination and Remuneration Committee’ and based on certain performance criteria.
- c. Perquisites and allowances: The appointee shall be entitled to the perquisites and allowances as per the Company Rules in addition to the salary and incentive remuneration. Such perquisites and allowances shall be subject to a maximum of 300% of his annual basic salary earned in a financial year under the following criteria:
  - In arriving at the value of the perquisites insofar as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time. In the absence of any such Rules, Perquisites and allowances shall be determined at actual cost incurred by the Company in providing such perquisites and allowances.
  - Company’s contribution to Provident Fund and Superannuation Fund or Annuity Fund (subject to tax), to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

## Automotive Stampings and Assemblies Limited

In particular, the following perquisites and allowances are presently allowed to the appointee: -

A) Allowances: -

- Executive Allowance - ₹ 50,000/- per month (or any other Allowance paid as per the Company Rules)
- Driver Allowance - ₹ 12,000/- per month
- Car Allowance - ₹ 16,500/- per month
- Fuel and Maintenance allowance - ₹ 12,000 /- per month
- Personal Pay - ₹ 84,321/- per month

B) Perquisites: -

- i) Housing: The Company may provide hired unfurnished accommodation; or where no accommodation is provided by the Company, then House Rent Allowance shall be paid. The Rent for the accommodation and/or House Rent Allowance shall be subject to a ceiling of an amount equal to 70 % of basic salary of the appointee.
- ii) Medical Reimbursement: Expenditure incurred by the appointee and his family on domiciliary medical treatment shall be reimbursed, subject to a ceiling of one month's basic salary in a year. The amount may be paid as a Medical Allowance on a monthly basis, subject to a ceiling of one month's salary in a year as per the rules of the Company. Assistance for actual medical expenses in the event of hospitalisation, incurred for self, family shall be as per the rules of the Company.
- iii) Leave and Leave Travel Concession: Leave on full salary & encashment of unavailed balance during the tenure shall be as per the Rules of the Company.  
  
The Leave Travel Allowance may be paid by way of a monthly / annual allowance subject to a ceiling of one month's salary in a year as per the rules of the Company.
- iv) Insurance: The appointee shall be eligible for the benefit of Group Mediclaim Insurance and Group Personal Accident Insurance Policies taken out as per the Rules of the Company.
- v) Other benefits / amenities like sale assets, if any at concessional rate after the specified period, cash allowance in lieu of certain amenities / benefits, etc., shall be as per the rules of the Company.
- vi) Contributions to Provident Fund, Superannuation Fund or Annuity Fund shall be as per the rules of the Company.
- vii) Gratuity and encashment of leave at the end of his tenure shall be permitted as per the Rules of the Company.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Jitendraa Dikkshit, Manager, the Company has no profit or its profits are inadequate, the Company shall nevertheless continue to pay to Mr. Jitendraa Dikkshit all the remuneration by way of salary (including



incentive remuneration) and allowances and perquisites as set out in the Employment Agreement as minimum remuneration, however not exceeding the limits stipulated under Section II of Part II of Schedule V of the Act for the time being in force (including any statutory modifications or re-enactment thereof), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

**RESOLVED FURTHER THAT** the Board / Nomination and Remuneration Committee be and is hereby authorised to alter and vary the terms and conditions of appointment and / or remuneration of Mr. Jitendraa Dikkshit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**5. To approve Related Party transactions of the Company with TATA AutoComp Hendrickson Suspensions Pvt. Ltd. (THSL)**

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

“**RESOLVED THAT** pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on July 15, 2019, October 17, 2019, January 23, 2020 and July 8, 2020, consent of the Members of the Company be and is hereby accorded to enter or to continue to enter into transaction(s) of sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from THSL, selling or otherwise disposing of or buying, leasing of property of any kind to / from THSL, rendering / availing of any services to / from THSL, expenses, sale or purchase of fixed assets to /from THSL, any transaction from time to time in the nature of loan / advance, short term /long term loan, Inter Corporate Deposits from THSL with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise, for the period of five (5) financial years with effect from April 1, 2020, with THSL a Related Party, up to an estimated annual value of ₹ 110 Crore (Rupees One Hundred and Ten Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and THSL.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including but not limited to delegation of powers as may be necessary, proper or expedient to give effect to this Resolution.”

## Automotive Stampings and Assemblies Limited

### 6. To approve Related Party transactions of the Company with Tata AutoComp Systems Limited (Tata AutoComp)

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

“**RESOLVED THAT** pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on July 15, 2019, October 17, 2019, January 23, 2020 and July 8, 2020 and in continuation of approval of Members of the Company at 26<sup>th</sup> & 28<sup>th</sup> Annual General Meeting held on July 25, 2016 and June 5, 2018 respectively, consent of the Members of the Company be and is hereby accorded to enter/ continue to enter into transaction(s) of sale, supply / purchase of goods, materials etc. to / from Tata AutoComp, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata AutoComp, rendering / availing of any services to / from Tata AutoComp, any transaction from time to time in the nature of loan, short term /long term loan, Inter Corporate Deposits from Tata AutoComp with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time, sale or purchase of fixed assets to /from Tata AutoComp, issue of Letter of Comfort / providing of any guarantee or security, if any by Tata AutoComp, any other transactions with / by Tata AutoComp including rate revisions, reimbursement / recovery of expenses etc. whether material or otherwise, for a period of five (5) financial years with effect from April 1, 2020 with Tata AutoComp, a Related Party, up to an estimated annual value of ₹ 110 Crore (Rupees One Hundred and Ten Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and Tata AutoComp.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including but not limited to delegation of powers as may be necessary, proper or expedient to give effect to this Resolution.”

#### BY ORDER OF THE BOARD

For Automotive Stampings and Assemblies Limited

Ashutosh Kulkarni

Company Secretary

ICSI Membership No.:-A18549

Date : July 8, 2020

Place : Pune

#### Registered Office:

TACO House, Plot No- 20/B FPN085, V.G. Damle Path,  
Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India

## NOTES

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” read with General Circular No. 14/ 2020 dated April 8, 2020 and the General Circular No. 17/ 2020 dated April 13, 2020 in relation to “Clarification on passing of Ordinary and Special Resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19” (collectively referred to as “MCA Circulars”) and SEBI vide its circular dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic”. (“SEBI Circular”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Thursday, August 20, 2020 at 11.00 a.m. (IST). The deemed venue for the 30th AGM will be TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India
2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
3. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 30th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [csk@kelkarcs.com](mailto:csk@kelkarcs.com) with a copy marked to [cs@autostampings.com](mailto:cs@autostampings.com) and [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. As per the provisions of Clause 3.A.III. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item No(s) 3 to 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No(s) 3 to 6 of the Notice is annexed hereto. Requisite declarations have been received from Director/s for seeking re-appointment. In accordance with the provisions of Article 36 of Articles of Association of the Company, Mr. Sanjay Sinha (DIN: 08210898) will retire by rotation at the AGM and being eligible, offers himself for re-appointment. Ms. Bhavna Bindra is being appointed as Non – Executive Independent Director of the Company for a period of 5 years. They are not related to any of the Directors of the Company. Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to Section 118(10) of the Act and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, additional information in respect of Directors retiring by rotation and persons seeking appointment / re-appointment at the AGM is given in the Explanatory Statement attached to this Notice and in the Corporate Governance Section of this Annual Report.

## Automotive Stampings and Assemblies Limited

7. In line with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice convening the 30<sup>th</sup> AGM will be uploaded on the website of the Company at [www.autostampings.com](http://www.autostampings.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the website of CDSL.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, August 14, 2020 to Thursday, August 20, 2020** (both days inclusive).
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Link Intime India Private Limited. Company's Registrars and Transfer Agents for assistance in this regard.
10. Transfer of Unclaimed / Unpaid amounts and shares to the Investor Education and Protection Fund (IEPF):
  - Pursuant to Section 124 and 125 and all other applicable provisions, if any, of the Companies Act, 2013, the amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.
  - The dividend for the financial year ended March 31, 2012 which remained unpaid or unclaimed over a period of seven years was transferred by the Company to the Fund on September 7, 2019.

Further in accordance with Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, amongst other matters, all shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2012 and remained unpaid or unclaimed were transferred to the IEPF Demat Account. The Company has sent notices to all such members in this regard and thereafter transferred the shares to the IEPF during financial year 2019-20. The details of unpaid / unclaimed dividend and number of shares liable to be transferred / transferred are available on website: [www.autostampings.com](http://www.autostampings.com)

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account as per the applicable provisions of Companies Act, 2013 and rules made thereunder. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules. In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends on the website of Investor Education and Protection Fund: [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company: [www.autostampings.com](http://www.autostampings.com).

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the Registrar at [pune@linkintime.co.in](mailto:pune@linkintime.co.in) in case the shares are held in physical form, quoting your folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the Company's website at [www.autostampings.com](http://www.autostampings.com). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar & Transfer Agents at [pune@linkintime.co.in](mailto:pune@linkintime.co.in) in case the shares are held in physical form, quoting your folio no.
13. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is available on the Company's website under the section 'Investor Relations'. Members holding shares in physical form are requested to submit the filled in form to the Company at [cs@autostampings.com](mailto:cs@autostampings.com) or to the Registrar in physical mode, after restoring normalcy or in electronic mode at [pune@linkintime.co.in](mailto:pune@linkintime.co.in), as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or Link Intime India Pvt. Ltd. Registrar & Transfer Agents
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar & Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
15. Electronic copy of the relevant documents referred to in the AGM Notice and Explanatory Statement will be made available through email for inspection by Members, if so desired. Electronic copies of necessary statutory registers and auditors report/certificates will be available for inspection by the members at the time of AGM.
16. Members who wish to inspect the relevant documents referred above and in the Notice can send an email to [cs@autostampings.com](mailto:cs@autostampings.com) up to date of this AGM.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.  
  
To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
18. Members / investors may contact the Company on the designated E-mail ID: [cs@autostampings.com](mailto:cs@autostampings.com) for faster action from the Company's end.
19. The Company has paid the annual listing fees to the respective Stock Exchange(s) for the Financial Year 2020-21.
20. As per the Scheme of Arrangement (demerger) of 2001 between the Company and JBM Auto Limited (formerly known as JBM Auto Components Limited), the Members of the Company were required to surrender the original share certificates of the Company for exchange of new shares certificates of both the Companies. The Company had pending share certificates of those Members who had not submitted their share certificates in terms of the scheme of arrangement for exchange and also of those Members in whose case new share certificates remained undelivered. In compliance with Clause 5A of the erstwhile Listing Agreement issued by SEBI, after following the prescribed procedure, the shares which remained unclaimed, were dematerialised and transferred to a demat account in the name of "Automotive Stampings and Assemblies Limited - Unclaimed Securities Suspense Account".

## Automotive Stampings and Assemblies Limited

The Members are requested to refer the note wrt Unclaimed Shares in Corporate Governance Report for further information in this behalf.

21. Non-Resident Indian Members are requested to inform the Company/Depository Participant, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete bank name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Registrar & Transfer Agents.

### 23. Voting through electronic means

The complete details of the instructions for e-voting are annexed to this Notice. These details form an integral part of the Notice.

24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
25. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and Secretarial Standard on General Meetings (SS -2) issued by the Institute of Company Secretaries of India, the Company is pleased to offer e-voting facility to its Members to exercise their right to vote by electronic means on all Resolutions set forth in the Notice convening the 30<sup>th</sup> Annual General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  2. The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com).
  3. The e-voting facility will be available during the following voting period:

Start Day, Date & Time	End Day, Date & Time
<b>Monday, August 17, 2020 09:00 a.m. IST</b>	<b>Wednesday, August 19, 2020 05:00 p.m. IST</b>



4. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast vote again.
5. The voting rights of Members (for voting through e-voting or voting at the meeting) shall be in proportion to their share(s) in the paid up equity share capital of the Company as on the **cut-off i.e. Thursday, August 13, 2020**. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **cut-off date i.e. Thursday, August 13, 2020** only shall be entitled to avail the facility of e-voting as well as voting at the AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
7. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Annual Report (including AGM Notice) and holds shares as on the cut-off date i.e. Thursday, August 13, 2020. may follow the instructions for e-voting mentioned below. In case such Member has not updated his or her PAN with the Company or the Depository Participant, may obtain the sequence no. by sending a request at [pune@linkintime.co.in](mailto:pune@linkintime.co.in).
8. The Board of Directors of the Company has appointed Mr. C. S. Kelkar, Partner or failing him Ms. Shruti Kanhere Partner, C. S. Kelkar & Associates, Company Secretaries, to act as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
9. The Scrutinizer immediately after the conclusion of e-voting at the AGM, will unblock the votes cast through remote e-Voting and e-voting at the AGM and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
10. The results declared along with the Scrutinizer's Report will be placed on the Company's website: [www.autostampings.com](http://www.autostampings.com) and on the website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) immediately after their declaration and the same shall simultaneously communicated to BSE Limited and National Stock Exchange of India Limited.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM will be uploaded on the website of the Company at [www.autostampings.com](http://www.autostampings.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

## REMOTE E-VOTING THROUGH ELECTRONIC MEANS

### 1) The instructions for shareholders for remote e-voting are as under

- (i) During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Thursday, August 13 , 2020** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Members should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) Members holding shares in dematerialised form and having used [www.evotingindia.com](http://www.evotingindia.com) earlier and having voted on an earlier e-voting of any company, may use their existing password.
- (viii) First time user may follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) Members who have not updated their PAN with the Company /Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).



- (ix) After entering these details appropriately, click on “SUBMIT” tab.
  - (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - xii) Click on the EVSN for Automotive Stampings and Assemblies Limited
  - (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Members can select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
  - (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Members can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- 2) Process for those Members whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
1. For Members holding shares in physical form- please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@autostampings.com](mailto:cs@autostampings.com) or [pune@linkintime.co.in](mailto:pune@linkintime.co.in) respectively.
  2. For Members holding shares in dematerialised form- Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@autostampings.com](mailto:cs@autostampings.com) or [pune@linkintime.co.in](mailto:pune@linkintime.co.in) respectively.
  3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid Members.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members

## Automotive Stampings and Assemblies Limited

login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the AGM may register themselves as a "speaker" by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@autostampings.com](mailto:cs@autostampings.com). The Members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to AGM mentioning their name, demat account number/folio number, email id, mobile number at [cs@autostampings.com](mailto:cs@autostampings.com) so as to enable the Management to keep the information ready. For smooth conduct of proceedings of the AGM, Members may note that the Company reserves the right to restrict number of questions and speakers during AGM depending upon availability of time.
6. Those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.

### INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THEAGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### (xx) Note for Non – Individual Members and Custodians

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [csk@kelkarcs.com](mailto:csk@kelkarcs.com) or [shruti@kelkarcs.com](mailto:shruti@kelkarcs.com) and [cs@autostampings.com](mailto:cs@autostampings.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (02223058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**ANNEXURE TO THE NOTICE**  
**(Explanatory Statement pursuant to Section 102 of the Companies Act, 2013)**

**Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3,4, 5 and 6 of the accompanying Notice dated July 8, 2020.**

**ITEM NO. 3**

Ms. Bhavna Bindra (DIN: 07314422) was appointed as an Additional Director of the Company at the Board Meeting held on July 15, 2019, pursuant to Section 161 of the Act and Article 37 of the Articles of Association of the Company. As such, Ms. Bhavna Bindra holds office as Director upto the date of the ensuing AGM and is eligible for appointment as a Director. Notice in writing under Section 160 of the Act has been received from a Member indicating its intention to propose Ms. Bhavna Bindra for the office of the Director of the Company at the ensuing AGM.

The Company has received from Ms. Bhavna Bindra (i) consent in writing to act as director in Form DIR 2 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, (iii) a declaration to the effect that she is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, and (iv) a declaration to the effect that she meets the criteria of independence and she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence as prescribed under the Act and the Listing Regulations and other related documents. She holds valid registration certificate with Data Bank of Independent Directors.

In the opinion of the Board, Ms. Bhavna Bindra fulfils the conditions specified in the Act and Rules made thereunder for her appointment as an Independent Director of the Company and is independent of the Management. The Board, based on the recommendation of the Nomination and Remuneration Committee, recommends her appointment as Non- Executive Independent Director for first term of 5 (five) consecutive years commencing from July 15, 2019 up to July 14, 2024.

Details as stipulated in Regulations 26(4) and 36 (3) of the Listing Regulations and as per Secretarial Standards – 2 on General Meetings is annexed and forms part of this AGM Notice.

Ms. Bhavna Bindra is an Economics honours graduate from Shri Ram College of Commerce, Delhi and MBA from IIM Bangalore. Ms. Bhavna Bindra was the Managing Director-Materials (Accelerate India Program) at DSM India Private Limited wherein she was responsible for growth of Materials Cluster in the region, including alliances, Mergers & Acquisitions and investments. Prior to joining DSM India Private Limited, Ms. Bhavna Bindra led the ₹1300 Crore Distribution Business unit at Cummins India Ltd., where she was charged with providing aftermarket support across India for over half a million Cummins engines powering various applications including Power Generation, Mining, Railways, Defence, etc. Prior to taking this role in 2015, Ms. Bhavna led Cummins India's Automotive business from 2010. Ms. Bhavna has been on the Boards of Valvoline Cummins Private Ltd. And Cummins Sales and Service Private Limited as well as on the Board of Cummins DKSH. Before joining Cummins, Ms. Bhavna worked as a Consultant with The Boston Consulting Group across different industry verticals including Financial Services and Pharmaceuticals. She has also held a leadership position at Boston Analytics, a start-up focusing on Research and Analytics. A strong advocate of workplace Diversity, Ms. Bhavna worked actively to help developing strategies to attract and retain women employees for Cummins entities in

India. Ms. Bhavna was recognized as one of India Inc.'s 25 Rising Women Leaders in 2015 by Economic Times. She was also among the "40 Under Forty" Young Leaders list of Economic Times in 2016

She has diversified experience in corporate business and Strategy. Her expertise in automotive sector would be very valuable for the Board and the Company. Her experience would go a long way in creating stability and value for the Company's shareholders. Having regard to her background and wide experience, the appointment of Ms. Bhavna Bindra will be in the interest of the Company. The Board considers that her association would be of an immense benefit to the Company and it is desirable to avail her services as an Independent Director.

Copy of draft letter of appointment of Ms. Bhavna Bindra setting out the terms and conditions of appointment is available for inspection by the Members at the website of the Company viz. [www. autostampings.com](http://www.autostampings.com)

Ms. Bhavna Bindra and her relatives do not hold any shares in the Company and is not related with other Directors, Manager and other Key Managerial Personnel of the Company.

None of the Directors or Key Managerial Personnel or their relatives other than Ms. Bhavna Bindra are concerned or interested, financial or otherwise, in the Resolution set out at an Item No. 3.

Accordingly the Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members of the Company.

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

Mr. Jitendraa Dikkshit joined the Company as 'Chief Operating Officer' wef April 10, 2019. The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee at their respective meetings held on October 17, 2019 appointed Mr. Jitendraa Dikkshit (the appointee) as a "Manager" under Section 196 of the Companies Act, 2013 (the Act), designated as the 'Chief Executive Officer' of the Company, for a period of not exceeding 3 years from October 17, 2019 to October 16, 2022 and approved payment of his remuneration.

The appointment and the remuneration payable to him are subject to the approval of the Members.

Schedule V to the Act, fixes the limits for payment of managerial remuneration by companies in case of loss or inadequacy of profits in any financial year and inter-alia, requires Members' approval for payment of managerial remuneration to the managerial person for a period not exceeding 3 years by way of a Special Resolution. Mr. Jitendraa Dikkshit is functioning in a professional capacity and is not having any interest in the capital of the Company or its holding Company or any of its subsidiaries directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the Directors or Key Managerial Personnel or Promoters of the Company or its holding Company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment. He possesses graduate level qualification with expertise and specialised knowledge in the field in which the Company operates. The Company has received necessary disclosure from the appointee in this regard.

Besides the terms and conditions for payment of managerial remuneration as contained in the proposed Resolution, the other main terms and conditions, contained in the agreement being entered into in this behalf with the appointee are as given below:

1. The terms and conditions of the said agreement and / or appointment may be revised, enhanced, altered and varied from time to time by the Board of Directors of the Company and/or 'Nomination and Remuneration Committee' in such manner as may be agreed to between the Board and the appointee within the maximum amounts payable to managerial person in accordance with the provisions of the Act, or any amendments or re-enactments thereof made hereafter in this regard .
2. The appointee is subject to the supervision and control of the Board of Directors, entrusted with substantial powers of management and shall also perform such other duties as may from time to time be entrusted to him.

## Automotive Stampings and Assemblies Limited

3. The appointee shall not, either before or after the termination of this Agreement, disclose to any person whatsoever, any information relating to the Company or its customers or any trade secret of which he may come to know while acting as the Manager.
4. The appointee shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall also not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government.
5. If at any time, the appointee ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Manager of the Company and this agreement will forthwith terminate.
6. In case the appointee dies in the course of his employment, the Company shall pay to his legal personal representative the salary and current emoluments for the then current month.
7. The appointee shall not have the following powers—
  - a. The power to make calls on shareholders in respect of money unpaid on their shares in the Company.
  - b. The power to issue debentures.
  - c. The power to invest the funds of the Company in shares, stocks and securities.
8. The agreement may be terminated by either party by giving three months' notice of such termination or paying three months' salary in lieu thereof.

In compliance with the provisions of Section 196, 197 read with Schedule V and other applicable provisions thereof and the provisions of the Act as may be applicable (including any statutory modification or re-enactment thereof for the time being in force), the appointment upon the terms and conditions specified above is now being placed before the Members for their approval.

Electronic copy of the Agreement between the Company and the appointee will be made available through email for inspection by Members if so desired. A member is requested to send an email to [cs@autostampings.com](mailto:cs@autostampings.com) for the same.

Other than Mr. Jitendraa Dikkshit, no Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

Accordingly the Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members of the Company.

A brief resume of Mr. Jitendraa Dikkshit, nature of his expertise in specific functional areas, names of companies in which he hold directorships, memberships of the Board's Committees, date of first appointment, terms and conditions of appointment/re-appointment, details of remuneration last drawn (FY 2019-20) and sought to be paid if any, No. of Board Meetings attended during the FY 2019-20, shareholding in the Company and relationships between Directors inter-se, Manager and other Key Managerial Personnel of the Company as stipulated in Secretarial Standards – 2 on General Meetings is given hereinunder and forms part of the Notice.

A brief profile of Mr. Jitendraa Dikkshit is as under: -

Date of Birth and Age	December 1, 1965 – 54 Years
Date of first appointment	as Chief Operating Officer wef April 10, 2019 as Chief Executive Officer wef October 17, 2019
Qualifications	Bachelor of Engineering (Mechanical) and Post Graduate in Business Administration.
Brief Profile and Expertise in specific functional areas	Mr. Jitendraa Dikkshit has overall work experience over 30 years in managing large and medium business operations and start-up greenfield Projects and has rich experience in the field of Metal Systems, Stampings. He successfully handled P&L responsibilities for business operations with leading JV's/MNC's as BU Head/Profit Centre Head since last 15 years. Mr. Dikkshit has earlier worked with leading organisations and multinational companies like Caparo, Tata Bluescope, Siac-SKHcabs, Metalsa Tenneco Exhaust and Tata Ficosa, Tata AutoComp Systems Limited. He has extensive experience in turnaround operations in the capacity of profit centre head. Being passionate for numbers and results, he expanded divisions, handled turnarounds and drove long-term growth.
Terms and conditions of appointment/ re-appointment	Appointed as Manager designated as Chief Executive Officer of the Company. Refer details at Item No. 4 to the Notice.
Details of remuneration last drawn (FY 2019-20) and sought to be paid, if applicable	₹ 29.17 Lakhs (paid as Chief Executive Officer of the Company w.e.f October 17, 2019)
No. of Board Meetings attended during the FY 2019-20	5
Relationships between Directors inter-se	None
List of Companies in which Directorship held as on March 31, 2020 (excluding foreign and Section 8 Companies)	Nil
Chairmanship / Membership of specified Committees* of the Boards of above Companies as on March 31, 2020	Nil
No. of shares held in the Company: (a) Own (b) For other persons on a beneficial basis	Nil

\* Membership/Chairmanship of Audit Committee and Stakeholders Relationship /Investors Grievance Committee

Mr. Jitendraa Dikkshit and his relatives do not hold any shares in the Company and is not related with other Directors, Manager and other Key Managerial Personnel of the Company.

Additional Information relevant to the said appointment of Manager as per Schedule V Part II Section II (B) (iv) of the Act.



## Automotive Stampings and Assemblies Limited

### I. General Information

- 1) Nature of Industry: The Company is manufacturer of sheet metal components, assemblies and sub-assemblies for the automotive industry.
- 2) Date or expected date of commencement of commercial production: The Company was incorporated on March 13, 1990. The existing plants of the Company at Pune and Halol are in Commercial Production for more than last 19 years. The Plant at Pantnagar in Uttarakhand has been operational since last 12 years.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- 4) Financial performance based on given indicators - as per published audited financial results for the financial year ended March 31, 2020:

Particulars	(₹. in Lakhs)
Revenue from Sale of Products / Services (Net)	36,224.42
PAT	(1,701.37)

- 5) Foreign Investments or collaborators, if any: Not applicable

### II. Information about the appointee:

- 1) Background details: as mentioned above
- 2) Past Remuneration:

Particulars	Amount (₹. in Lakhs)
Annualized salary including Retirement Benefits in the form of contributions to Provident Fund and Superannuation Fund (Based on the last drawn salary from the previous employer)	56.58

- 3) Recognition or Awards: Nil
- 4) Job Profile and his suitability:

Mr. Jitendraa Dikshit is responsible for overall management of the Company, subject to the supervision and control of the Board of Directors and will be responsible for all duties and functions of a Manager and Chief Executive Officer as Key Managerial Personnel prescribed under Companies Act, 2013 and under SEBI Listing Regulations. He is also responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities assigned to him by the Board of Directors.



5) Remuneration proposed:

Basic Salary	In the range of ₹1,00,000/- to ₹ 1,80,000/- per month. Present salary being ₹ 1,25,000/- per month.
Incentive Remuneration	Upto 200% of basic salary to be paid at the discretion of the Board and/or 'Nomination and Remuneration Committee'.
Perquisites & Allowance #	Upto 300 % of basic salary.
Minimum Remuneration in case of inadequacy of profits during any financial year	Salary, incentive remuneration and perquisites and allowances as mentioned above.

The increments may be decided by the Board and /or 'Nomination and Remuneration Committee' from time to time subject however to the salary not exceeding ₹ 1,80,000/- per month.

# Excludes Company's contribution to provident, superannuation and gratuity funds and leave encashment at the end of the tenure.

- 6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointees in other companies.
- 7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Besides the remuneration proposed, the appointee does not have any other pecuniary relationship with the Company.

### III. Other Information:

1) Reasons of loss / inadequate profits:

Your Company incurred a loss after tax of ₹1,701.37 Lakhs in FY 2019-20 as against loss after tax of ₹ 1,262.75 Lakhs in FY 2018-19.

Your Company is operating in Auto Component segment and the products which are being manufactured by the Company are exclusively for industrial use and as such there is no independent market of its final products. The automobile industry and consequently, the auto component industry is going through a tough situation in view of pressure on sales. Thus the Company's performance is dependent on the performance of automobile industries to whom the Company supplies. During the year under review, the net Sales dropped by 24.73 per cent to ₹ 36,224.42 Lakhs as compared to previous year primarily due to reduction in Customer volumes & lower off take from key Customers. Sales of your Company did not grow as expected due to slower ramp up of new businesses and lower off-take from key customers. The capacity utilization of your Company was therefore low as compared to last year. During the financial year 2019-20, the manufacturing costs decreased due to reduced sales and change in product mix as compared to previous financial year 2018-19. Your Company's sales during the year were impacted by lower volumes than expected in all segments considering various developments in auto sector like BS- VI norms transition, introduction of Electric Vehicles in Passenger Vehicle segment resulted into low inventory / production for all OEMs & which was further exacerbated by COVID-19 related lockdown in March 2020.

Due to all above factors the Company has incurred loss (net) of ₹1,701.37 Lakhs for the year ended March 31, 2020.

## Automotive Stampings and Assemblies Limited

2) Steps taken by the Company to improve performance:

To address these challenges, your Company has initiated several measures towards achieving organisational and operating efficiencies and controlling costs, alongside working on improvements in processes and controls.

3) Expected increase in productivity and profits in measurable terms:

The above measures undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

### IV. Disclosures

The necessary disclosures as required under Schedule V part II of the Companies Act, 2013 have been mentioned in the Board of Director's report under the heading "Corporate Governance".

#### Item No. 5

Further to the applicable provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and Rules framed thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) amended from time to time, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Members.

THSL being Associate Company is related party of the Company as per the Act read with Rules, Listing Regulations and as per Ind- AS 24. Your Company operates in Sheet Metal Components, Assemblies and Sub-Assemblies segment of the Auto Components Industry. It manufactures a range of sheet metal components and assemblies for the Automobile Industry and is a Tier One auto components supplier. It supplies sheet metal components and assemblies to all major OEMs. Your Company has been selling, supplying sheet metal components and assemblies etc. to THSL. Your Company provides certain support services to THSL and vice a versa. Further there are certain expenses which are cross charged and are recovered by THSL and vice a versa accordingly.

Apart from the above transactions, THSL has provided Inter Corporate Deposits (ICDs) /short term loans to your Company from time to time amounting to ₹ 10.00 Crore till March 2020. These ICDs/ short term loans have been rolled over with prepayment option till FY 2021-22 as per Boards' approval.

In light of the above, your Company has been dealing through such transactions with the said related party. The individual transaction values would be commercially agreed based on mutual discussions / negotiations with related party.

As per Regulation 23 of Listing Regulations a transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited Financial Statements of the Company. All material Related Party Transactions shall require approval of the Members.

Your Company supplies just in time / just in sequence all components required by THSL being the Company located in proximity to THSL. Further your Company enters into various transaction(s) such as sale, supply / purchase of goods, materials, tools, dies and fixtures to / from THSL, selling or otherwise disposing of or buying, leasing of property of any kind to / from THSL, rendering / availing of any services to / from THSL, warranty expenses, sale or purchase of fixed assets to /from THSL, any transaction from time to time in the nature of loan / advance, short term /long term loan, Inter Corporate Deposits from THSL with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time if any, issue / providing

of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise for its various projects. The objective being to serve in a most efficient way and providing just-in-time deliveries. In light of the above, your Company has been dealing through such transactions with the said related party.

Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on July 8, 2020 approved the said limit of ₹ 110 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. April 1, 2020 to March 31, 2025 subject to approval of Members at the ensuing 30th Annual General Meeting. These transactions may be considered as material for the coming financial years in terms of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the 30th Annual General Meeting of the Company. The said approval would be effective for the period of five financial years with effect from April 1, 2020. Looking at the nature of business of the Company and the transactions, such approval of Members for the period of five financial years would be essentially required at this point of time.

The individual transaction values would be commercially agreed based on mutual discussions / negotiations with related party.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

1. Name of the related party and nature of relationship: TATA AutoComp Hendrickson Suspensions Pvt. Ltd. (THSL), Associate Company of Holding Company.
2. Applicability of the agreement / arrangement is subject to statutory approval, if any.- Not Applicable
3. Notice period for termination: Based on various Contracts.
4. Manner of determining the pricing and other commercial terms: Based on commercial negotiations, on arm's length basis, as far as possible and in tune with market parameters.
5. Disclosure of interest; Mr. Sanjay Sinha, Director of the Company holds position of Chief Executive Officer of THSL. Except as mentioned above, None of the other Directors, Key Managerial Personnel or their respective relatives are in any way interested or concerned financially or otherwise, in this Resolution.
6. Duration – 5 financial years, as stated above.
7. Monetary value: Estimated values as mentioned in the Resolution.
8. Nature, material terms and particulars of the arrangement:

Name of the Company	Nature of Contract / arrangement
TATA AutoComp Hendrickson Suspensions Pvt. Ltd. (THSL),	Sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from THSL.
	Selling or otherwise disposing of or buying, leasing of property of any kind to / from THSL.
	Rendering / availing of any services to / from THSL
	Warranty expenses
	Sale / purchase of Fixed Assets to / from THSL
	Any transaction in the nature of loan / advance from time to time with or without interest/ charges thereon including rollover / extension of maturity from time to time, if any
	Issue / providing of any Guarantee or security, if any
	Any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc.

## Automotive Stampings and Assemblies Limited

9. Any other information relevant or important for the Members to make a decision on the proposed transaction: None.

The Board recommends an Ordinary Resolution set out at Item No.5 of the Notice for approval by the Members.

### Item No. 6

Further to the Section 188 and any other applicable provisions of the Act and Rules framed thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) amended from time to time, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Members.

Tata AutoComp being holding Company is related party of the Company as per the Act read with Rules, Listing Regulations and as per Ind- AS 24. Tata AutoComp being holding Company provides support services such as IT, ERP, logistics and other services etc. to your Company. Further there are certain expenses which are cross charged and are recovered by Tata AutoComp and vice a versa accordingly.

Apart from the above transactions, Tata AutoComp has provided Inter Corporate Deposits (ICDs) /short term / long term loans to your Company from time to time amounting to ₹ 68.50 Crore till March 2020. These ICDs/ short term loans/ long term loans have been rolled over with prepayment option till FY 2021-22 as per Boards' approval.

In light of the above, your Company has been dealing through such transactions with the said related party. The individual transaction values would be commercially agreed based on mutual discussions / negotiations with related party.

As per Regulation 23 of Listing Regulations, a transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited Financial Statements of the Company. All material Related Party Transactions shall require approval of the Members.

In compliance with the said Listing Regulations, the Audit Committee of the Company has reviewed and approved the said on going transactions. Earlier the Members at 26th AGM of the Company held on July 25, 2016 approved RPTs with Tata AutoComp for a period of 3 years w.e.f. April 1, 2016 to March 31, 2019 for an aggregate amount of ₹ 50 Crore per annum plus applicable taxes. Further Members of the Company at 28th AGM of the Company held on June 5, 2018 approved RPTs with Tata AutoComp for a period of 5 years w.e.f. April 1, 2019 to March 31, 2024 and enhanced the aggregate amount to ₹ 75 Crore per annum plus applicable taxes.

Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on July 8, 2020 approved enhancement in the said limit by additional ₹ 35 Crore p.a. aggregating to ₹ 110 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. April 1, 2020 to March 31, 2025 subject to approval of Members at the ensuing Annual General Meeting. These transactions may be considered as material for the coming financial years in terms of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the 30th Annual General Meeting of the Company. The said approval would be effective for the period of five financial years with effect from April 1, 2020. Looking at the nature of business of the Company and the transactions, such approval of Members for the period of five financial years would be essentially required at this point of time.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

1. Name of the related party and nature of relationship: Tata AutoComp Systems Ltd (Tata AutoComp), Holding Company.
2. Applicability of the agreement / arrangement is subject to statutory approval, if any.- Not applicable
3. Notice period for termination: Based on various contracts.
4. Manner of determining the pricing and other commercial terms: Based on commercial negotiations, on arm's length basis, as far as possible and in tune with market parameters.
5. Disclosure of interest: Mr. Arvind Goel, Director of the Company holds position of Chief Executive Officer and Managing Director of Tata AutoComp. Mr. Deepak Rastogi, Director of the Company holds position of Chief Financial Officer of Tata AutoComp.

Except as mentioned above, none of the other Directors, Key Managerial Personal or their respective relatives are in any way concerned or interested financially or otherwise, in this Resolution.

6. Duration – 5 financial years as stated above.
7. Monetary value: Estimated values as mentioned in the Resolution.
8. Nature, material terms and particulars of the arrangement:

Name of the Company	Nature of Contract / arrangement
Tata AutoComp Systems Ltd. (Tata AutoComp)	Sale, supply / purchase of goods, materials etc. to / from Tata AutoComp.
	Selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata AutoComp.
	Rendering / availing of any services to/ from Tata AutoComp
	Any transaction of loan, Inter Corporate Deposits from Tata AutoComp with or without interest / charges thereon including roll-over / extension of maturity from time to time
	Sale or purchase of fixed assets to /from Tata AutoComp
	Issue of Letter of Comfort / providing of any Guarantee or security, if any, by Tata AutoComp
	Any other transactions with / by Tata AutoComp including rate revision, reimbursement / recovery of expenses etc.

## **Automotive Stampings and Assemblies Limited**

9. Any other information relevant or important for the Members to make a decision on the proposed transaction:  
None.

The Board recommends an Ordinary Resolution set out at Item No.6 of the Notice for approval by the Members.

**BY ORDER OF THE BOARD**  
For Automotive Stampings and Assemblies Limited

Ashutosh Kulkarni  
Company Secretary  
ICSI Membership No.:-A18549

Date : July 8, 2020  
Place : Pune

**Registered Office:**  
TACO House, Plot No- 20/B FPN085, V.G. Damle Path,  
Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India

**Annexure to the Notice**

**Details of Directors seeking Appointment at the 30<sup>th</sup> Annual General Meeting Pursuant to Regulations 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 – [Secretarial Standards on General Meetings]**

Name, Director Identification Number and designation of the Director	Ms. Bhavna Bindra DIN: 07314422 Non- Executive Independent Director
Date of Birth and Age	May 8, 1977 42 years
Date of first appointment on the Board	July 15, 2019
Qualifications	A certified six sigma green belt, Ms. Bhavna Bindra is an Economics honours graduate from Shri Ram College of Commerce, Delhi and MBA from IIM Bangalore.
Brief Resume and Expertise in specific functional areas	Ms. Bhavna Bindra was the Managing Director-Materials (Accelerate India Program) at DSM India Private Limited wherein she was responsible for growth of Materials Cluster in the region, including alliances, Mergers & Acquisitions and investments. Prior to joining DSM India Private Limited, Ms. Bhavna Bindra led the ₹1300 Crore Distribution Business unit at Cummins India Ltd., where she was charged with providing aftermarket support across India for over half a million Cummins engines powering various applications including Power Generation, Mining, Railways, Defence, etc. Prior to taking this role in 2015, Ms. Bhavna led Cummins India's Automotive business from 2010. Ms. Bhavna has been on the Boards of Valvoline Cummins Private Ltd. And Cummins Sales and Service Private Limited as well as on the Board of Cummins DKSH. Before joining Cummins, Ms. Bhavna worked as a Consultant with The Boston Consulting Group across different industry verticals including Financial Services and Pharmaceuticals. She has also held a leadership position at Boston Analytics, a start-up focusing on Research and Analytics. A strong advocate of workplace Diversity, Ms. Bhavna worked actively to help developing strategies to attract and retain women employees for Cummins entities in India. Ms. Bhavna was recognized as one of India Inc.'s 25 Rising Women Leaders in 2015 by Economic Times. She was also among the "40 Under Forty" Young Leaders list of Economic Times in 2016.
Terms and conditions of appointment/ re-appointment	Refer Item No.3 of the AGM Notice.
Details of remuneration last drawn (FY 2019-20) and sought to be paid, if applicable	Nil
No. of Board Meetings attended during the FY 2019-20	4
Inter-se relationships with other Directors, Manager and Key Managerial Personnel of the Company	None

## Automotive Stampings and Assemblies Limited

List of Companies in which Directorships held as on March 31, 2020 (excluding foreign Companies)	1. Automotive Stampings And Assemblies Limited# 2. Kennametal India Limited#
Chairmanship / Membership of specified Committees* of the Boards of Companies as on March 31, 2020	<b><u>Audit Committee -</u></b>  1. Automotive Stampings And Assemblies Limited- Member 2. Kennametal India Limited - Member  <b><u>Corporate Social Responsibility Committee -</u></b>  1. Automotive Stampings And Assemblies Limited- Chairperson  <b><u>Risk Management Committee</u></b>  1. Kennametal India Limited - Member
No. of shares held in the Company: (a) Own (b) For other persons on a beneficial basis	Nil

### Notes:

\* Membership/Chairmanship in listed entities and public limited companies excluding Section 8 Companies, private and foreign companies.

# Listed Entity

For other details such as number of meetings of the Board attended during the year, sitting fees paid and relationship with other directors and key managerial personnel in respect of above Director, please refer to the Report on Corporate Governance, which is a part of this Annual Report.

### BY ORDER OF THE BOARD

For Automotive Stampings and Assemblies Limited

Ashutosh Kulkarni  
Company Secretary

ICSI Membership No.:A18549

Date : July 8, 2020

Place : Pune

### Registered Office:

TACO House, Plot No- 20/B FPN085, V.G. Damle Path,  
Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India



**BOARD'S REPORT**

Dear Members,

Your Directors take pleasure in presenting the Thirtieth (30th) Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2020. The Management Discussion and Analysis forms part of this Report.

**FINANCIAL RESULTS -**

(₹ in Lakhs.)

Particulars	Financial Year	
	2019-20	2018-19
Revenue from Sale of Products / Services (Net)	<b>36,224.42</b>	48,127.53
Other Operating Revenue	<b>15.88</b>	39.71
Other Income	<b>44.41</b>	199.11
Total Revenue	<b>36,284.71</b>	48,366.35
Cost of Materials Consumed (including change in inventories)	<b>27,913.39</b>	36,186.49
Employee Benefit Expense	<b>3,445.18</b>	3,750.00
Other Expenses	<b>5,836.07</b>	7,066.90
Earnings / (Loss) before Depreciation, Financial Charges and Tax (EBIDTA)	<b>(909.94)</b>	1,362.96
Finance cost	<b>1,748.27</b>	1,650.05
Depreciation and Amortization Expense	<b>1,131.16</b>	975.66
Profit / (Loss) before exceptional item and Tax	<b>(3,789.37)</b>	(1,262.75)
Exceptional items	<b>2,100.00</b>	-
Tax Expense / (Credit)	<b>12.00</b>	-
Profit/ (Loss) for the year	<b>(1,701.37)</b>	(1,262.75)
Other Comprehensive Income (OCI)	<b>(26.89)</b>	(1.29)
<b>Total Comprehensive Income/ (loss) (net of taxes)</b>	<b>(1,728.26)</b>	(1,264.04)

**DIVIDEND**

Due to the loss incurred by the Company during the year, the Board of Directors of the Company has not recommended any dividend.

**TRANSFER TO RESERVES IN TERMS OF THE COMPANIES ACT, 2013**

Due to the loss incurred by the Company during the year, your Company is not required to transfer any amount to General Reserve Account under the Companies Act, 2013.

## Automotive Stampings and Assemblies Limited

### SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2020 was ₹ 1586.44 Lakhs comprising of 15,864,397 equity shares of ₹10 each. During FY 2019-20, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors or the Key Managerial Personnel of the Company holds instruments convertible into equity shares of the Company.

### MANAGEMENT DISCUSSION AND ANALYSIS

#### INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Automobile Industry is made up of Original Equipment Manufacturers (OEMs) i.e. Automobile manufacturers and auto component manufacturers.

Indian automobile industry is among the largest automobile industries across the globe. The Automobile Industry is a growing sector in India with global majors having set up their facilities here. The Industry has been continually evolving and absorbing newer technologies in order to align itself with global developments. Additionally, the Indian automobile industry is anticipated to observe major changes in the form of electric vehicles (EVs), shared mobility, Bharat Stage (BS)-VI emission and safety norms which significantly influence the growth of automobile industry in the country.

The Auto Components Industry in India comprises of Tier One manufacturers who supply complete component modules to OEMs, Tier Two manufacturers who cater to Tier One manufacturers and Tier Three manufacturers who supply components to Tier Two manufacturers. The Industry is divided into five segments viz. engine parts, transmission drive & steering parts, suspension & brake parts, electric parts and body & chassis. The fortunes of the Auto Components Industry are closely linked with those of the OEMs and must be agile to adopt the changes in technology. Apart from this, it has to continuously raise the quality and delivery performance in stride with the requirements of OEMs.

Auto component manufacturers would need to keep pace with the changing needs of automotive OEMs, who in turn are coping with the dynamic expectations of the end customer, consolidation of platforms to reduce complexity and Cost which includes constantly shifting market dynamics due to changing, customer demands and operating models and the changing needs of OEMs, who are likely to want different, more agile and just in time deliveries.

Indian auto industry has already been reeling under severe de-growth, and the pressure of disrupted supply chain only aggravated the situation. Auto industry has been under pressure due to a mix of demand and supply factors.

For the first time, in FY 2019-20, the Auto Industry witnessed a negative growth of 14.73 per cent. The Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a negative growth of 14.76 per cent. Within this segment, while the Utility vehicle market grew at 2.29 per cent the Van segment and the Passenger Car segment recorded a negative growth of 38.49 per cent and 19.77 per cent respectively. The Commercial Vehicle segment also registered a negative growth of 32.40 per cent. Within the CV segment, the M&HCV segment registered a negative growth of 47.34 per cent and LCV segment registered a negative growth of 22.45 per cent. The Two wheeler segment registered a negative growth of 14.14 per cent and three wheeler segments registered a negative growth of 10.64 per cent also.

GDP growth of Indian economy is likely to be negative in FY 2020-21 as the outbreak of Coronavirus COVID- 19 has disrupted economic activities . (Source: RBI )

The chart given below shows the production of various categories of vehicles during FY2019-20 vis-à-vis FY2018-19.

Segment	FY2019-20	FY2018-19	% Growth
Passenger cars	21,75,242	27,11,160	(19.77)
Utility vehicles	11,24,975	10,99,780	2.29
Vans	1,33,798	2,17,531	(38.49)
<b>Passenger Vehicles</b>	<b>34,34,015</b>	<b>40,28,471</b>	<b>(14.76)</b>
M&HCVs	2,33,979	4,44,356	(47.34)
LCV	5,18,043	6,68,049	(22.45)
<b>Commercial vehicles</b>	<b>7,52,022</b>	<b>11,12,405</b>	<b>(32.40)</b>
Three Wheelers	11,33,858	12,68,833	(6.46)
Two wheelers	2,10,36,294	2,44,99,777	(14.14)
Quadricycle	6,095	5,388	13.12
<b>Total of All Categories</b>	<b>2,63,62,282</b>	<b>3,09,14,874</b>	<b>(14.73)</b>

Source SIAM report

The Indian automobile industry has been going through a tough phase for a while now, with a slowing economy, changes in emission & safety regulations and many other challenges. The onset of COVID-19, and the extended lockdown to contain it, have only made things worse. The Indian Auto Components Ancillary Industry continues to face adverse headwinds to maintain volumes and margins. Your Company operates in Sheet Metal Components, Assemblies and Sub-assemblies segment of the Auto Components Industry. It manufactures a range of sheet metal components and assemblies for the Automobile Industry and is a Tier One auto components supplier.

## OPERATIONS

During the period under review, your Company has four manufacturing facilities at Chakan Unit-1, Chakan Unit-2, Pune (Maharashtra), Halol (Gujarat) and Pantnagar (Uttarakhand).

Your Company in FY 2018-19 has shifted manufacturing operations located at Bhosari in order to achieve operational efficiency and productivity improvements from 'G-71/2, MIDC, Industrial Area, Bhosari, Pune: 411026, Maharashtra, India' to leased premises located at 'Survey No. 679/2/2, Alandi Road, Kuruli, Chakan, Taluka - Khed, District- Pune: 410 501, Maharashtra, India'.

During the period under review, your Company has transferred leasehold rights in the land along with building located at G-71/2, MIDC, Industrial Area, Bhosari, Pune: 411026, Maharashtra to Fronius India Private Limited, M/s. Pradeep Sweet Icon and M/s Mittal Engineering Works respectively after obtaining necessary approvals from MIDC and concerned authorities.

Financial Year 2019-20 has been a challenging year with weakening macro-economic conditions, slowing market growths in Auto sector and finally, COVID-19 outbreak and containment measures towards the end of the year. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 pandemic. The Financial Year 2019-20 ended with the pandemic situation created by the spread of the Corona virus COVID-19, all over the world and day to day life across the globe came to a virtual stop and your Company was not an exception. The operations were disrupted at all the manufacturing facilities of the Company. Your Company had to put a halt on its operations for some period during March, 2020 to May, 2020, caring more for the wellness and safety of its people and complying with Government and Health authorities advisories during lockdown.

## Automotive Stampings and Assemblies Limited

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focused on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facilities operate smoothly.

Your Company operates its business in conformity with the highest ethical and moral standards and employee centricity. In view of the outbreak of the pandemic, your Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its plant locations and office.

During the time of uncertainty Company's volunteers had worked aggressively to support your Company & community around Company's locations. Your Company took a number of measures to ensure effective management of the situation while continuing to serve community and customers effectively. Apart from this, your Company also provided the Local Administration / Corona Warriors with Touch free temperature measurement (Three Time in a day), Three number & color Face Masks, no touch Sanitizer Stations, no touch Drinking Water tabs, Face Shield, installation of 'Aarogya Setu App', Social distance marking at prominent locations, conducting awareness session, no visitor Policy, compulsory Medical report to join the duty, Quarantine area identification to support them in their tryst with this pandemic overall in the plants.

Majority of the employees were given the option to work from home during the lockdown period and a Task force of senior management ensured developing strategies and monitoring them for Business continuity activities. The Company observed all the government advisories and guidelines thoroughly and in good faith.

Your Company's sales during the year were impacted by lower volumes than expected in all segments considering various developments in auto sector like BS- VI norms transition, introduction of Electric Vehicles in Passenger Vehicle segment resulted into low inventory / production for all OEMs & which was further exacerbated by COVID-19 related lockdown in March, 2020. Some of the models under Passenger Car segment and Commercial Vehicles segment, on which your Company has heavy dependence, recorded drop in volume and this had an adverse effect on sales. Even though, the Utility Vehicle production recorded meager growth of 2.29 per cent, your Company couldn't achieve corresponding growth, since the major customer including anchor customer of your Company recorded a negative growth in all segments.

Sales of your Company did not grow as expected due to slower ramp up of new businesses and lower off-take from key customers. The capacity utilization of your Company was therefore low as compared to last year. During the financial year 2019-20, the manufacturing costs decreased due to reduced sales and change in product mix as compared to previous financial year 2018-19. However to minimize the impact, your Company has identified 5 EBITDA Pillars for various cost reduction initiatives to enhance productivity and improve operational efficiencies and Cross Functional Team is formed to regularly monitor the same. The Management is confident that the cost reduction initiatives and operational efficiencies are sustainable. Your Company has been aggressively managing its net working capital and was able to keep it under control.

Apart from the cost reduction programmes, your Company has been aggressively pursuing new business opportunities in Off- road, Commercial Vehicles, and Three Wheeler Segment by targeting greater share of business from existing and new Customers and ramp up of business in Utility Vehicle Segment. This will not only increase the sales but also will help to reduce the dependency on one segment resulting in reducing overall risk.

Your Company is focused on achieving volume growth, reduction in costs and improving product portfolio. These measures will continue to drive improvement in your Company's business.

## INCOME AND EXPENDITURE

During the year under review, the net Sales dropped by 24.73 per cent to ₹ 36,224.42 Lakhs as compared to previous year primarily due to reduction in Customer volumes & lower off take from key Customers. Other operating revenue decreased from ₹ 39.71 Lakhs to ₹ 15.88 Lakhs. Other income of ₹ 44.41 Lakhs mainly consists of gain on sale of assets of ₹ 36.45 Lakhs and other non- operating income of ₹ 7.96 Lakhs.

Cost of materials consumed (including change in stock) as a percentage to sales increased by 1.90 per cent to 77.03 per cent because of change in the product mix. In order to mitigate the impact, your Company is taking various cost reduction initiatives like negotiations with customers and vendors, blank optimisation, band tolerance, CTS (Cut to Size) to coil ratio, grade change, resourcing and change in the product mix. The Management has been taking continuous steps to improve material yield.

Employee benefits expense decreased by 8.12 per cent as compared to previous year due to changes in manpower requirements and outsourcing.

Other Expenses comprising Administration and Selling Expenses have decreased to ₹ 5,836.07 Lakhs largely due to reduction in sales as compared to previous year & costs related to rent and leasing, logistic costs, freight and forwarding charges, rates and taxes, power and fuel, packing materials, machinery repairs and maintenance, consultancy fees etc. During FY 2019-20, Finance cost increased to ₹ 1,748.27 Lakhs due to increased borrowings.

Your Company is taking various initiatives on productivity improvements and cost reduction Programmes.

## Key Financial Ratios

Sr. No	Ratios	31.3.2020	31.3.2019	% change
1	Debtors Turnover	11.44	12.06	(5.15)
2	Inventory Turnover	20.19	26.92	(24.98)
3	Interest Coverage Ratio	0.67	0.83	(18.42)
4	Current Ratio	0.36	0.51	(30.05)
5	Debt Equity Ratio	9.03	6.98	29.28
6	Operating Profit Margin (%)	(5.63)	0.80	(800.44)
7	Net Profit Margin (%)	(4.69)	(2.62)	79.07
8	Return on Net Worth	(28.92)	(30.39)	(4.85)

### Notes:

1. Current ratio is decreased as compared to previous FY 2018-19 mainly due to reduction in inventories and trade receivables.
2. Increase in debt during FY 2019-20 as compared to previous FY 2018-19 resulted in higher debt equity ratio.
3. During the year under review, the net Sales dropped by 24.73 per cent to ₹ 36,224.42 Lakhs as compared to previous year primarily due to reduction in Customer volumes & lower off take from key Customers. The capacity utilization of your Company was therefore low as compared to last year resulting in reduced operating profit margin and thus reduced net profit margin as well in FY 19-20 as compared to FY 18-19.

## OPPORTUNITIES AND THREATS

### • Investment in Technology / Process

To meet the Customer's expectations, it is important for the automotive industry to continuously upgrade its technology and processes. Your Company is also upgrading its technology to participate in new vehicle programmes launched by Customers. During the year under review your Company has implemented and productionised automation in Weld Shop for various new programmes especially at Chakan plant. Your Company has implemented SCADA (Supervisory Control and Data Acquisition) based Automated BAR CODE System. SCADA is a control system architecture comprising computers, networked data

## Automotive Stampings and Assemblies Limited

communications and Graphical User Interfaces (GUI) for high-level process supervisory management, while also comprising other peripheral devices like programmable logic controllers (PLC) and discrete proportional-integral-derivative (PID) controllers to interface with process plant or machinery. All these efforts have resulted in improvement in productivity and customer satisfaction.

The profitability of the Indian Auto Components Industry is likely to continue to be subdued due to pricing pressures from OEMs.

- Company's own technology / processes / system improvement plan:

Your Company is undertaking various new technology initiatives, process upgradation and system enhancements like installation of Robotic Welding Lines for new Customer programmes at Chakan and Pantnagar plants,

During the year under review, your Company has implemented and upgraded its current SAP version to latest version "SAP S/4 HANA" and the same has gone live in FY 2019-20. SAP S/4 HANA is a combination of Database, Hardware and Software for fast & quick computation. which allowed your Company for a digital transformation.

### SEGMENT-WISE PERFORMANCE

Your Company operates only in the Automobile Component Segment in the Domestic Market.

### FUTURE OUTLOOK

The Indian economy registered a growth of 4.2% in FY 2019-20, much lower than the 6.1% in FY 2018-19 (Source: IMF). The Government of India undertook various initiatives and announced ₹1.70 lakh crore relief package to help India's marginalised population tackle the challenges caused by the COVID-19 pandemic. The Reserve Bank of India ('RBI') provided a monetary stimulus by slashing the repo rate to 5.15%, a cut of 135 basis points in FY 2019-20, to boost demand and private consumption.

According to outlook of SIAM in financial year 2020-21 as a result of the impact of a long drawn out recovery from the coronavirus pandemic in India, it is estimated 24 per cent drop in Passenger Vehicle sales and 35 per cent drop in Commercial Vehicle sales in overall automobile sector in the worst case scenario depending on GDP growth of the Country.

Your Company faces tough market conditions amid the coronavirus pandemic, acute challenges with the overall auto sector witnessing slowing sales stemming from sluggish economic activity, weak liquidity, tight financing norms, and poor consumer sentiment. This may affect overall performance of the Company. Auto sector is expected to recover partly in the second half of the FY 2020-21 as sales gradually increase after the easing of lockdown measures since May, 2020.

Your Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business with the required support from promoter Company as well. Your Company is poised to the market conditions and focusing more on Off road & Commercial Vehicle segment wherein recently Government has announced economic relief package to agriculture & infrastructure sector. Your Company has prepared a strategic plan for the next five years which is now getting updated after giving the unexpected effect of COVID -19 outbreak on Company's performance for the Financial year 2020-21. The said plan takes into account reductions in costs through operational efficiency, improvement initiatives and rationalization of existing operations, adding new businesses, and increase in sales volumes from the existing and new customers etc. which will help in improving the Company's future financial performance.

However, key concerns relate to slow down in economy, fast recovery of auto industry, higher prices with BS-VI rollout, impact of Axle load norms, rise in commodity price, and dipped consumer sentiment owing to uncertainty surrounding the Pandemic continue to be challenges for the auto industry.

## **RISKS AND CONCERNS**

Your Company has systems in place to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed regularly at Audit Committee meetings.

### **Risks Identified and Mitigating actions:**

- Concentrated Customer Base: Your Company has taken steps to mitigate this risk by business development activities to enhance the customer base and striving to increase share of business with existing customers where Company's share is low.
- Rising input costs: Rising input costs are a risk and hence, your Company has on going improvement initiatives like conversion cost reduction, supply chain efficiency improvement and material yield improvement.
- Skill Availability: Your Company focuses on recruitment and in-house skill development to address this challenge.
- Market risk: The COVID-19 pandemic can lead to disruption in supply chain management and manufacturing processes that may impact business goals and profitability. Your Company is taking all necessary measures to minimise the impact of COVID-19 outbreak.

Your Company is working diligently to mitigate the above risks and concerns.

## **STATE OF COMPANY'S AFFAIRS**

Discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis.

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

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. Your Company has developed internal control systems by documenting procedures covering financial and operating functions. These systems are providing a reasonable assurance with regard to its financial and operations controls. The Audit Committee satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

Some significant features of the internal control systems are:

- SAP is used for control of all transactions including finance, materials, dispatch, quality, costing etc. across all locations.
- A detailed preparation and subsequent monitoring of both Annual Budgets & Capital Expenditure budgets for all its functions.
- Internal audits are conducted by external auditors and they audit all aspects of business based on audit programmes finalized by the Audit Committee.
- Review of the financial performance by Audit Committee.

## **RELATED PARTIES**

Note No. 35 of the Financial Statements sets out the nature of transactions with Related Parties. Transactions with Related Parties are carried out in the ordinary course of business and at arm's length. The details of the transactions are tabled before the Audit Committee. Further details on this are explained in the Corporate Governance Report. None of the transactions with related parties falls under the scope of Section 188 (1) of the Companies Act, 2013. Hence, no particulars are being provided in Form AOC-2.



## Automotive Stampings and Assemblies Limited

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of the Companies Act, 2013, and Rules made there under, amended from time to time, your Company is not mandatorily required to spend any amount in view of the losses. Your Company has however been undertaking CSR initiatives voluntarily. CSR Committee constituted in terms of Section 135 of the Companies Act, 2013 monitors the CSR activities undertaken by the Company as per CSR Policy. The CSR Policy has been uploaded on the website of the Company: [www.autostampings.com](http://www.autostampings.com). The employees from all plants of the Company voluntarily contribute their time by visiting orphanages/ old age homes, schools, etc. to provide some companionship and succour to children and aged people.

### ENVIRONMENT, HEALTH AND SAFETY

Your Company is committed to provide a safe, secure and healthy workplace and this has been documented in the Health, Safety and Environment (HSE) policy which is part of the Overarching Wellness strategy of your Company. Your Company has therefore adopted a comprehensive approach to implement this by adopting 'Total Safety Culture' concept across its operations. All the Plants of your Company have been certified for EMS 14001 and OHSAS 18001 and National Safety Council (NSC). During the period under review, all plants are especially focused on the wellness initiative like road safety traffic management in plant premises and monthly wellness programme have been conducted by Group Medical Chief.

Your Company has engaged the British Safety Council (BSC) for certification. Your Company is in process of getting BSC Certification in the FY 2020-21. Internal Audits of BSC for health, safety and environment have been conducted at all Plants every quarter wherein all plants received 5 star ratings. Further safety training and awareness initiatives have been undertaken during the year. Health checks and counseling are extended to employees by Group Medical Chief. During the year under review your Company's Pantnagar plant has received "Road Safety award" from Tata Motors Ltd.

During the year, the approach to safety has been further strengthened in all operations of your Company. Regular safety drills and safety audits are conducted at all plants. The requisite training is provided to the employees in Safety.

Your Company has taken initiatives to reduce its carbon footprint by reducing power consumption and selling steel scrap to be reprocessed and sold.

There is a continued focus on tracking of "near miss" incidences which has resulted not only in reduction of reportable accidents but even in first aid injuries and non-reportable accidents. Safety competitions, presentations on safety kaizens, mock drills, etc. are conducted for achieving a safe and healthy work environment.

Your Board of Directors are regularly updated on Health, Safety and Environment related matters.

### QUALITY INITIATIVES

All the manufacturing Plants of your Company are certified under TS 16949 and ISO 14001, 18001. Your Company has been implementing the Tata Business Excellence Model to build excellence in its business operations.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### • Appointment of Directors

During the year under review, the Board based on the recommendations of Nomination and Remuneration Committee, appointed of Ms. Bhavna Bindra (DIN: 07314422) as an Additional Director designated as Non-Executive Independent Director of the Board with effect from July 15, 2019 to hold office upto the date of ensuing Annual General Meeting. Pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 37 of the Articles of Association of the Company, Ms. Bhavna Bindra is eligible for appointment as Non-Executive Independent Director of the Company. Her appointment is for a term of 5 (five) consecutive years commencing from July 15, 2019 up to July 14, 2024. As per the provisions of



Section 149 of the Act, she will not be liable to retire by rotation. Members are requested to refer to Item No.3 of the Notice of the 30th Annual General Meeting and the Explanatory Statement for details of her qualifications and experience. In compliance with the provisions of Companies Act, 2013, the appointment Ms. Bhavna Bindra is being placed before the Members in the ensuing Annual General Meeting for their approval.

At the 29<sup>th</sup> Annual General Meeting of the Company held on July 1, 2019:

- 1) Mr. Pradeep Bhargava and Ms. Rati Forbes were re-appointed as Independent Directors of the Company for second term of four consecutive years and one consecutive year respectively wef July 22, 2019.
- 2) Mr. Arvind Goel (DIN 02300813) and Mr. Sanjay Sinha (DIN: 08210898) were appointed as Non-Executive and Non-Independent Directors of the Company liable to retire by rotation.

The Board appointed Mr. Pradeep Bhargava, Non-Executive Independent Director as the Chairman of the Board wef April 24, 2019.

### **Retirement / resignation of Directors**

Mr. Bharat Parekh (DIN: 01521346) retired by rotation and was re-appointed in the 29th Annual General Meeting held on July 01, 2019. Mr. Sanjay Sinha (DIN: 08210898) will retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

During the period under review, Ms. Rati Forbes Non- Executive Independent Director has conveyed to the Board that considering professional commitments, she was unable to devote sufficient time, required of an Independent Director of the Company and therefore willingly tendered her resignation effective from close of business hours of July 18, 2019 i.e. before expiry of her second term of 1 consecutive year. The Company has received confirmation from Ms. Rati Forbes that the resignation is due to her personal reasons and that there are no other material reasons, other than those provided.

The Board of Directors placed on record its sincere appreciation for the valuable guidance and immense contributions made by Ms. Rati Forbes during her tenure as Director of the Company and wished her well for future endeavors.

### **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are: Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer, Mr. Yogesh Jaju, Chief Financial Officer and Mr. Ashutosh Kulkarni, Company Secretary.

During the period under review, Mr. Neeraj Shrivastava resigned as a Manager designated as Chief Executive Officer of the Company with effect from close of working hours of May 3, 2019. The Board placed on record its sincere appreciation for valuable contribution made by him during his tenure with the Company.

Mr. Jitendraa Dikkshit was appointed as Manager designated as Chief Executive Officer of the Company for a term of 3 years w.e.f. October 17, 2019. The approval of the Members will be obtained for his appointment and remuneration at the ensuing Annual General Meeting. Members are requested to refer to Item No. 4 of the Notice of the Annual General Meeting and the Explanatory Statement for details.

During the year, Mr. Easwaran S. resigned as Chief Financial Officer of the Company with effect from close of working hours of September 20, 2019. The Board placed on record its sincere appreciation of the services rendered by him during his tenure with the Company.

Mr. Yogesh Jaju has been appointed as Chief Financial Officer of the Company w.e.f. March 12, 2020.

## Automotive Stampings and Assemblies Limited

### EVALUATION OF DIRECTORS, THE BOARD & ITS COMMITTEES

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on January 5, 2017, the Board has carried out the annual performance evaluation for FY 2019-20 of (a) its own performance; (b) the Directors individually; and (c) the working of its Committees viz. 'Audit Committee', 'Nomination and Remuneration Committee', 'Corporate Social Responsibility Committee' and the 'Stakeholders Relationship Committee'. The details of evaluation process have been explained in the Corporate Governance Report.

### REMUNERATION POLICY

The details of the Remuneration Policy as approved and adopted by Board are stated in the Corporate Governance Report.

### POLICY WRT QUALIFICATIONS, ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

The Company has adopted the Guidelines on Board Effectiveness ("Governance Guidelines" or "guidelines") which inter-alia cover the criteria for determining qualifications, attributes and independence of a Director. The details of the Policy are stated in the Corporate Governance Report.

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors under Section 149 (7) of the Companies Act, 2013 and SEBI Listing Regulations that :

- a) they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence pursuant to Regulation 25 of the Listing Regulations.
- c) they have complied with the requirement of inclusion of their name in the data bank maintained by Indian Institute of Corporate Affairs as envisaged under Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, as applicable and they hold valid registration certificate with Data Bank of Independent Directors.

### BOARD AND COMMITTEE MEETINGS

The details of Board and Committee meetings held during the year are given in the Corporate Governance Report.

### CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by the Regulators / Courts which would impact the future operations / going concern status of the Company.

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

There are no loans, guarantees or investments made by Company under Section 186 of the Companies Act, 2013.

## **DEPOSITS**

The Company has not accepted deposits under Chapter V of the Companies Act, 2013 during the year under review. No amount on account of principal or interest on deposit from public was outstanding as on March 31, 2020.

## **CORPORATE GOVERNANCE**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Corporate Governance along with the Certificate of Compliance from the Auditors forms part of this Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm that:

1. in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures;
2. accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the loss of the Company for the year ended on that date;
3. proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure I** to this Report.

## Automotive Stampings and Assemblies Limited

### EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of Companies (Management and Administration) Rules, 2014 as amended from time to time, the extract of Annual Return in Form MGT-9 is annexed as **Annexure II** to this Report.

The extract of the Annual Return of the Company can also be accessed on the website of the Company at [www.autostampings.com](http://www.autostampings.com)

### PERSONNEL

At the end of March, 2020, your Company had 570 employees (excluding trainees and apprentices) as compared to 591 employees as on March 31, 2019.

Your Company accords high importance in building and sustaining healthy employee engagement with the aim of achieving competitive productivity and harmonious work environment. The industrial relations during the year remained peaceful. With a view to ensure prompt resolution of employee's grievances, various Committees have been set up under the capable Chairmanships which are guided by Functional Heads / Department Heads e.g. Works Committee, Health, Safety and Environment Committee, Prevention of Sexual Harassment Committee (POSH) etc. The functioning of these Committees are regularly reviewed by the Management and the Board is also updated regularly. During the year, the Employee Engagement Survey has been carried out which had shown significant improvement from 37 per cent in year 2013 to 71 per cent in year 2019.

Your Company has HR help desk to resolve grievances/day to day issues of employees within time bound manner. This results in maintaining transparent culture and help to increase satisfaction level of the employees.

Considering the competitive market scenario, it has become essential to have substantial improvement in the productivity on the shop floor. Your Company has been implementing TPM, WCSQ, Kaizen and other various systems to improve overall performance of all plants.

Information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure III** to this Report.

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) (i) to (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given since there is no employee who received remuneration in excess of the limits prescribed therein.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of the first proviso to Section 136 of the Companies Act, 2013 the Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Members interested in obtaining the same may write to the Company Secretary at e-mail - [cs@autostampings.com](mailto:cs@autostampings.com). None of the employee listed in the said Annexure is related to any Director of the Company.

### POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Your Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. Awareness Programmes were conducted at various plants of the Company.

Your Company has not received any complaint of sexual harassment during the financial year 2019- 20.

## **RISK MANAGEMENT**

The details of Risk Assessment framework are set out in the Corporate Governance Report forming part of the Board's Report.

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

Your Company has adopted a vigil mechanism. The details of the same are explained in the Corporate Governance Report and also posted on the website of the Company.

## **NAMES OF THE COMPANIES WHICH HAVE BECOME / CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

Your Company did not have any subsidiaries, associates or joint ventures during the year under review.

## **AUDITORS**

### **1. Statutory Auditors:**

At the 27<sup>th</sup> AGM held on July 28, 2017, pursuant to the provisions of the Act and the Rules made thereunder, B S R & Co. LLP, Chartered Accountants, Pune (Firm Registration no. 101248W/W-100022) were appointed as Statutory Auditors of the Company, to hold office for a period of 5 years from the conclusion of 27<sup>th</sup> AGM held on July 28, 2017 till the conclusion of 32<sup>nd</sup> AGM to be held in FY 2022-23.

The Statutory Auditors' Report for FY 2019-20 on the financial statement of the Company forms part of this Annual Report.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended March 31, 2020. The observations of the Statutory Auditors in their Reports are self-explanatory and therefore Directors don't have any further comments to offer on the same.

### **2. 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 Board of Directors had appointed C.S. Kelkar & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for FY 2019-20. The Report of the Secretarial Audit is annexed herewith as **Annexure IV** to this Report. There are no qualifications, reservations or adverse remarks or disclaimer in the said report and therefore Directors don't have any further comments to offer on the same

Pursuant to Listing Regulations read with SEBI circular No. LIST/COMP/14/2018 dated June 20, 2018, a certificate from C.S. Kelkar & Associates, Practicing Company Secretaries 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 is annexed to Corporate Governance Report.

## **COMPLIANCE OF SECRETARIAL STANDARDS**

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and that such systems were adequate and operating effectively.

## **Automotive Stampings and Assemblies Limited**

### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditors has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

### **FORWARD LOOKING STATEMENTS**

Certain statements describing the Company's Estimates, Projections, Expectations, Future Outlook, Industry Structure and Developments may be construed "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied in this Report.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks and appreciation for the confidence reposed and continued support extended by Central and State Governments, Bankers, Customers, Suppliers and Members. Your Board would like to place on record its sincere appreciation to the employees for the dedicated efforts and contribution in playing a very significant part in the Company's operations.

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

**(Pradeep Bhargava)  
Chairman  
(DIN: 00525234)**

Place: Pune

Date : July 08, 2020

## Annexure I to Board's Report

### INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED IN TERMS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

#### A. CONSERVATION OF ENERGY

##### (i) Steps Taken or Impact on Conservation of Energy:

The Company has always been giving due consideration for the conservation of energy by adopting the following measures:

- Variable Speed system used for press machine main Motor for running and Die setup to reduce energy consumption.
- Use of auto shut-off Valve for all air Compressors during idle time resulting in energy saving.
- Maintaining of power factor to unity.
- Use of LED Energy efficient high bay lights for plant lighting to reduce power consumption.
- Use of T5 energy efficient tube lights for plant lighting to reduce power consumption.
- Use of transparent sheets in plant, storage area resulted in power consumption saving.
- Running plants on VFD (Variable Frequency Drive) to reduce energy consumption.
- During idle time like - lunch and tea breaks, shutting down of Press Machines and Chain Conveyors main motor by using PLC logic.

These measures are aimed at effective management and utilization of energy resources in a proper manner and resultant cost saving for the Company.

##### (ii) Steps taken by the Company for utilising alternate sources of Energy:

The Company is working on exploring the alternate sources of energy. As a step towards alternate sources of energy, your Company in FY 2018-19 has installed at its Chakan plant Solar Panel with 844 KWP capacity under OPEX model with Solar Power Producer Company. During FY 2019-20, in November 2019, your Company at its Uttarakhand plant has installed Solar Panel with 400 KWP capacities under OPEX model with Solar Power Producer Company.

The Solar energy is clean with no environment and sound pollution. It helps to reduce temperature inside the Plant by approx. 2 Degree Celsius during the day time since Solar Panels are installed on roof top of plant. It is synchronised with grid Electricity Board Power and percentage usage of Electricity Power Board is reduced by more than 20% in Chakan plant and 8 % in Uttarakhand plant.

##### (iii) Capital Investment on Energy Conservation Equipments:

The Company acknowledges the fact that investment in energy conservation offers significant economic benefits in addition to climate change benefits. During the year, the Company has invested ₹ 5.15 Lakhs as capital investment in energy conservation equipments.

## Automotive Stampings and Assemblies Limited

### B. RESEARCH AND DEVELOPMENT & TECHNOLOGY ABSORPTION

During the year under review, your Company has implemented and productionised Robotic Spot Weld with CNC turning fixture concept for new Programmes of Customers in order to optimise space, manpower and simultaneously meeting Customer Volumes. Your Company implemented SCADA (Supervisory Control and Data acquisition) based Automated BAR CODE System. SCADA is a control system architecture comprising computers, networked data communications and Graphical User Interfaces (GUI) for high-level process supervisory management, while also comprising other peripheral devices like Programmable Logic Controllers (PLC) and discrete Proportional-Integral-Derivative (PID) controllers to interface with process plant or machinery. All these efforts have resulted in improvement in productivity and customer satisfaction.

The engineering team of the Company develops concepts for productivity improvement during development of new Dies and welding fixtures with Die makers and fixture manufacturers, for new programmes of OEMs.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the total foreign exchange expenditure amounted to ₹ 32.44 Lakhs (which includes ₹ 32.44 Lakhs for the import of raw materials and components and ₹ Nil towards expenditure in foreign currency).

The Company did not earn any foreign exchange.

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

**(Pradeep Bhargava)  
Chairman  
(DIN: 00525234)**

Place: Pune

Date : July 08, 2020



**ANNEXURE II to Boards' Report**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020**

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L28932PN1990PLC016314
Registration Date	March 13, 1990
Name of the Company	Automotive Stampings and Assemblies Limited
Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
Address of the Registered office and contact details	TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004 Tel: 020-66085000; Fax- 020-6608 5034 Email: <a href="mailto:cs@autostampings.com">cs@autostampings.com</a> Website: <a href="http://www.autostampings.com">www.autostampings.com</a>
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. Block 202 Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune - 411001 Phone: (020) 26160084, (020) 26161629 Email: <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

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

All the business activities contributing 10 % or more of the total turnover of the Company are as stated below:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1)	Sheet Metal Components, Assemblies & Sub-assemblies	25910	87.50%

Note: The sale of steel scrap has not been considered above, being not in the nature of principal business activity.

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Tata AutoComp Systems Limited TACO House, Plot No- 20/B FPN085, V.G. Damle Path Off Law College Road, Erandwane, Pune - 411004	U34100PN1995PLC158999	Holding	75	2 (46)

## Automotive Stampings and Assemblies Limited

### IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of total equity)

#### i) Category-wise Shareholding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>[1]</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)									
	Bodies Corporate	1,18,98,296	-	1,18,98,296	75.00	1,18,98,296	-	1,18,98,296	75.00	-
	<b>Sub Total (A)(1)</b>	<b>1,18,98,296</b>	<b>-</b>	<b>1,18,98,296</b>	<b>75.00</b>	<b>1,18,98,296</b>	<b>-</b>	<b>1,18,98,296</b>	<b>75.00</b>	<b>-</b>
<b>[2]</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)									
	<b>Sub Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>1,18,98,296</b>	<b>-</b>	<b>1,18,98,296</b>	<b>75.00</b>	<b>1,18,98,296</b>	<b>-</b>	<b>1,18,98,296</b>	<b>75.00</b>	<b>-</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>[1]</b>	<b>Institutions</b>									
(a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	240	240	0.0015	1	240	241	0.0015	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)									
	<b>Sub Total (B)(1)</b>	<b>-</b>	<b>240</b>	<b>240</b>	<b>0.0015</b>	<b>1</b>	<b>240</b>	<b>241</b>	<b>0.0015</b>	<b>-</b>
<b>[2]</b>	<b>Central Government/ State Government(s)/ President of India</b>									
	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>[3]</b>	<b>Non-Institutions</b>									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	20,69,319	30,815	21,00,134	13.2380	23,07,613	24,387	23,32,000	14.6996	1.4616
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	12,24,749	-	12,24,749	7.7201	12,14,056	-	12,14,056	7.6527	(0.0674)
(b)	NBFCs registered with RBI	6,620	-	6,620	0.0417	-	-	-	-	(0.0417)
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)									
	IEPF	20,650	-	20,650	0.1302	29,694	-	29,694	0.1872	0.0570
	Hindu Undivided Family	3,33,761	631	3,34,392	2.1078	2,39,833	631	2,40,464	1.5157	(0.5921)
	Non Resident Indians (Non Repat)	13,822	-	13,822	0.0871	13,066	-	13,066	0.0824	(0.0047)
	Non Resident Indians (Repat)	12,919	-	12,919	0.0814	15,490	-	15,490	0.0976	0.0162
	Clearing Member	1,10,824	-	1,10,824	0.6986	17,171	-	17,171	0.1082	(0.5904)
	Bodies Corporate	1,41,511	240	1,41,751	0.8935	1,03,679	240	1,03,919	0.6550	(0.2385)
	<b>Sub Total (B)(3)</b>	<b>39,34,175</b>	<b>31,686</b>	<b>39,65,861</b>	<b>24.9985</b>	<b>39,40,602</b>	<b>25,258</b>	<b>39,65,860</b>	<b>24.9985</b>	<b>-</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>39,34,175</b>	<b>31,926</b>	<b>39,66,101</b>	<b>25.0000</b>	<b>39,40,603</b>	<b>25,498</b>	<b>39,66,101</b>	<b>25.0000</b>	<b>-</b>
	<b>Total (A)+(B)</b>	<b>1,58,32,471</b>	<b>31,926</b>	<b>1,58,64,397</b>	<b>100.0000</b>	<b>1,58,38,899</b>	<b>25,498</b>	<b>1,58,64,397</b>	<b>100.0000</b>	<b>-</b>
<b>(C)</b>	<b>Non Promoter - Non Public</b>									
<b>[1]</b>	<b>Custodian/DR Holder</b>									
	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
<b>[2]</b>	<b>Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)</b>									
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	<b>Total (A)+(B)+(C)</b>	<b>1,58,32,471</b>	<b>31,926</b>	<b>1,58,64,397</b>	<b>100.0000</b>	<b>1,58,38,899</b>	<b>25,498</b>	<b>1,58,64,397</b>	<b>100.0000</b>	<b>-</b>

## ii) Shareholding of Promoters

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in the shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered* to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered* to total shares	
1	Tata AutoComp Systems Limited	11,898,296	75.00	-	11,898,296	75.00	-	-
	<b>Total</b>	<b>11,898,296</b>	<b>75.00</b>	<b>-</b>	<b>11,898,296</b>	<b>75.00</b>	<b>-</b>	<b>-</b>

(\*) The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011 as amended from time to time.

## iii) Change in Promoters' Shareholding:

There is no change in the Promoters' Shareholding during the year.

## iv) Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	As per 'Appendix A' enclosed			
	At the End of the year ( or on the date of separation, if separated during the year)				

## v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel holds any shares of the Company.

## Automotive Stampings and Assemblies Limited

### V. INDEBTEDNESS:

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

₹ in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	9,334.49	5,250.00	-	14,584.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	50.71	-	-	50.71
<b>Total (i+ ii+ iii)</b>	<b>9,385.20</b>	<b>5,250.00</b>	<b>-</b>	<b>14,635.20</b>
<b>Changes in Indebtedness during financial year</b>				
Addition	15,272.47	2,600.00	-	17,872.47
Reduction	(17,932.51)	-	-	(17,932.51)
<b>Net Change</b>	<b>(2,660.04)</b>	<b>2,600.00</b>	<b>-</b>	<b>(60.04)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,674.44	7,850.00	-	14,524.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	47.76	-	-	47.76
<b>Total (i+ ii+ iii)</b>	<b>6,722.20</b>	<b>7,850.00</b>	<b>-</b>	<b>14,572.20</b>

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

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

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Mr. Neeraj Shrivastava #	Mr. Jitendraa Dikkshit \$
		(Total Amount ₹)	
1)	Gross Salary		
	a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	4.61	27.04
	b) Value of Perquisites u/s. 17(2) of the Income Tax Act, 1961	0.15	1.75
	c) Profit in lieu Salary u/s. 17(3) of the Income Tax Act, 1961	-	-
2)	Stock Option	-	-
3)	Sweat Equity	-	-
4)	Commission	-	-
	- As % of profit	-	-
	- Others, Specify	-	-
5)	Others, Please specify	-	-
	- Retirement benefits	0.11	0.38
	<b>Total (A)</b>	<b>4.87</b>	<b>29.17</b>
	Ceiling as per the Act - # \$		

# Mr. Neeraj Shrivastava resigned as Manager designated as Chief Executive Officer of the Company with effect from close of working hours of May 3, 2019. The approval of Members in terms of Companies Act, 2013 was obtained at the 29th Annual General Meeting held on July 1, 2019.

\$ Mr. Jitendraa Dikkshit was appointed as Manager designated as Chief Executive Officer of the Company w.e.f. October 17, 2019. The approval of Members in terms of Companies Act, 2013 would be obtained at the ensuing 30th Annual General Meeting proposed to be held on August 20, 2020.

## B. Remuneration to Other Directors:

(₹. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Pradeep Bhargava	Mr. Shrikant Sarpotdar*	Ms. Rati Forbes**	Ms. Bhavna Bindra***	
1	Independent Directors					
	• Fees for attending the Board / Committee Meetings	7.20	6.40	3.20	4.40	21.20
	• Commission	-	-	-	-	-
	• Others, Please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>7.20</b>	<b>6.40</b>	<b>3.20</b>	<b>4.40</b>	<b>21.20</b>
2	Other Non-Executive Directors	Mr. Arvind Goel	Mr. Deepak Rastogi	Mr. Sanjay Sinha	Mr. Bharat Parekh	
	• Fees for attending the Board Meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	• Others, Please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)= (1+2)</b>	<b>7.20</b>	<b>6.40</b>	<b>3.20</b>	<b>4.40</b>	<b>21.20</b>
	<b>Total Managerial Remuneration</b>	<b>7.20</b>	<b>6.40</b>	<b>3.20</b>	<b>4.40</b>	<b>21.20</b>

\* Mr. Shrikant Sarpotdar appointed as Non- Executive Independent Director of the Company w.e.f. April 24, 2019.

\*\* Ms. Rati Forbes resigned as Non- Executive Independent Director from close of working hours of July 18, 2019.

\*\*\* Ms. Bhavna Bindra appointed as Non- Executive Independent Director of the Company w.e.f. July 15, 2019.

## Automotive Stampings and Assemblies Limited

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Easwaran S. (Chief Financial Officer)*	Mr. Yogesh Jaju (Chief Financial Officer)**	Mr. Ashutosh Kulkarni (Company Secretary)	Total Amount
1)	Gross Salary				
	a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	27.99	0.90	17.38	46.27
	b) Value of Perquisites u/s. 17(2) of the Income Tax Act, 1961	0.43	0.12	0.89	1.44
	c) Profit in lieu Salary u/s. 17(3) of the Income Tax Act, 1961	-	-	-	-
2)	Stock Option	-	-	-	-
3)	Sweat Equity	-	-	-	-
4)	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, Specify	-	-	-	-
5)	Others, Please specify Retirement benefits	1.65	0.04	1.37	3.06
	<b>Total</b>	<b>30.07</b>	<b>1.06</b>	<b>19.64</b>	<b>50.77</b>

\* Mr. Easwaran S. ceased to be Chief Financial Officer of the Company with effect from close of business hours of September 20, 2019.

\*\* Mr. Yogesh Jaju was appointed as Chief Financial Officer of the Company w.e.f. March 12, 2020.

## VII. Penalties/Punishment/Compounding of Offences:

During the Financial Year, there is no instance of any penalty / punishment / compounding of offence under the Companies Act, 2013 against Company, any Director, Key Managerial Personnel and other officers in default.

### “Appendix A”: Details of Shareholding Pattern of Top 10 shareholders

Sr No.	Name	Shareholding					Cumulative Shareholding during the year (1-4-19 to 31-3-20)	
		No. of Shares at the beginning (1-4-19) / end of the year (31-3-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of Shares	% of total shares of the Company
1	ANITA RAWAT	126000	0.7942	1 Apr 2019	-	-	126000	0.7942
		126000	0.7942	31 Mar 2020	-	-	126000	0.7942
2	SONIA AMAL SHAH	-	-	1 Apr 2019	-	-	-	-
				30 Sep 2019	105	Purchase of Shares	105	0.0007
				04 Oct 2019	27557		27662	0.1744
				11 Oct 2019	1480		29142	0.1837
				18 Oct 2019	1080		30222	0.1905
				25 Oct 2019	140		30362	0.1914
				01 Nov 2019	(13815)	sale of shares	16547	0.1043
				08 Nov 2019	22513	Purchase of Shares	39060	0.2462
				15 Nov 2019	2302		41362	0.2607
				29 Nov 2019	1196		42558	0.2683
				06 Dec 2019	(3912)	sale of shares	38646	0.2436
				13 Dec 2019	27326	Purchase of Shares	65972	0.4158
				20 Dec 2019	(5644)	sale of shares	60328	0.3803
				27 Dec 2019	(17682)		42646	0.2688
		03 Jan 2020	(13444)	29202	0.1841			
		10 Jan 2020	(1310)	27892	0.1758			

## Automotive Stampings and Assemblies Limited

Sr No.	Name	Shareholding					Cumulative Shareholding during the year (1-4-19 to 31-3-20)		
		No. of Shares at the beginning (1-4-19) / end of the year (31-3-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of Shares	% of total shares of the Company	
				17 Jan 2020	(10359)		17533	0.1105	
				24 Jan 2020	4191		21724	0.1369	
				31 Jan 2020	25249	Purchase of Shares	46973	0.2961	
				07 Feb 2020	8613		55586	0.3504	
				14 Feb 2020	30694		86280	0.5439	
				28 Feb 2020	20432		106712	0.6727	
				06 Mar 2020	3080		109792	0.6921	
				20 Mar 2020	10199		119991	0.7564	
				27 Mar 2020	4986		124977	0.7878	
		124977	0.7878	31 Mar 2020	-		-	124977	0.7878
		47644	0.3003	1 Apr 2019	-		-	47644	0.3003
3	RAJENDRA KUMAR TRIBHOVANDAS PATEL			26 Apr 2019	2356	Purchase of Shares	50000	0.3152	
				31 May 2019	3150		53150	0.3350	
				05 Jul 2019	1850		55000	0.3467	
				26 Jul 2019	2000		57000	0.3593	
				02 Aug 2019	4000		61000	0.3845	
				30 Aug 2019	700		61700	0.3889	
				13 Sep 2019	3300		65000	0.4097	
				06 Dec 2019	7000		72000	0.4538	
				20 Dec 2019	3000		75000	0.4728	
				17 Jan 2020	3000		78000	0.4917	
				24 Jan 2020	200		78200	0.4929	
				28 Feb 2020	1900		80100	0.5049	
				20 Mar 2020	900		81000	0.5106	
		27 Mar 2020	1500	82500	0.5200				
		85000	0.5358	31 Mar 2020	2500	-	85000	0.5358	
4	KEWAL KUMAR VOHRA	83112	0.5239	1 Apr 2019	-	-	83112	0.5239	
		83112	0.5239	31 Mar 2020	-	-	83112	0.5239	



Sr No.	Name	Shareholding					Cumulative Shareholding during the year (1-4-19 to 31-3-20)	
		No. of Shares at the beginning (1-4-19) / end of the year (31-3-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of Shares	% of total shares of the Company
5	SUNITA KANTILAL VARDHAN	55545	0.3501	1 Apr 2019	-	-	55545	0.3501
				09 Aug 2019	(47785)	Sale of Shares	7760	0.0489
				16 Aug 2019	2,800	Purchase of shares	55545	0.3501
		55545	0.3501	31 Mar 2020	-	-	55545	0.3501
6	MOHAN KAPOORCHAND JAIN	50000	0.3152	1 Apr 2019	-	-	50000	0.3152
		50000	0.3152	31 Mar 2020	-	-	50000	0.3152
7	SHILPA AJAY BHARTIYA	50000	0.3152	1 Apr 2019	-	-	50000	0.3152
						01 Nov 2019	(1560)	sale of shares
		48440	0.3053	31 Mar 2020	-	-	48440	0.3053
8	VIVEK SURESH-BHAI BHANDERI	46000	0.29	1 Apr 2019	-	-	46000	0.29
		46000	0.29	31 Mar 2020	-	-	46000	0.29
9	MITALBEN SAN-JAYKUMAR PATEL	42890	0.2704	1 Apr 2019	-	-	46000	0.29
						20 Mar 2020	(50)	sale of shares
		42840	0.27	31 Mar 2020	-	-	42840	0.27
10	KALPESH HARA-KHCHAND GALA	40400	0.2547	1 Apr 2019	-	-	40400	0.2547
						05 Apr 2019	(2617)	sale of shares
		12 Apr 2019	(2783)	35000	0.2206			
		09 Aug 2019	(19651)	15349	0.0968			
				16 Aug 2019	19651	Purchase of shares	35000	0.2206
				24 Jan 2020	2364		37364	0.2355
		38015	0.2396	31 Jan 2020	651		38015	0.2396

# ASAL

Thirtieth Annual Report 2019-20

## Automotive Stampings and Assemblies Limited

Sr No.	Name	Shareholding					Cumulative Shareholding during the year (1-4-19 to 31-3-20)	
		No. of Shares at the beginning (1-4-19) / end of the year (31-3-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of Shares	% of total shares of the Company
11	SUDHIR GOLECHA N	114880	0.7241	1 Apr 2019	-	-	114880	0.7241
				22 Nov 2019	(4945)	sale of shares	109935	0.6930
				27 Dec 2019	(10935)		99000	0.6240
				10 Jan 2020	(173)		98827	0.6229
				24 Jan 2020	(14370)		84457	0.5324
				21 Feb 2020	(84457)		-	-
				31 Mar 2020	-	-	-	
12	SUDHIR GOLECHA HUF .	99700	0.6285	1 Apr 2019	-	-	99700	0.6285
				24 May 2019	9857	Purchase of shares	109557	0.6906
				09 Aug 2019	(104807)	sale of shares	4750	0.0299
				23 Aug 2019	104807		109557	0.6906
				01 Nov 2019	(30110)		79447	0.5008
				08 Nov 2019	(39600)		39847	0.2512
				24 Jan 2020	(39847)	-	-	
		31 Mar 2020	-	-	-			
13	KALPANA GOLECHA S	73629	0.4641	1 Apr 2019	-	-	73629	0.4641
				17 May 2019	1	Purchase of shares	73630	0.4641
				24 Jan 2020	(5118)	sale of shares	68512	0.4319
				31 Jan 2020	(5173)		63339	0.3993
				21 Feb 2020	(47725)		15614	0.0984
				28 Feb 2020	(15614)		-	-
				31 Mar 2020	-	-	-	

Note: The above details are given as on March 31, 2020.

On behalf of the Board of Directors  
For Automotive Stampings and Assemblies Limited

Pradeep Bhargava  
Chairman  
(DIN: 00525234)

Pune  
July 8, 2020

**Annexure III to Board’s Report**

**[Pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

1. The ratio of the remuneration of each Director to the median remuneration\* of the Employees of the Company for the financial year:

**(Explanation:** (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values).

\* For calculating median remuneration workman trainees are not included.

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

- None of the Directors of the Company is in receipt of any kind of remuneration other than the Sitting Fees.
- The ratio of remuneration of Manager (designated as “Chief Executive Officer”) to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in his remuneration during the financial year 2019-20 are given below:

<b>Manager (designated as “Chief Executive Officer”)</b>	<b>Ratio to Median</b>	<b>Percentage Increase in Remuneration*</b>
Mr. Jitendraa Dikkshit (wef October 17, 2019)	9.00:1	Mr. Jitendraa Dikkshit appointed as Manager designated as Chief Executive Officer of the Company wef October 17, 2019

\*The percentage increase in remuneration of the Chief Executive Officer and Chief Financial Officer is not applicable since appointed wef October 17, 2019 and March 12, 2020 respectively. During the Financial year 2019-20, Mr. Neeraj Shrivastava and Mr. Easwaran S. ceased to be Chief Executive Officer and Chief Financial Officer of the Company wef close of working hours of May 3, 2019 and September 20, 2019. Hence percentage increase in remuneration is not applicable.

- The percentage increase in remuneration of the Company Secretary is 5.01 per cent.
2. The percentage increase in the median remuneration of employees in the financial year: 1.17 per cent
  3. The number of permanent employees on the rolls of Company: 570 employees (excluding trainees and apprentices).
  4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is (0.34) per cent, as against increase of 5.00 percent in salary of the Key Managerial Personnel. The increment given to each individual employee is based on the employees’ performance and also benchmarked against a comparable basket of relevant companies in India.

## **Automotive Stampings and Assemblies Limited**

\* Mr. Neeraj Shrivastava was Chief Executive Officer of the Company for the part of financial year 2019-20.

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

### **On behalf of the Board of Directors**

**Pradeep Bhargava**

Chairman

(DIN:00525234)

Place: Pune

Date: July 8, 2020

**Annexure IV Board Report  
Form No. MR.-3  
SECRETARIAL AUDIT REPORT**

**For the financial year ended on 31st March, 2020**

*[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,  
Automotive Stampings and Assemblies Limited**  
TACO House, Plot No. 20/B FPN085,  
V.G. Damle Path  
Off Law College Road,  
Erandwane  
Pune 411004,

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year 1st April, 2019 to 31st March, 2020 ("the financial year") 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.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of:
  - 1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified;
  - 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rule made thereunder ;
  - 3) The Depositories Act, 1996 and the Regulations & Bye-Laws framed thereunder;
  - 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
  - 5) The following Regulations & Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

## Automotive Stampings and Assemblies Limited

- d. The Securities and Exchange Board of India (Share based Employee Benefits Regulations), 2014
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,) 2009
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and
  - i The Securities and Exchange Board of India (Listing Obligation Disclosures Requirements) Regulations, 2015
- (vi) No other law is specifically applicable to the Company.

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

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India
- 2) The listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited
- 3) Provisions of the Memorandum and Articles of Association of the Company

During the period under review, in our opinion, Company has complied with the Company Law Provisions, MCA Regulations, SEBI Regulations, Depositories Regulations and FEMA regulations.

We further report that

Based on the information provided by the Company and records maintained by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are properly constituted. Changes in Directorship during the period under review were carried out in the compliances with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/ Committee 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.

All decisions at the Board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committee of the Board of Directors, as the case may be.

**We further report that** during the audit period there were no specific events/actions occurred with a major

bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except the following :

During the period under review, the transfer of leasehold rights in the land along with building located at G-71/2, MIDC, Industrial Area, Bhosari, Pune: 411026, Maharashtra, which was approved during the previous Financial Year was completed by the Company after obtaining necessary approvals from MIDC and concerned authorities.

**For C.S. Kelkar & Associates  
Company Secretaries**

C. S. Kelkar  
Partner  
FCS 2784, CP No. 1891  
UDIN : F002784B000270293

Date : 22nd May, 2020

Place : Pune

## **REPORT ON CORPORATE GOVERNANCE**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company's business objective is to manufacture its products in such a way as to create value that can be sustained over the long term for its customers, shareholders and employees. The Company is conscious of the fact that its success is a reflection of the professionalism, conduct and ethical values of its management and its employees. Pursuant to Listing Regulations, the Company has executed fresh Listing Agreement with the Stock Exchange(s).

A report, in line with the requirements of Listing Regulations for the year ended March 31, 2020 is given below:

### **BOARD OF DIRECTORS:**

- **Composition of the Board:**

The Board of Directors of the Company consists of seven Directors as on March 31, 2020. All seven are Non-Executive Directors of whom three are independent with one being a Woman Director.

The Composition of the Board is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Company Act, 2013 ("Act").

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors. None of the Directors is related to each other.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all Public Companies in which he/ she is a Director. For this purpose, membership / Chairmanship in Audit Committee and Stakeholders Relationship Committee is considered. Further no person have been appointed or continue as an alternate director for an Independent Director of the Company.

The necessary disclosures regarding Committee positions have been made by all the Directors.

- **Code of Conduct for Directors and Senior Management:**

The Company has adopted the "Tata Code of Conduct" for all the employees of the Company. Tata Code of Conduct (TCoC) is a comprehensive written code which is applicable to all employees including CEO, the Managing and Executive Directors. The TCoC is augmented by a number of policies that help strengthen governance practices at the Company. The Code lays emphasis amongst other things, on the integrity at workplace and in business practices, honest and ethical personal conduct, diversity, fairness and respect etc.



The Board has also approved a “Code of Conduct for Non-Executive Directors”. The Code was suitably modified in October, 2014 to include the duties of Independent Directors as laid down in the Act.

The Code of Conduct for the employees as well as Non-Executive Directors is posted on the website of the Company: [www.autostampings.com](http://www.autostampings.com).

The Company’s philosophy of Corporate Governance has been further strengthened through Tata Business Excellence Model, the Tata Code of Conduct, Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (“Insider Trading Code”) and the requirements of Corporate Governance under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has in place an Information Security Policy that ensures proper utilization of IT resources. The governance of the Company is guided by strong emphasis on transparency, commitment to values, accountability and integrity.

Further, all the Board Members and Senior Management Personnel of the Company as per Listing Regulations have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the Chief Executive Officer of the Company forms part of this report.

- **Vigil Mechanism / Whistle Blower Policy:**

The Company has put in place a Vigil Mechanism / Whistle Blower Policy as adopted by the Board of Directors. The Policy encourages whistle blowing against unethical or improper activity by providing early and confidential access with further protection and without risk of reprisal. The Audit Committee periodically reviews the functioning of the Policy.

The Company has revised the Whistle-Blower policy to include “reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information (UPSI)” in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and the revised Vigil Mechanism / Whistle Blower Policy was approved by the Audit Committee and the Board effective from April 1, 2019 respectively. The policy as approved may be accessed on the Company’s website at the link [www.autostampings.com](http://www.autostampings.com).

All Directors and employees have access to the Chairman of the Audit Committee. The policy with the name and address of Chairman of the Audit Committee has been circulated to the employees. Further no personnel have been denied access to the Audit Committee during the period under review.

- **Number of Board Meetings:**

During the financial year 2019-20, 5 (Five) Board Meetings were held and the gap between two Board Meetings did not exceed 120 days. The meetings were held on April 24, 2019, July 15, 2019, October 17, 2019, January 23, 2020 and March 12, 2020. The necessary quorum was present for all the above Board Meetings.

- **Information placed before the Board:**

During FY 2019-20, Agenda papers along with detailed notes are being circulated in advance of each meeting of the Board. Information as mentioned under Part A of Schedule II of Listing Regulations have been placed before the Board for its consideration from time to time.

The Company has a robust and effective framework for monitoring compliances with applicable laws and to provide updates to senior management and the Board on a periodic basis. The Board periodically reviews Compliance Reports with respect to all applicable laws to the Company.

- **Directors with material pecuniary or business relationship with the Company:**

The Company did not have any pecuniary relationship or transactions with its Non-Executive and/or Independent Directors during the year 2019-20.

## Automotive Stampings and Assemblies Limited

No Director of the Company is related to any other Director of the Company.

### Attendance at the Board Meetings & the last Annual General Meeting (AGM), Directorship in other Companies and other Board Committee Chairmanship/Memberships:

The information tabulated as follows is as on March 31, 2020:

Name of Director (DIN)	Category of Directorship	No. of Board Meetings Attended* during FY 2019-20	Whether attended last AGM held on July 1, 2019 (Yes/ No)	Number of Directorship in other public Companies **	Directorship in listed entity and the category of Directorship	Number of Committee positions held in public companies@	
						Chairman	Member
Mr. Pradeep Bhargava ^ (DIN: 00525234)	Chairman, Non-Executive, Independent	5	Yes	-	1. Automotive Stampings And Assemblies Limited –Non Executive Independent Director  2. Persistent Systems Limited - Non Executive Independent Director  3. Himatsingka Seide Limited- Non Executive Independent Director	-	3
Ms. Rati Forbes # (DIN: 00137326)	Non-Executive, Independent	2	No	-	-	-	-
Mr. Shrikant Sarpotdar \$ (DIN: 01800442)	Non-Executive, Independent	5	Yes	-	1. Automotive Stampings And Assemblies Limited –Non Executive Independent Director	2	-
Ms. Bhavna Bindra \$ (DIN: 07314422)	Non-Executive, Independent	4	-	-	1. Automotive Stampings And Assemblies Limited –Non Executive Independent Director  2. Kennametal India Limited –Non Executive Independent Director	-	2
Mr. Arvind Goel (DIN: 02300813)	Non-Executive, Non-Independent	5	Yes	1	1. Automotive Stampings And Assemblies Limited –Non Executive Director  2. Tata AutoComp Systems Limited – Managing Director & CEO	-	-
Mr. Deepak Rastogi (DIN: 02317869)	Non-Executive, Non-Independent	5	Yes	1	1. Automotive Stampings And Assemblies Limited – Non Executive Director	1	2
Mr. Bharatkumar Parekh (DIN: 01521346)	Non-Executive, Non-Independent	5	Yes	1	1. Automotive Stampings And Assemblies Limited – Non Executive Director	-	-
Mr. Sanjay Sinha (DIN: 08210898)	Non-Executive, Non-Independent	5	Yes	-	1. Automotive Stampings And Assemblies Limited – Non Executive Director	-	1

\* No. of Board Meetings held during financial year 2019-20: Five

\*\* This includes Directorships and alternate Directorships held in other Public limited Companies excluding listed companies and directorship in private, foreign, one person Companies, Companies under Section 8 of the Companies Act, 2013.

@ This covers Membership / Chairmanship of 'Audit Committee' and 'Stakeholders Relationship Committee' in all Public limited Companies (including Automotive Stampings and Assemblies Limited) as per Regulation 26(1) (b) of Listing Regulations.

^ Mr. Pradeep Bhargava Non-Executive Independent Director was appointed as Chairman of the Board of Directors of the Company w.e.f. April 24, 2019 and shall preside as the Chairman unless and otherwise decided by the Board.

# Ms. Rati Forbes resigned as Non- Executive Independent Director from close of working hours of July 18, 2019.

\$ Mr. Shrikant Sarpotdar and Ms. Bhavna Bindra were appointed as Non- Executive Independent Directors of the Company w.e.f. April 24, 2019 and July 15, 2019 respectively.

Details about Directors seeking appointment/reappointment at the forthcoming Annual General Meeting are given separately in this report along with Notice convening the said Meeting.

#### Notes:

Independent Directors are non-executive directors as defined under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that:

- a) They meet the criteria of independence and fulfil the conditions specified in Listing Regulations and Section 149 of the Act and are independent of the management.
- b) They are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence In terms of Regulation 25(8) of Listing Regulations.
- c) Not being a Director in more than Ten public companies (to a limit of seven listed companies) and ten private companies, aggregating to not more than twenty companies. Further, confirmation from Independent Director to adhere to this requirement for FY 2020-21 as well.
- d) They have complied with the requirement of inclusion of their name in the data bank maintained by Indian Institute of Corporate Affairs as envisaged under Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, as applicable and they hold valid registration certificate with the Data Bank of Independent Directors.

In compliance with the provisions of the Act and Listing Regulations:

1. Mr. Pradeep Bhargava and Ms. Rati Forbes were appointed as Non- Executive Independent Directors for a first term of five years from July 22, 2014 upto July 21, 2019. At the 29<sup>th</sup> Annual General Meeting of the Company held on July 1, 2019, Mr. Pradeep Bhargava and Ms. Rati Forbes were re-appointed as Independent Directors of the Company for second term of four consecutive years and one consecutive year respectively w.e.f. July 22, 2019.
2. Mr. Shrikant Sarpotdar was appointed as Non- Executive Independent Director for a first term of 5 (five) consecutive years commencing from April 24, 2019 up to April 23, 2024.
3. Ms. Bhavna Bindra was appointed as Non- Executive Independent Director for first term of 5 (five) consecutive years commencing from July 15, 2019 up to July 14, 2024.

## Automotive Stampings and Assemblies Limited

4. Ms. Rati Forbes Non- Executive Independent Director has conveyed to the Board that considering professional commitments, she was unable to devote sufficient time, required of an Independent Director of the Company and therefore willingly tendered her resignation effective from close of business hours of July 18, 2019 i.e. before expiry of her second term of 1 consecutive year with a request to the Board, to relieve her accordingly. The Company has received confirmation from Ms. Rati Forbes that the resignation is due to her personal reasons and that there are no other material reasons, other than those provided.

The Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

**The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for the Company to function effectively ,those actually available with the Board and the names of directors who have such skills / expertise / competence :**

Areas of skills/expertise	Name of Director						
	Mr. Pradeep Bhargava	Mr. Shrikant Sarpotdar	Ms. Bhavna Bindra	Mr. Arvind Goel	Mr. Deepak Rastogi	Mr. Sanjay Sinha	Mr. Bharat Parekh
i. Knowledge Understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates	√	√	√	√	√	√	√
ii) Behavioral Skills – Attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders	√	√	√	√	√	√	√
iii) Strategic thinking and decision making	√	√	√	√	√	√	√
iv) Financial Skills	√	√	√	√	√		
v) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business				√	√	√	√

### AUDIT COMMITTEE:

The Company has an Audit Committee of the Board of Directors in Compliance with Regulation 18 of the Listing Regulations and Section 177 of the Act.

The Committee comprises 4 (four) Members, 3 being Independent Directors and one Non-Executive Director. Mr. Shrikant Sarpotdar\* is the Chairman of the Committee and Mr. Pradeep Bhargava, Ms. Bhavna Bindra\*\* and Mr. Deepak Rastogi are the other Members.

\*Mr. Shrikant Sarpotdar was inducted as a member of the Audit Committee w.e.f. April 24, 2019 and appointed as Chairman of the Audit Committee w.e.f. July 15, 2019.

\*\* Ms. Bhavna Bindra was inducted as a member of the Audit Committee w.e.f. July 15, 2019.

Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company w.e.f. close of working hours of July 18, 2019 and hence consequently ceased to be a member of the Audit Committee.

All the Members are financially literate and two members has accounting or related financial management expertise.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and Listing Regulations.

The Audit Committee meetings are attended by the Chief Executive Officer and the Chief Financial Officer. The representatives of Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee meetings.

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee was present at the 29th Annual General Meeting held on July 01, 2019.

• **Terms of Reference of Audit Committee:**

Audit Committee's terms of reference include the role, powers and functions of the Audit Committee in conformity with Section 177 of the Act, Regulation 18 of the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended which includes:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-Section (3) of Section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

## Automotive Stampings and Assemblies Limited

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Audit Committee shall mandatorily review the following information:

- (1) Management Discussion and Analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal Audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- (6) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

- (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (7) Compliance with the provisions of SEBI (Prohibition Of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year (effective from April 1, 2019) and shall verify that the systems for internal control are adequate and are operating effectively.

- **Meetings and attendance during the year:**

Five Audit Committee meetings were held during financial year 2019-20. The meetings were held on April 24, 2019, July 15, 2019, October 17, 2019, January 23, 2020 and March 12, 2020. The necessary quorum was present at all the Audit Committee Meetings.

The attendance of each member of the Audit Committee is given below:

Name of Director	Designation	Category of Directorship	No. of meetings attended #
Mr. Pradeep Bhargava	Chairman till July 14, 2019	Non-Executive, Independent	5
Mr. Shrikant Sarpotdar*	Chairman wef July 15, 2019	Non-Executive, Independent	5
Ms. Bhavna Bindra**	Member	Non-Executive, Independent	4
Ms. Rati Forbes ***	Member	Non-Executive, Independent	2
Mr. Deepak Rastogi	Member	Non-Executive Director	5

# Number of meetings held during financial year 2019-20: Five

\*Mr. Shrikant Sarpotdar was inducted as a member of the Audit Committee w.e.f. April 24, 2019 and appointed as Chairman of the Audit Committee w.e.f. July 15, 2019.

\*\* Ms. Bhavna Bindra was inducted as a member of the Audit Committee w.e.f. July 15, 2019.

\*\*\* Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company w.e.f. close of working hours of July 18, 2019 and hence consequently ceased to be a member of the Audit Committee.

## **NOMINATION AND REMUNERATION COMMITTEE:**

The Company has Nomination and Remuneration Committee of the Board in compliance with the requirements of Regulation 19 of Listing Regulations and Section 178 of the Act.

The Committee comprises (3) three Members of whom two are Independent Directors. Mr. Shrikant Sarpotdar is the Chairman of the Committee. Mr. Pradeep Bhargava and Mr. Arvind Goel are the other Members of the Committee.

# Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

### **The terms of reference are as under:**

- (1) Recommend to the Board the setup and composition of the Board and its Committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.



## Automotive Stampings and Assemblies Limited

- (2) Periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- (3) Identifying person who are qualified to become Directors and who may be appointed in Senior Management in accordance with criteria laid down and Recommend to the Board their appointment or removal.
- (4) Devise a policy on Board diversity.
- (5) Recommend to the Board appointment of Key Managerial Personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by the Committee).
- (6) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors.
- (7) Formulation of criteria for evaluation of Independent Directors and the Board.
- (8) Oversee the performance review process of the KMP and the executive team of the Company.
- (9) Recommend to the Board the remuneration policy for Directors, Senior Management / executive team/ KMP as well as the rest of the employees.
- (10) Recommend to the Board all remuneration in whatever form payable to Directors, KMP and Senior Management / other employees of the Company.
- (11) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (12) Oversee familiarization programmes for Directors.
- (13) Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and Senior Management / executive team).
- (14) Performing such other duties and responsibilities as may be consistent with the provisions of the Committee Charter.

Four meetings of the Nomination and Remuneration Committee were held during the financial year 2019-20. The meetings were held on April 24, 2019, July 15, 2019, October 17, 2019, and March 12, 2020.

The attendance of each member of the Committee is given below:

Name of Director	Designation	Category of Directorship	No. of meetings attended#
Ms. Rati Forbes*	Chairperson (till July 18, 2019)	Non-Executive, Independent	2
Mr. Shrikant Sarpotdar**	Chairman (wef July 19, 2019)	Non-Executive, Independent	2
Mr. Pradeep Bhargava	Member	Non-Executive, Independent	4
Mr. Arvind Goel	Member	Non-Executive, Independent	4

# Number of meetings held during the financial year 2019-20: Four

\* Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

\*\*Mr. Shrikant Sarpotdar was inducted as a member & Chairman of the Nomination and Remuneration Committee w.e.f. July 19, 2019.

## DETAILS OF REMUNERATION TO ALL DIRECTORS:

The remuneration of Manager, designated as Chief Executive Officer is approved by the Nomination and Remuneration Committee, the Board of Directors and Shareholders of the Company.

### 1. Details of managerial remuneration for the financial year 2019-20 are given below:

(₹. in Lakhs)

Name	Salary and Allowances	Perquisites	Contribution to Funds	Total
Mr. Neeraj Shrivastava Manager (till May 3, 2019)	4.61	0.15	0.11	4.87
Mr. Jitendraa Dikkshit Manager (with effect from October 17, 2019)	27.04	1.75	0.38	29.17

### Details of Service contracts, notice period, severance fees etc.

Name	Service contracts	Notice period and severance fees	No of equity Shares held / Stock option details
Mr. Jitendraa Dikkshit	Manager designated as Chief Executive Officer for period from October 17, 2019 to October 16, 2022.	3 months notice of such termination or paying 3 months' salary in lieu thereof.	Nil

### 2. Details of remuneration of Non- Executive Directors:

#### Sitting fees to Directors:

Based on the Advisory note on remuneration to Non-Executive Directors, the Company pays ₹ 50,000/- as sitting fees to each Non-Executive Director (Independent) for attending every 'Board Meeting', 'Audit Committee Meeting', 'Nomination and Remuneration Committee Meeting' respectively and ₹ 20,000/- to each Non-Executive Director (Independent) for attending every 'Stakeholders Relationship Committee Meeting', 'Corporate Social Responsibility Committee Meeting' and 'Independent Directors Meeting' respectively.

## Automotive Stampings and Assemblies Limited

The details of Sitting Fees to Non-Executive Directors for the financial year 2019-20 are as under:

Sl. No.	Name of the Director	Amount (₹. in Lakhs)
1.	Mr. Pradeep Bhargava	7.20
2.	Mr. Shrikant Sarpotdar (appointed wef April 24, 2019)	6.40
3.	Ms. Bhavna Bindra (appointed wef July 15, 2019)	4.40
4.	Ms. Rati Forbes (till July 18, 2019)	3.20
5.	Mr. Arvind Goel	-
6.	Mr. Deepak Rastogi	-
7.	Mr. Sanjay Sinha	-
8.	Mr. Bharat Parekh	-
	<b>Total:</b>	<b>21.20</b>

None of the Directors of the Company is in receipt of any kind of remuneration / commission other than the Sitting Fees as mentioned above. None of the Directors holds any equity shares or convertible instruments of the Company. The Company has not provided any stock option to Directors of the Company.

### STAKEHOLDERS RELATIONSHIP COMMITTEE:

Wef July 19, 2019, the Committee comprises three Non-Executive Directors, Mr. Shrikant Sarpotdar as Chairman, Mr. Deepak Rastogi and Mr. Sanjay Sinha as Members.

# Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

The composition of Stakeholders Relationship Committee complies with the requirement of Regulation 20 of Listing Regulations read with Section 178 of the Act.

#### • Terms of Reference

The role of 'Stakeholders Relationship Committee' has been revised by shifting the responsibility w.r.t ensuring Compliance under the 'Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' to Audit Committee of the Board and revised in compliance with Listing Regulations. The functioning and terms of reference of the Committee as prescribed and in due compliance with the Act and Regulation 20 read with part D of Schedule II of Listing Regulations which includes:

1. Review statutory compliance relating to all security holders;
2. Consider and resolve the grievances of security holders of the Company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/ notices/ balance sheet;
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund;
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
6. Oversee and review all matters related to the transfer of securities of the Company;

7. Approve issue of duplicate certificates of the Company;
8. Review movements in shareholding and ownership structures of the Company;
9. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.; and
10. Recommend measures for overall improvement of the quality of investor services.

One meeting of the 'Stakeholders Relationship Committee' was held during the financial year 2019- 20 on October 17, 2019.

The attendance of each member of the Committee is given below:

Name of Director	Designation	Category of Directorship	No. of meetings attended#
Ms. Rati Forbes*	Chairperson / member till July 18, 2019	Non-Executive, Independent	-
Mr. Shrikant Sarpotdar**	Chairman (wef July 19, 2019)	Non-Executive, Independent	1
Mr. Deepak Rastogi	Member	Non-Executive, Non-Independent	1
Mr. Sanjay Sinha	Member	Non-Executive, Non-Independent	1

# Number of meetings held during financial year 2019-20: One

\* Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

\*\*Mr. Shrikant Sarpotdar was inducted as a member & Chairman of the Stakeholders Relationship Committee w.e.f. July 19, 2019.

The details of Shareholders Complaints received so far, resolved and pending during the Financial Year 2019-20 are as follows:

Opening Balance	Received during year	Resolved during year	Pending/ closing balance	Not solved to the satisfaction of Shareholders
Nil	02	02	Nil	Nil

There were no pending Shareholders complaints as on March 31, 2020.

Note : Pursuant to notification number LIST/COMP/15/18-19 dated July 05, 2018 issued by SEBI transfer of securities held in physical form has not been permitted after March 31, 2019. However there is no restriction on/ transmissions/ transposition of securities held in physical form.

The Company's shares are compulsorily traded in dematerialised form. To expedite transfers in physical form, a Committee of Executives of the Company has been authorised to look into various matters like approving share transfers/transmissions, issue of new certificates in split/ consolidation form, etc. The Committee comprises the following executives:

- Chief Executive Officer;
- Chief Financial Officer; and
- Company Secretary

Mr. Ashutosh Kulkarni, Company Secretary is the Compliance Officer of the Company.

## Automotive Stampings and Assemblies Limited

The Share transfers approved by the Committee are placed at the Board meetings from time to time. The Company attends to the Investor correspondence promptly. There were no pending share transfers as on March 31, 2020.

Name and designation of Compliance officer and Nodal Officer for IEPF Compliances:

Name of the Company Secretary and the Compliance Officer, Nodal Officer for IEPF Compliances	Mr. Ashutosh Kulkarni
Address	TACO House, Plot No- 20/B FPN085, V.G. Damle Path ,Off Law College Road, Erandwane, Pune: 411004
Email Id	Ashutosh.kulkarni@autostampings.com
Contact No.	020-66085000

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR Committee was constituted under Section 135 of the Act which comprises three Non-Executive Directors viz. Ms. Bhavna Bindra as Chairperson, Mr. Sanjay Sinha and Mr. Deepak Rastogi.

# Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

The role of the Committee includes the following:

1. To formulate and recommend to the Board, the CSR Policy to be undertaken by the Company.
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause above.
3. To monitor implementation of CSR activities in terms of CSR Policy.
4. To monitor compliance requirements of the Act and Rules made there under wrt CSR.
5. To oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
6. To oversee activities impacting the CSR projects.
7. To monitor the CSR policy and expenditure of the material subsidiaries.

Two meetings of the Corporate Social Responsibility Committee were held during the financial year 2019-20 on April 24, 2019 and October 17, 2019.

The attendance of each member of the Committee is given below:

Name of Director	Designation	Category of Directorship	No. of meetings attended #
Ms. Rati Forbes*	Chairperson / member till July 18, 2019	Non-Executive, Independent	1
Ms. Bhavna Bindra **	Chairperson (wef July 19, 2019)	Non-Executive, Independent	1
Mr. Deepak Rastogi	Member	Non-Executive, Non- Independent	2
Mr. Sanjay Sinha	Member	Non-Executive, Non- Independent	2

# Number of meetings held during financial year 2019-20: Two

\* Ms. Rati Forbes resigned as Non-Executive Independent Director of the Company wef close of working hours of July 18, 2019 and hence consequently ceased to be the Chairperson & member of the Committee.

\*\*Ms. Bhavna Bindra was inducted as a member & Chairman of the Corporate Social Responsibility Committee w.e.f. July 19, 2019.

## **FAMILIARISATION PROGRAMME FOR DIRECTORS:**

The Directors (Independent and Non-Independent) interacted with Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time.

The information wrt the nature of industry in which the Company operates and business model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board.

The above initiatives help the Directors to understand the Company, its business and the regulatory frame work in which the Company operates to effectively fulfil their role as Directors of the Company.

The details of the Familiarization programme have been uploaded on the Company's website: [www.autostampings.com](http://www.autostampings.com).

## **POLICIES WRT (A) DETERMINING QUALIFICATIONS, ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR; (B) EVALUATION OF INDIVIDUAL DIRECTORS, THE BOARD & ITS COMMITTEES; AND (C) BOARD DIVERSITY:**

The Company has adopted the Guidelines on Board Effectiveness ("Governance Guidelines" or "guidelines") which inter-alia cover Board Effectiveness Review, the Composition & Role of the Board and Nomination, appointment, induction & development of Directors. These Guidelines cover (a) the criteria for determining qualifications, attributes and independence of a Director; (b) formulation of criteria for evaluation of independent directors, the Board and its Committees; and (c) a policy on Board diversity.

### **Policy with respect to qualifications, attributes and independence of a Director:**

- A Director will be considered as an "Independent Director" (ID) if the person meets with the criteria for 'Independent Director' as laid down in the Act and Listing Regulations.
- IDs should be thought/practice leaders in their respective functions/ domains in order to contribute to the overall skill-domain mix of the Board.
- IDs are expected to abide by the 'Code for independent directors' as outlined in the Act.

The Code specifies the guidelines of professional conduct, role and function and duties of independent directors.

### **EVALUATION OF INDIVIDUAL DIRECTORS, THE BOARD & ITS COMMITTEES:**

Pursuant to the provisions of the Act, Listing Regulations and Guidance Note on Board Evaluation issued by SEBI vide Circular dated January 5, 2017, the Board has carried out the annual performance evaluation for FY 2019-20 of its own performance, the Directors individually as well as the evaluation of the working of its Committees viz. 'Audit Committee', 'Nomination and Remuneration Committee', 'Corporate Social Responsibility Committee'; and the 'Stakeholders Relationship Committee'.

#### **➤ EVALUATION OF INDIVIDUAL DIRECTORS:**

- The review of the performance of all the Directors (including the Chairman) was also evaluated for FY 2019-20 by the 'Nomination and Remuneration Committee'.
- The performance review of the Non-Independent Directors was evaluated for FY 2019-20 in the meeting of the 'Independent Directors'.
- Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Director being evaluated.

## Automotive Stampings and Assemblies Limited

The broad criteria followed for evaluation of the performance of Individual Directors as per SEBI Guidance Note includes:

- A. Details of professional qualifications;
- B. Details of prior experience, especially the experience relevant to the Company;
- C. Knowledge and Competency;
- D. Fulfillment of functions;
- E. Ability to function as a team;
- F. Initiative;
- G. Availability and attendance;
- H. Commitment;
- I. Contribution;
- J. Integrity; and
- K. Independence.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of above criteria. Additionally, for the Chairman, the key aspects of the role have been considered like: (a) Efficient leadership, decisive, courteous, professionalism, coordinate the discussion and steer the meeting effectively; (b) Impartial in conducting discussions, seeking views and dealing with dissent; and (c) Communicating effectively with all stakeholders and enable meaningful relationships as required.

### ➤ **EVALUATION OF BOARD:**

- Areas for evaluation as per the guidance note on Board Evaluation as per SEBI Guidance

#### Note :

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as:

- A. Structure of the Board;
- B. Meetings of the Board;
- C. Functions of the Board; and
- D. Board & Management.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as:

- A. Mandate and composition;
- B. Effectiveness of the Committee;
- C. Structure of the Committee and meetings;
- D. Independence of the Committee from the Board; and
- E. Contribution to decisions of the Board.

➤ **Meeting of Independent Directors:**

During the year under review, the Independent Directors met on March 12, 2020 and:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole for FY 2019-20 and Chairman of the Company, taking into account the views of executive directors and non-executive directors.; and
2. Assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

All the Independent Directors were present at the Meeting.

In the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual Directors was also discussed. The performance of the Chairman was evaluated for FY 2019-20 by the 'Nomination and Remuneration Committee' and the Board.

**Board Diversity:**

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

**REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT / OTHER EMPLOYEES AS APPROVED BY THE BOARD AS PER PROVISIONS OF ACT AND LISTING REGULATIONS:**

Remuneration for Independent Directors and Non-independent Non-executive Directors:

1. Independent Directors ("ID") and Non-independent Non-executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be Members) and commission within regulatory limits.
2. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the 'Nomination and Remuneration Committee' and approved by the Board.
3. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
4. Overall remuneration should be reflective of size of the Company, complexity of the sector/industry/ Company's operations and the Company's capacity to pay the remuneration.
5. Overall remuneration practices should be consistent with recognized best practices.
6. Quantum of sitting fees may be subject to review on a periodic basis, as required.
7. The aggregate commission payable to all the NEDs and IDs will be recommended by the 'Nomination and Remuneration Committee' to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
8. The 'Nomination and Remuneration Committee' will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.



## Automotive Stampings and Assemblies Limited

9. In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board Committee Meetings, General Meetings, Court Convened Meetings, Meetings with Shareholders/ Creditors/ Management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

### Remuneration for Managing Director (“MD”)/ Executive Directors (“ED”)/ Manager / Chief Executive Officer / Senior Management / KMP / rest of the employees:

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
  - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
  - Driven by the role played by the individual,
  - Reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay
  - Consistent with recognized best practices; and
  - Aligned to any regulatory requirements.
- In terms of remuneration mix or composition:
  - The remuneration mix for the MD/ EDs/ Manager/ Chief Executive Officer is as per the contract approved by the Shareholders. In case of any change, the same would require the approval of the Shareholders.
  - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
  - In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
  - The Company provides retirement benefits as applicable. Excludes employee covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.
  - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides such remuneration by way of annual incentive remuneration/ performance incentive subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
    - a) Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
    - b) Industry benchmarks of remuneration,
    - c) Performance of the individual.

The Company provides the rest of the employees a performance linked bonus/incentives. The performance linked bonus /incentive would be driven by the outcome of the performance appraisal process and the performance of the Company.

- Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

- The services rendered are of a professional nature; and
- The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession

## GENERAL BODY MEETINGS

**Venue of the last three Annual General Meetings (AGM) and the details of the Resolutions passed or to be passed by Postal Ballot are as under:-**

AGM for the financial year	Date & Time of AGM	Venue	No. of Special Resolutions	Details of Special Resolutions passed
2018-19	July 1, 2019 at 10.00 a.m.	Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.	3	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Pradeep Bhargava (DIN: 00525234) as Non-Executive Independent Director of the Company for second term of four consecutive years w.e.f. July 22, 2019.</li> <li>2. Re-appointment of Ms. Rati Forbes (DIN: 00137326) as Non-Executive Independent Director of the Company for second term of one consecutive year w.e.f. July 22, 2019.</li> <li>3. Approval under Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 wrt appointment of Mr. Neeraj Shrivastava as a Manager designated as Chief Executive Officer and approval for his remuneration for a period of 3 years from August 6, 2018 to August 5, 2021</li> </ol>
2017-18	June 5, 2018 at 2.30 p.m.	Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.	-	Nil
2016-17	July 28, 2017 at 9.30 a.m.	Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.	1	Approval under Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 wrt Appointment of Mr. Prashant Mahindrakar as a Manager designated as Chief Executive Officer and approval for his remuneration for a period of 3 years from January 15, 2017 to January 14, 2020.

The Shareholders passed all the Resolutions set out in the respective Notices. No Special Resolution was passed in last year through Postal ballot.

No Extraordinary General Meeting of the members was held during FY 2019-20.

At the forthcoming AGM, there is no item on the Agenda that needs approval by postal ballot.

## Automotive Stampings and Assemblies Limited

### DISCLOSURES

#### • Risk Management Framework

The Risk Assessment procedure adopted by the Board of Directors provides an approach to the top Management to identify potential events that may affect the Company adversely (including the risks which will threaten the existence of the Company), to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of objectives of the Company.

The Senior Management prioritizes the risks and finalizes the action plan for mitigation of the key risks. The action plan is presented to the Audit Committee and the Board of Directors periodically.

#### • Related Party Transactions

During the financial year 2019-20, the Company had transactions with related parties as defined under the Act and Listing Regulations. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the 'ordinary course of business' and on 'arm's length basis'. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and / or repetitive in nature.

The actual transactions entered into pursuant to the omnibus approval so granted are placed at quarterly meetings of the Audit Committee. As per Regulation 23 of Listing Regulations, a transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited Financial Statements of the Company. All material Related Party Transactions (RPTs) shall require approval of the Members. Considering the definition of material RPTs, the Company has obtained approval from Members as under:

Sr. No.	AGM Details	Particulars
1	26th Annual General Meeting held on July 25, 2016	wrt transactions with Tata Motors Limited, Tata AutoComp Systems Limited (being material RPTs as per Ind-AS) for a period of 5 years and 3 years respectively w.e.f. April 1, 2016.
2	27th Annual General Meeting held on July 28, 2017	wrt transactions with Fiat India Automobiles Private Limited (being material RPTs as per Ind-AS) for a period of 5 years respectively w.e.f. April 1, 2016.
3	28th Annual General Meeting held on June 05, 2018	wrt transactions with Tata Capital Financial Services Limited, Tata Steel Processing and Distribution Limited, and Tata Autocomp Systems Limited (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2017 and April 1, 2019 respectively.
4	29th Annual General Meeting held on July 01, 2019*	wrt transactions with Tata Motors Limited, (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2019.

\*The Members of the Company at 26th Annual General Meeting held on July 25, 2016 approved material RPTs with Tata Motors Limited for a period of 5 years w.e.f. April 1, 2016 to March 31, 2021 for aggregate limit of ₹ 400 Crore p.a. The Members of the Company at the 29th Annual General Meeting held on July 1, 2019 approved enhancement in the said limit by ₹ 200 Crore p.a. aggregating to ₹ 600 Crore p.a. (excluding taxes) for a period of 5 years w.e.f. April 1, 2019.

The Board of Directors of the Company on recommendation of Audit Committee at its meeting held on July 8, 2020 approved material RPTs with TATA AutoComp Hendrickson Suspensions Pvt. Ltd. of ₹ 110 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. April 1, 2020 to March 31, 2025 subject to approval of Members at the ensuing 30th Annual General Meeting.

Earlier the Members at 26th AGM of the Company held on July 25, 2016 approved RPTs with Tata AutoComp for a period of 3 years w.e.f. April 1, 2016 to March 31, 2019 for an aggregate amount of ₹ 50 Crore per annum plus applicable taxes. Further Members of the Company at 28th AGM of the Company held on June 5, 2018 approved RPTs with Tata AutoComp for a period of 5 years w.e.f. April 1, 2019 to March 31, 2024 and enhanced the aggregate amount to ₹ 75 Crore per annum plus applicable taxes. Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on July 8, 2020 approved enhancement in the said limit by additional ₹ 35 Crore p.a. aggregating to ₹ 110 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. April 1, 2020 to March 31, 2025 subject to approval of Members at the ensuing 30th Annual General Meeting.

Except transactions with Tata AutoComp Systems Limited, Tata Motors Limited, Fiat India Automobiles Private Limited, Tata Capital Financial Services Limited and Tata Steel Processing and Distribution Limited there were no material related party transactions in terms of Listing Regulations, during the financial year. Suitable disclosure as required has been made in the Note No. 35 to the Financial Statements. The Board has revised its 'Policy on Related Party Transactions' in line with SEBI Listing Regulations amendments w.e.f. April 1, 2019 which has been uploaded on the Company's website: [www.autostampings.com](http://www.autostampings.com).

Transaction with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company have been disclosed in the accompanying Financial Statements.

#### • **Management Disclosures**

Based on the disclosures received from the Senior Management Personnel; none of the Senior Management Personnel has entered into any transactions during the year in which he/she has material financial and commercial interest or in which he/she may have potential conflict of interest with the interest of the Company at large.

#### **MEANS OF COMMUNICATION**

- The Quarterly, Half-Yearly and Annual Results are published in Financial Express / Free Press Journal and Loksatta / Navshakti as required under the Regulation 47 of Listing Regulations.
- The financial results are also posted on the Company's website: [www.autostampings.com](http://www.autostampings.com).
- Management Discussion and Analysis has been covered in the Board's Report.
- The Company also displays official news releases, ratings and presentations, if any, made to institutional investors or the analysts on the Company's website: [www.autostampings.com](http://www.autostampings.com) and websites of BSE and NSE viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

#### **GENERAL SHAREHOLDER INFORMATION**

- AGM: Day, Date, Time and Venue: Thursday, August 20, 2020 at 11.00 a.m. (IST)  
Annual General Meeting through Video Conferencing / Other Audio Visual Means facility : [Deemed Venue for Meeting:  
Registered Office:  
'TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India
- Financial year: April 1<sup>st</sup> to March 31<sup>st</sup>.

## Automotive Stampings and Assemblies Limited

- Profile of Directors being re-appointed:

The additional information required under Regulation 36 of SEBI Listing Regulations in respect of Director eligible for re-appointment is as under:

### Profile of Mr. Sanjay Sinha (DIN 08210898) who is being re-appointed:

Date of Birth and Age	April 30, 1963 – 56 years
Date of first Appointment	October 26, 2018
Qualifications	Mr. Sanjay Sinha is a Mechanical Engineer and holds MBA degree (Marketing) from Punjab University Chandigarh.
Expertise in specific functional areas	<p>Mr. Sanjay Sinha has overall 34 years of experience, of which 14 years is in Manufacturing Operations; 5 years as Plant and SBU Head and for last 14 Years he is in Senior Management role as CEO. He has worked in industries like Automotive / Auto Component / Hydraulics and Precision Engineering / CNC Machine-Tools. Mr. Sanjay Sinha has largely worked with multi-national companies like Tata-Holset, Daewoo Motors, Dana-Spicer, Arvin Meritor, Timken and Eaton with a cross culture orientation of Indian; Korean; Japanese; British; Chinese and US business partners. In these roles, Mr. Sanjay Sinha was responsible for - Driving Customer Centricity, Multi Location Operation Management, Strategy &amp; Business Development and Product &amp; Program Management for a profitable growth.</p> <p>Apart from being hands-on in Operations, Supply Chain Management, Business Development and worked through Senior Management roles, Mr. Sanjay Sinha is trained on soft strategic skills like Lean and Six-sigma; Business Process improvement in line with Malcolm Baldrige; Strategy Map &amp; Balance Score card build by Hewitt; Hays Job and profile evaluation. Mr. Sanjay Sinha has undergone Senior Executive Leadership Program with Michigan Ross University. Mr. Sanjay Sinha is part of Tata Group TBEx, Senior Business Leader team to do assessment across various Tata Group companies.</p> <p>Mr. Sanjay Sinha has many technical publications in Automotive trade magazine.</p>
Terms and conditions of appointment/re-appointment	Non-Executive Director liable to retire by rotation
Details of remuneration last drawn (FY 2019-20) and sought to be paid, if applicable	Nil
No. of Board Meetings attended during the FY 2019-20	5 (Five)
Relationships* between Directors inter-se	None
List of Companies in which Directorships held as on March 31, 2020 (excluding foreign and Section 8 Companies)	1. Automotive Stampings and Assemblies Limited
Chairmanship / Membership of specified Committees** of the Boards of above Companies as on March 31, 2020	Stakeholders Relationship Committee - Automotive Stampings And Assemblies Limited- Member
No. of shares held in the Company: (a) Own (b) For other persons on a beneficial basis*	Nil

- \* Mr. Sanjay Sinha and his relatives do not hold any shares in the Company and is not related with other Directors, Manager and other Key Managerial Personnel of the Company.
- \*\* Membership/Chairmanship of Audit Committee and 'Stakeholders Relationship Committee'.
- Financial Calendar for the financial year 2020-21:
  - (i) First Quarter Results – Before August 14, 2020;
  - (ii) Half yearly Results – Before November 14, 2020;
  - (iii) Third Quarter Results – Before February 14, 2021; and
  - (iv) Results for the year ending March 31, 2021 – Before end of May, 2021.
- Dividend payment date The Board of Directors has not recommended a dividend due to loss in F.Y. 2019-20.
- Date of Book Closure **Friday, August 14, 2020 to Thursday, August 20, 2020**, (Both days inclusive).
- Listing on Stock Exchanges BSE Limited- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  
National Stock Exchange of India Limited-Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051  
The Company has paid listing fees for the period April 1, 2020 to March 31, 2021.
- Stock Code "520119" on BSE Limited  
"ASAL" on The National Stock Exchange of India Limited.
- Demat ISIN Number for NSDL & CDSL INE900C01027
- High/Low of market price of the Company's shares traded on BSE Limited & The National Stock Exchange of India Limited during the year 2019 – 20 is furnished below:

Period	ASAL share prices on BSE		BSE Sensex		ASAL share prices on NSE		NSE Nifty	
	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹
Apr-19	62.75	52.00	39487.45	38460.25	62.85	51.15	11856.15	11549.10
May-19	55.00	45.80	40124.96	36956.10	55.00	46.05	12041.15	11108.30
Jun-19	57.80	42.10	40312.07	38870.96	53.00	42.50	12103.05	11625.10
Jul-19	50.90	33.30	40032.41	37128.26	50.20	33.00	11981.75	10999.40
Aug-19	34.55	29.00	37807.55	36102.35	35.30	28.80	11181.45	10637.15
Sep-19	39.95	29.85	39441.12	35987.80	39.60	29.30	11694.85	10670.25
Oct-19	43.50	28.70	40392.22	37415.83	44.30	29.30	11945.00	11090.15
Nov-19	36.10	30.00	41163.79	40014.23	37.00	30.35	12158.80	11802.65
Dec-19	32.70	29.70	41809.96	40135.37	33.10	30.30	12293.90	11832.30
Jan-20	38.65	30.60	42273.87	40476.55	38.85	30.60	12430.50	11929.60
Feb-20	32.05	19.70	41709.30	38219.97	32.20	19.50	12246.70	11175.05
Mar-20	19.60	11.80	39083.17	25638.90	21.00	11.75	11433.00	7511.10

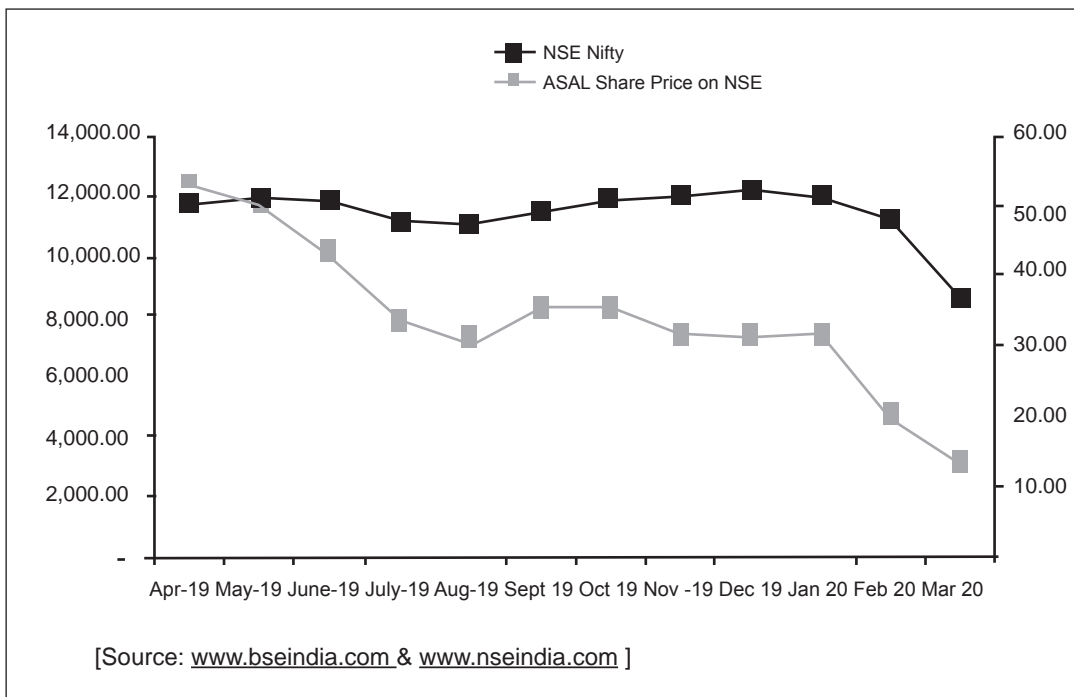
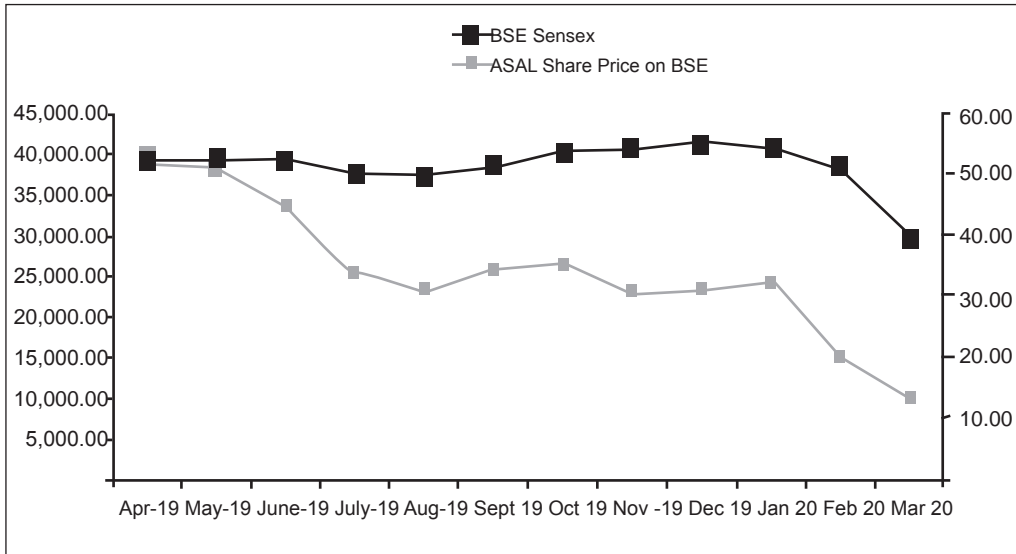
[Source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com) ]

# ASAL

Thirtieth Annual Report 2019-20

## Automotive Stampings and Assemblies Limited

- Stock Performance of the Company in comparison to BSE Sensex and NSE Nifty (Share Price Movement)





- During the F.Y. 2019-20 the securities are not suspended from trading.
- Registrar and Transfer Agents: The Company has appointed M/s. Link Intime India Pvt. Ltd. as Registrar and Transfer Agents having their office at:  
Block No. 202, 2nd Floor, Akshay Complex,  
Off Dhole Patil Road, Pune 411 001.  
Tel.No. (020) 26160084  
Fax No. (020) 26163503  
Email Id: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)
- Share Transfer System: All the transfers received are processed by the Registrar and Transfer Agent and are approved by the Committee of Executives of the Company constituted in this behalf. The Committee attends to share transfer formalities once in a week. Share transfers are registered and returned within a maximum period of 15 days from the date of lodgement, if documents are completed in all respects. In compliance with the Listing Regulations, the share transfer system is audited by a practicing Company Secretary in every six months and certificate to that effect is issued by him.
- Distribution of Shareholding and Shareholding pattern as on March 31, 2020:

The distribution of Shareholding as on March 31, 2020 was as follows:

Number of Shareholders	% to Total	Share Holding of Nominal Value of ₹	No. of Shares	Amount in ₹	% to Total
4143	79.32	up to 5,000	6,14,922	61,49,220	3.88
479	9.17	5,001 to 10,000	3,91,253	39,12,530	2.47
269	5.15	10,001 to 20,000	4,11,087	41,10,870	2.59
110	2.11	20,001 to 30,000	2,78,913	27,89,130	1.76
62	1.19	30,001 to 40,000	2,22,461	22,24,610	1.40
34	0.65	40,001 to 50,000	1,59,849	15,98,490	1.00
78	1.49	50,001 to 1,00,000	5,61,623	56,16,230	3.54
48	0.92	1,00,001 and above	1,32,24,289	13,22,42,890	83.36
<b>5223</b>	<b>100.00</b>	<b>Total</b>	<b>1,58,64,397</b>	<b>15,86,43,970</b>	<b>100.00</b>

- Shareholding pattern as on March 31, 2020:

Category	No. of Shares	Percentage of shareholding
Promoters	11,898,296	75.0000
Banks, Financial Institutions, Insurance Companies, Central/ State Govt. Institutions, etc.	241	0.0015
Other Bodies Corporate	103,919	0.6551
Non Resident Indians	28,556	0.1800
Others	38,33,385	24.1634
<b>Total</b>	<b>15,864,397</b>	<b>100.0000</b>



## Automotive Stampings and Assemblies Limited

- Dematerialisation of shares: 99.84% equity shares of the Company and liquidity were held in dematerialised form as on March 31, 2020. The status of dematerialization of shares as on March 31, 2020 is as under:

Particulars	No. of shares	% of the total capital issued
Physical	25,498	0.16%
NSDL	1,38,75,742	87.47%
CDSL	19,63,157	12.37%
<b>Total</b>	<b>1,58,64,397</b>	<b>100.00%</b>

- Outstanding global depository receipts or American depository receipts or warrants or any other convertible instruments, conversion date and likely impact on equity :

As on March 31, 2020, there is no such outstanding global depository receipt or American depository receipts or warrants or any other convertible instruments.

- Disclosure of commodity price risks and commodity hedging activities:

The Company had managed the foreign exchange risk. The details have been disclosed in Note No. 32 to the notes to Annual Accounts.

- Plant Locations
  - Chakan Works: Gat No.427, Medankarwadi, Chakan, Taluka Khed, District, Pune- 410 501, Maharashtra.
  - Chakan Works (leased): Survey No. 679/2/2 Alandi Road, Kuruli, Chakan, Taluka Khed, District, Pune- 410 501, Maharashtra.
  - Halol Works: Survey No. 173, Village-Khakharia, Taluka Savali, District Vadodara, Halol- 389 350, Gujarat
  - Pantnagar Works: Plot No. 71, Sector 11, IIE Pantnagar Industrial Estate, Udham Singh Nagar – 263 153, Uttarakhand.

- Address for correspondence
 

Shareholders correspondence should be addressed to our Registrars and Share Transfer Agents at the address mentioned above.

Shareholders may also contact the Secretary of the Company at the Registered Office of the Company for any assistance:

'TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India'.

The Secretary has designated following Email ID for investors' correspondence and redressal of their grievances and complaints.

Email: [cs@autostampings.com](mailto:cs@autostampings.com)

Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, change in bank mandate for NECS etc. to their respective Depository Participant.

- list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Ratings/ revisions obtained by the Company from CRISIL ratings has been communicated to Stock Exchanges and uploaded on the website [www.autostampings.com](http://www.autostampings.com) from time to time. Since the Company do not have any debt instruments, or fixed deposit programme, or any scheme or proposal involving mobilisation of funds whether in India or abroad, obtaining rating for the same is not applicable.

#### **CEO & CFO CERTIFICATION:**

A Certificate by Mr. Jitendraa Dikkshit, Chief Executive Officer and Mr. Yogesh Jaju, Chief Financial Officer, in terms of Regulation 17(8) of Listing Regulations was placed before the Board at its meeting held on July 8, 2020.

#### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:**

As required under Listing Regulations, Auditors' Certificate on compliance of the Corporate Governance norms is attached.

#### **REGULATIONS FOR PREVENTION OF INSIDER TRADING:**

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the 'Tata Code of Conduct for Prevention of Insider Trading' and 'Code of Corporate Disclosure Practices' (Code) for its Directors, Officers and Specified Employees. The said Code has been revised and adopted on March 30, 2019 by Board of Directors of the Company to incorporate latest amendments as per Insider Trading Regulations. which inter-alia includes a) Policy for determination of "legitimate purposes, b) Notice to Insider to maintain confidentiality of UPSI, c) Amendment in definition of "Unpublished Price Sensitive Information", d) Formulation of policy for inquiry in case of leak of UPSI or suspected leak of UPSI, e) Mechanism to handle the leak of any UPSI. f) Amendment to the definition of "Designated Person" g) Adequate and effective system of Internal Controls to ensure compliance with the requirements given in the regulations. The said Code has been further revised and adopted on January 23, 2020 by the Board of Directors to include amendments vide SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 dated September 17, 2019 relating to information to SEBI by "informant", eligibility to claim Informant Reward and also the manner of determination of such reward and provisions relating thereto.

Audit Committee at its meeting held on July 8, 2020 have ensured compliance with the provisions of SEBI (Prohibition Of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year (effective from April 1, 2019) and verified that the systems for internal control are adequate and are operating effectively.

Mr. Yogesh Jaju, Chief Financial Officer is the Compliance Officer and 'Chief Relations Officer' under the Code. The trading window is closed during the time of declaration of financial results and occurrence of any material events as per the Code. The Compliance Officer / 'Audit Committee' is responsible to set forth the policies relating to and overseeing the implementation of the Code. The terms of reference, constitution, meetings and attendance of this Committee have been mentioned under 'Audit Committee'.

#### **OTHER SHAREHOLDERS RELATED INFORMATION:**

##### **Regulation 39(4) & Schedule VI of Listing Regulations wrt Unclaimed Shares**

- As per the Scheme of Arrangement (demerger) of 2001 between the Company and JBM Auto Limited (formerly known as JBM Auto Components Limited), the shareholders of the Company were required to surrender the original share certificates of the Company for exchange of new share certificates of both the

## Automotive Stampings and Assemblies Limited

Companies. The Company had pending share certificates of those shareholders who had not submitted their share certificates in terms of the scheme of arrangement for exchange and also of those shareholders in whose case new share certificates remained undelivered.

- In compliance with the amendment to Clause 5A of Listing Agreement, the Company has opened a demat account in the name of Automotive Stampings and Assemblies Limited - Unclaimed Securities Suspense Account for the purpose of transferring the unclaimed shares. As per the said circular, the shares which remained unclaimed even after three reminders, were dematerialized and transferred to the above said demat account in FY 2015-16.
- As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the above said shares, after proper verification, the shares lying in the Unclaimed suspense account shall either be credited to the demat account of the shareholder or the physical certificates shall be delivered after re-materialising the same, depending on what has been opted by the shareholder.
- **Disclosure with respect to shares lying in suspense account:**

Particulars	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2019	123	16638
Number of shareholders who approached the Company for transfer of shares from suspense account during the period*	-	-
Number of shareholders to whom the shares were transferred from the suspense account during the period*	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2020	123	16638

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

### Procedure for dematerialization of shares:

Shareholders seeking demat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificate to Registrar and Share Transfer Agent ("the Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same. Upon verification, the Registrar will request National Securities Depository Ltd. (NSDL)/Central Depository Services (India) Ltd. (CDSL) to confirm the demat request. The demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

### DIVIDEND INFORMATION

- The amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.
- The dividend for the financial year ended March 31, 2012 amounting to ₹ 77,187/- which remained unpaid or unclaimed over a period of seven years has been transferred by the Company to Investor Education and Protection Fund (IEPF) on September 7, 2019.
- Further in accordance with Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, amongst other matters, all shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority.

Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2012 and remained unpaid or unclaimed were transferred to the IEPF Demat Account. The Company has sent notices to all such members in this regard and thereafter transferred the shares to the IEPF during financial year 2019-20. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on website: [www.autostampings.com](http://www.autostampings.com)

- Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account as per the applicable provisions of Companies Act, 2013 and Rules made thereunder. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.
- In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends on the website of Investor Education and Protection Fund: [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company: [www.autostampings.com](http://www.autostampings.com).

While the Registrar and Share Transfer Agents of the Company has already written to the shareholders informing them about the due dates of transfer to IEPF for these payments, attention of the shareholders is again drawn to this matter through Annual Report.

During the financial Year 2019-20, 9,044 Shares were transferred to IEPF Account with CDSL.

## OTHER DISCLOSURES

a) **Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:**

Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

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 was no such instance in the last three years

c) **Details of compliance with the mandatory requirements and adoption of the non mandatory requirements:**

The Company has complied with all mandatory requirements laid down under Listing Regulations including compliance with Regulations\* 17, 17A, 18, 19, 20, 22, 23, 24A, 25, 26, 27 and clauses (b) to (i) of the sub-Regulation 2 of Regulation 46 and sub-para (2) to (10) as mentioned in Schedule V of Listing Regulations.

\* Regulation 21 and 24 are not applicable to the Company.

The Company has also complied with some of the non-mandatory requirements of the Listing Regulations specified as below:

◀ **Modified Opinion in Auditors Report:** The Company's financial statement for the Financial Year 2019-20 does not contain any modified audit opinion.

◀ **Separate posts of Chairman and Chief Executive Officer:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Chief Executive Officer.

## Automotive Stampings and Assemblies Limited

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

d) **Details of establishment of vigil mechanism, Whistle-blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

Please refer details mentioned at the beginning of this report.

e) **Policy on Determination of Materiality for Disclosure of Events or Information**

The Company in compliance with Listing Regulations has adopted a 'Policy on Determination of Materiality for Disclosure of Events or Information' at the meeting of Board of Directors held on January 25, 2016. The Company has revised the policy to align with Material events as per recent amendments in Schedule III of Listing Regulations. The same has been posted on the website of the Company: [www.autostampings.com](http://www.autostampings.com) as required under the Listing Regulations. The Policy encourages information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions (hereinafter referred to as "material information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

f) **Content Archiving Policy**

The Company in compliance with Listing Regulations has adopted a 'Content Archiving Policy' at the meeting of Board of Directors held on January 25, 2016. The policy has been posted on the website of the Company: [www.autostampings.com](http://www.autostampings.com) as required under the Listing Regulations. The Policy facilitates stakeholders to retrieve past information which is of a statutory nature for a period as disclosed in the Policy.

g) **Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company does not have any subsidiary and hence, no disclosure is required.

h) **Web link where policy on dealing with related party transactions is disclosed:**

The Board has revised its 'Policy on Related Party Transactions' effective from April 1, 2019 in line with recent amendments in SEBI Listing Regulations which has been uploaded on the Company's website: [www.autostampings.com](http://www.autostampings.com)

i) **Disclosure of commodity price risks and commodity hedging activities:**

Given as herein above.

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

During the period under review, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

k) A certificate from C.S. Kelkar & Associates, practicing Company Secretaries (attached and which forms integral part of this report) confirming 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 SEBI/Ministry of Corporate Affairs or any such statutory authority.

l) There was no such instance during FY 2019-20 when the Board had not accepted any recommendation of any committee of the Board.

- m) **Total fees for all services paid/payable by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part - given below:**

₹ In Lakhs

Sr. No.	Particulars	FY 2019-20
1	Statutory Audit and Limited Review	11.00
2	Other Services including reimbursement of expenses	2.12
	<b>Total</b>	<b>13.12</b>

Note : The above fees are exclusive of applicable tax.

- n) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

Number of complaints filed during the financial year 2019-20	Number of complaints disposed of during the financial year - 2019-20	Number of complaints pending as on end of the financial year 2019-20
Nil	Nil	Nil

- o) **Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V (c) of the Listing Regulations:** Nil
- p) **Extent to which the discretionary requirements specified in Part E of Schedule II of the Listing Regulations have been adopted:** Given in clause c) above.
- q) Disclosure of compliance with Corporate Governance requirements as specified in Listing Regulations are given in clause c) above. Necessary disclosures and explanations wrt observations of Secretarial and Statutory Auditors are given in the Board's Report.
- r) **Compliance with Accounting Standard:**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

## DECLARATION

I, Jitendraa Dikkshit, Chief Executive Officer of Automotive Stampings and Assemblies Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them for the year ended March 31, 2020.

Place: Pune  
Date: July 8, 2020

(Jitendraa Dikkshit)  
Chief Executive Officer

## Automotive Stampings and Assemblies Limited

**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]**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

To,  
The Members,  
**Automotive Stampings and Assemblies Limited**  
TACO House, Plot No- 20/B FPN085,  
V.G. Damle Path, Off Law College Road,  
Erandwane, Pune: 411004

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Automotive Stampings And Assemblies Limited ("the Company") having CIN: L28932PN1990PLC016314 and having registered office at TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
01	Mr. Pradeep Kumar Bhargava	00525234	18/10/2013
02	Mr. Shrikant Govind Sarpotdar	01800442	24/04/2019
03	Ms. Bhavna Bindra	07314422	15/07/2019
04	Mr. Arvind Hari Goel	02300813	21/01/2019
05	Mr. Deepak Rastogi	02317869	18/10/2013
06	Mr. Sanjay Keshav Sinha	08210898	26/10/2018
07	Mr. Bharatkumar Balvantraai Parekh	01521346	10/03/2017

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 these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For C S Kelkar & Associates**  
Company Secretaries

Sd/-

**C. S. Kelkar**

Partner

FCS No: 2784

CP No: 1891

UDIN: F002784B000270315

Date: May 22, 2020

Place: Pune



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

### **To the Members of Automotive Stampings and Assemblies Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 8 June, 2020.
2. The report contains details of compliance of conditions of Corporate Governance by Automotive Stampings and Assemblies Limited ("the Company"), for the year ended 31 March 2020, as per regulations 17, 18, 19, 20, 22, 23, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock exchanges.

### **Management's responsibility**

3. Compliance with the terms and conditions of the Listing Regulations relating to corporate governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.
4. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the Listing Regulations.

### **Auditor's responsibility**

5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2020.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special purposes'(Revised 2016) and Guidance Note on Certification of Corporate Governance', both issued by Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. 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 ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated by regulations 17, 18, 19, 20, 22, 23, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations pursuant to the Listing Agreement of the Company with Stock exchanges.



## Automotive Stampings and Assemblies Limited

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

### Restrictions on use

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

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 101248W/W-100022

Place: Pune  
Date: 8 July 2020

**Abhishek**  
Partner  
Membership Number:062343  
UDIN: 20062343AAAACG7170

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED

Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Automotive Stampings and Assemblies Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2020, and loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 opinion on the financial statements.

#### Material uncertainty related to going concern

We draw attention to note 4.4 to the financial statements, which indicates that the Company incurred a net loss of INR 1,701.37 Lakhs during the year ended 31 March 2020 and, as of that date, the Company's liabilities exceeded its total assets by INR 5,883.33 Lakhs. The fallout of the COVID-19 pandemic is likely to have severe repercussions on the Indian economy. Any valuation / forecasting assessments performed in this environment are exposed to a higher-than-usual degree of estimation uncertainty and judgement. These events or conditions, along with other matters as set forth in note 4.4, indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to note 47 to the financial statements which states that the comparative information presented in the Cash Flow Statement for the year ended 31 March 2019 has been restated by the management in accordance with Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors, for correction of classification of advance received in the year 2018-19 for sale of leasehold land and building amounting to INR 858.94 Lakhs.

## Automotive Stampings and Assemblies Limited

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matter described below to be the key audit matter to be communicated in our report.

Description of key audit matter	How the matter was addressed in our audit
<p><b>Impairment evaluation of Property, Plant and Equipment (“PPE”)</b></p> <p>(refer note 2.4 and 5 to the financial statements)</p> <p>Based on the guidance provided by Ind AS 36 ‘Impairment of assets’, the following indicators that PPE may be impaired have been identified:</p> <ul style="list-style-type: none"> <li>• As of 31 March 2020, the Company’s total liabilities exceeded its total assets by INR 5,883.33 lakhs.</li> <li>• The Company has been consistently reporting losses for the past 8 years. For the year ended 31 March 2020, the Company has reported a net loss before exceptional items and tax amounting to INR 3,789.37 lakhs.</li> <li>• The automobile sector is expected to face severe business and operational challenges in the near future due to the COVID-19 pandemic. This is likely to have an adverse impact on the economic performance and hence, recoverable amount of the PPE.</li> </ul> <p>Therefore, as required by Ind AS 36, the Company has estimated the recoverable amount of its PPE with the assistance of an external expert.</p> <p>The fallout of the COVID-19 pandemic is likely to have severe repercussions on the Indian economy. Any valuation / forecasting assessments performed in this environment are exposed to a higher-than-usual degree of estimation uncertainty and judgement.</p> <p>Accordingly, this is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>– Obtaining an understanding of the Company’s process and key controls over the impairment evaluation.</li> <li>– Assessing and testing the design and operating effectiveness of such controls.</li> <li>– Evaluating the Company’s process with respect to impairment assessment and fair valuation Assessed the competence, experience and objectivity of the expert engaged by the management.</li> <li>– Involving our valuation specialists to assess and challenge the appropriateness of the valuation model and the underlying assumptions.</li> <li>– Assessing and testing the sensitivity analysis performed by the Company and evaluating whether any possible changes in assumptions could lead to a significant change in the recoverable value.</li> </ul>

### Information Other than the Financial Statements and Auditors’ Report thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's and Board of Directors' Responsibility for the Financial Statements**

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.

## Automotive Stampings and Assemblies Limited

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (B) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 36 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors’ Report under section 197(16):

We draw attention to note 45 to the financial statements for the year ended 31 March 2020 according to which the managerial remuneration paid / accrued to the Chief Executive Officer of the Company (amounting to INR 29.17 Lakhs) exceeds the prescribed limits under section 197 read with Schedule V of the Companies Act, 2013 by INR 1.67 Lakhs. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Company proposes to obtain in the forthcoming Annual General Meeting.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Abhishek

Partner

Membership No.: 062343

UDIN : 20062343AAAACE5171

Place: Pune

Date: 8 July 2020

## Automotive Stampings and Assemblies Limited

### Annexure A to the Independent Auditors' Report on the financial statements of Automotive Stampings and Assemblies Limited for the year ended 31 March 2020

With reference to paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) The Company has regular program of physical verification of its fixed assets, by which all the fixed assets are verified once every year. In accordance with this program, all fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to size of the Company and the nature of its assets.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In our opinion and according to information and explanation given to us, and on the basis of our examination of records of the Company, the inventory except inventories goods-in-transit have been physically verified by management during the year. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts. In respect of stock lying with third parties at the year end, written confirmation from major parties have been obtained and in respect of goods-in-transit, subsequent goods receipt has been verified by the management. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("Act"). Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the Company has not granted any loans, made investments or provided any guarantees or securities to which provisions of section 185 and 186 of the Act apply. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits from the public in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules made there under.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 for the goods sold and services rendered by the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, except for provident fund dues referred to in

note 36(b) to the financial statements. As explained to us, the Company did not have any dues on account of Sales tax, Service tax, Duty of excise, Value added tax and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and Service Tax and other material statutory dues were in arrears as at 31 March 2020, for a period of more than six months from the date they became payable. We draw attention to note 36(b) to the financial statements which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgment dated 28 February 2019.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax and Goods and service tax which have not been deposited on account of any dispute except for the following:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs) (Gross Demand)	Amount (₹ in Lakhs) (Paid under Protest)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Duty	31.00	-	2007-2009	Custom, Excise and Service Tax Appellate Tribunal
	Duty	123.96	-	2008-2009	Custom, Excise and Service Tax Appellate Tribunal
	Penalty	83.82	69.83	2006-2011	Bombay High Court
	Duty	357.37	-	2002-2005	Custom, Excise and Service Tax Appellate Tribunal
Bombay Sales Tax Act, 1959	Sale Tax	2.92	-	2002-03	Joint Commissioner (Appeals)
Maharashtra Value Added Tax Act, 2002	Sale Tax	186.45	17.34	2013-14	Joint Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	30.08	-	2002-03	Commissioner of Income Tax (Appeals)
	Income Tax	7.65	-	2008-09	Commissioner of Income Tax (Appeals)
	Income Tax	10.69	-	2009-10	Commissioner of Income Tax (Appeals)
	Income Tax	17.78	-	2005-06	Commissioner of Income Tax (Appeals)
	Income Tax	6.94	-	2011-12	Commissioner of Income Tax (Appeals)



## Automotive Stampings and Assemblies Limited

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or banks or Government or due to debentures holders as at the balance sheet date.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or by way of term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanation given to us, managerial remuneration paid / accrued to the Chief Executive Officer of the Company (amounting to INR 29.17 Lakhs) exceeds the prescribed limits under section 197 read with Schedule V of the Companies Act, 2013 by INR 1.67 Lakhs. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Company proposes to obtain in the forthcoming Annual General Meeting. (Refer note 45 to the financial statements).
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the financial statements.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to register under section 45-IA of the Reserve Bank of India, 1934.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Abhishek

Partner

Membership No.: 062343

UDIN : 20062343AAAACE5171

Place: Pune

Date: 8 July 2020

## **Annexure B to the Independent Auditors' Report on the Financial Statements of Automotive Stampings and Assemblies Limited for the period ended 31 March 2020**

### **Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Automotive Stampings and Assemblies Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Emphasis of Matter**

We draw attention to note 47 to the financial statements which states that the comparative information presented in the Cash Flow Statement for the year ended 31 March 2019 has been restated by the management in accordance with Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors for correction of classification of advance received in the year 2018-19 for sale of leasehold land and building amounting to INR 858.94. Our opinion is not modified in respect of this matter.

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note

## **Automotive Stampings and Assemblies Limited**

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 Company's internal financial controls with reference to financial statements.

### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to 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 controls with reference to financial statements include 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 with reference to Financial Statements**

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

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Abhishek

Partner

Membership No.: 062343

UDIN : 20062343AAAACE5171

Place: Pune

Date: 8 July 2020

## Automotive Stampings and Assemblies Limited

### BALANCE SHEET

(All figures in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	9,543.40	10,459.29
Capital work-in-progress	5	377.83	362.72
Right of use Assets	37 (b)	325.27	-
Other intangible assets	5	43.75	5.19
Financial assets			
(i) Loans	6A	93.80	93.80
(ii) Other financial assets	6B	20.50	20.50
Deferred tax assets (net)	7	-	-
Income tax asset (net)	8	223.24	224.53
Other non-current assets	9	333.88	241.52
<b>Total non-current assets</b>		<b>10,961.67</b>	<b>11,407.55</b>
<b>Current assets</b>			
Inventories	10	3,137.18	5,264.68
Financial assets			
(i) Trade receivables	11	3,167.48	6,470.06
(ii) Cash and cash equivalents	12 (a)	40.98	57.75
(iii) Bank balances other than cash and cash equivalents	12 (b)	12.96	1.73
(iv) Other financial assets	13	435.13	62.96
Other current assets	14	776.03	802.12
		<b>7,569.76</b>	<b>12,659.30</b>
Assets classified as held for sale	15	-	241.41
<b>Total current assets</b>		<b>7,569.76</b>	<b>12,900.71</b>
<b>Total assets</b>		<b>18,531.43</b>	<b>24,308.26</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	1,586.44	1,586.44
Other equity	17	(7,469.77)	(5,741.51)
<b>Total equity</b>		<b>(5,883.33)</b>	<b>(4,155.07)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	18	2,650.00	2,775.00
(ii) Lease liabilities	37 (b)	109.12	-
Provisions	19	416.43	368.69
<b>Total non-current liabilities</b>		<b>3,175.55</b>	<b>3,143.69</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	20	11,669.60	10,778.21
(ii) Lease liabilities	37 (b)	101.99	-
(iii) Trade payables			
(a) total outstanding dues of micro and small enterprises;	40	47.80	128.21
(b) total outstanding dues of creditors other than micro and small enterprises.	21	6,992.06	8,970.53
(iv) Other financial liabilities	22	1,411.93	2,471.87
Provisions	23	249.42	60.94
Other current liabilities	24	766.41	2,909.88
<b>Total current liabilities</b>		<b>21,239.21</b>	<b>25,319.64</b>
<b>Total liabilities</b>		<b>24,414.76</b>	<b>28,463.33</b>
<b>Total equity and liabilities</b>		<b>18,531.43</b>	<b>24,308.26</b>

Summary of significant accounting policies

2-4

Accompanying notes to financial statements

5-48

The notes referred to above form integral part of financial statements

As per our report of even date.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W / W-100022

**Abhishek**

Partner

Membership No: 062343

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

**Automotive Stampings and Assemblies Limited**

CIN:L28932PN1990PLC016314

**Pradeep Bhargava**

Chairman

DIN: 00525234

**Deepak Rastogi**

Director

DIN: 02317869

**Yogesh Jaju**

Chief Financial Officer

**Jitendraa Dikkshit**

Chief Executive Officer

**Ashutosh Kulkarni**

Company Secretary

Place: Pune

Date: 8 July 2020

Place: Pune

Date: 8 July 2020

## STATEMENT OF PROFIT AND LOSS

(All figures in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
<b>Income</b>			
Revenue from operations	25	36,240.30	48,167.24
Other income	26	44.41	199.11
<b>Total income</b>		<b>36,284.71</b>	<b>48,366.35</b>
<b>Expenses</b>			
Cost of materials consumed	26 (a)	26,750.23	37,425.63
Changes in inventories of finished goods and work-in progress	26 (b)	1,163.16	(1,239.14)
Employee benefits expense	27	3,445.18	3,750.00
Finance costs	28	1,748.27	1,650.05
Depreciation and amortization expense	29	1,131.16	975.66
Other expenses	30	5,836.08	7,066.90
<b>Total expenses</b>		<b>40,074.08</b>	<b>49,629.10</b>
<b>Loss before exceptional item and tax</b>		<b>(3,789.37)</b>	<b>(1,262.75)</b>
Exceptional item - Gain on sale of leasehold land and building	15	2,100.00	-
<b>Loss before tax</b>		<b>(1,689.37)</b>	<b>(1,262.75)</b>
<b>Tax expense:</b>			
Current tax (relating to previous years)		12.00	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>12.00</b>	<b>-</b>
(Loss) for the year		<b>(1,701.37)</b>	<b>(1,262.75)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations - (loss)		(26.89)	(1.29)
Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other comprehensive loss for the year, net of tax</b>		<b>(26.89)</b>	<b>(1.29)</b>
<b>Total comprehensive loss for the year</b>		<b>(1,728.26)</b>	<b>(1,264.04)</b>
<b>Earnings per equity share of INR 10 each (in INR)</b>			
Basic	39	(10.72)	(7.96)
Diluted	39	(10.72)	(7.96)
Summary of significant accounting policies	2-4		
Accompanying notes to financial statements	5-48		

As per our report of even date.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W / W-100022

**Abhishek**

Partner

Membership No: 062343

Place: Pune

Date: 8 July 2020

**For and on behalf of the Board of Directors of  
Automotive Stampings and Assemblies Limited**  
CIN:L28932PN1990PLC016314

**Pradeep Bhargava**

Chairman

DIN: 00525234

**Yogesh Jaju**

Chief Financial Officer

Place: Pune

Date: 8 July 2020

**Deepak Rastogi**

Director

DIN: 02317869

**Jitendraa Dikkshit**

Chief Executive Officer

**Ashutosh Kulkarni**

Company Secretary

## Automotive Stampings and Assemblies Limited

### CASH FLOW STATEMENT

(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated) (Refer Note 47)
<b>A. Cash flow from operating activities</b>		
Loss before tax	(1,689.37)	(1,262.75)
<b>Adjustments for:</b>		
Depreciation and amortization expense	1,131.16	975.66
Gain on sale of leasehold land and building	(2,100.00)	-
Net gain on sale of property, plant and equipment	(36.45)	(44.75)
Mark to market loss / (gain) on derivative contracts	(8.75)	0.08
Interest income	-	(0.23)
Finance costs	1,748.27	1,650.05
	<b>(955.14)</b>	<b>1,318.06</b>
<b>Changes in operating assets and liabilities:</b>		
Decrease / (increase) in trade receivables	3,302.58	(3,316.91)
Decrease / (increase) in inventories	2,127.50	(2,389.71)
(Decrease) / increase in trade payables	(2,058.88)	1,786.36
Increase in loans and other non-current financial assets	-	(42.66)
Decrease in other current financial assets	(363.42)	(42.12)
Increase in other non-current assets	(87.36)	(74.53)
Decrease / (increase) in other current assets	26.09	(88.29)
Increase / (decrease) in non current provisions	20.85	(54.77)
Increase / (decrease) in current provisions	188.48	(17.17)
(Decrease) / increase in other current liabilities	(1,284.53)	470.94
(Decrease) / increase in other current financial liabilities	(97.09)	283.42
<b>Cash generated from / (used in) operations</b>	<b>819.08</b>	<b>(2,167.38)</b>
Income taxes paid (net of refund, if any)	(10.71)	21.00
<b>Net cash from / (used in) operating activities (A)</b>	<b>808.37</b>	<b>(2,146.38)</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant and equipment and capital work-in-progress	(587.46)	(1,500.76)
Proceeds from / advance received for sale of property, plant and equipment	1,708.87	915.65
Fixed deposit with banks having maturity over 12 months	(11.23)	1.02
<b>Net cash from / (used in) investing activities (B)</b>	<b>1,110.18</b>	<b>(584.09)</b>

## CASH FLOW STATEMENT (CONTD.)

(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated) (Refer Note 47)
<b>C. Cash flow from financing activities</b>		
Interest paid	(1,760.02)	(1,527.05)
Payment of lease liability	(114.48)	-
Repayment of long term borrowings	(951.44)	(1,350.00)
Unclaimed dividend paid	(0.77)	-
Proceeds from short term borrowings	17,653.42	18,010.00
Repayment of short term borrowings	(16,762.03)	(12,366.86)
<b>Net cash (used in) / from financing activities (C)</b>	<b>(1,935.32)</b>	<b>2,766.09</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(16.77)</b>	<b>35.62</b>
Cash and cash equivalents at the beginning of the year	57.75	22.13
<b>Cash and cash equivalents at the end of the year</b>	<b>40.98</b>	<b>57.75</b>
<b>Cash and cash equivalents as per above comprise of the following [refer note 12 (a)]</b>		
Cash on hand	0.29	0.62
Balances with banks	40.69	57.13
	<b>40.98</b>	<b>57.75</b>

Note : Figures in brackets represents outflow of cash and cash equivalent

Summary of significant accounting policies  
Accompanying notes to financial statements

2-4  
5-48

The notes referred to above form integral part of financial statements  
As per our report of even date.

As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W / W-100022

**Abhishek**  
Partner  
Membership No: 062343

**For and on behalf of the Board of Directors of  
Automotive Stampings and Assemblies Limited**  
CIN:L28932PN1990PLC016314

**Pradeep Bhargava**  
Chairman  
DIN: 00525234

**Deepak Rastogi**  
Director  
DIN: 02317869

**Yogesh Jaju**  
Chief Financial Officer

**Jitendraa Dikshit**  
Chief Executive Officer

**Ashutosh Kulkarni**  
Company Secretary

Place: Pune  
Date: 8 July 2020

Place: Pune  
Date: 8 July 2020



## Automotive Stampings and Assemblies Limited

### Statement of changes in equity

(All figures in INR Lakhs, unless otherwise stated)

A. Equity share	Amount
Balance as at April 1, 2018	1,586.44
Changes in equity share capital	-
<b>Balance as at March 31, 2019</b>	<b>1,586.44</b>
Balance as at April 1, 2019	1,586.44
Changes in equity share capital	-
<b>Balance as at March 31, 2020</b>	<b>1,586.44</b>

	Reserves and surplus				
	General reserve	Capital redemption reserve	Securities premium reserve	Retained earnings	Total
Balance as at April 1, 2018	444.15	300.00	4,237.25	(9,458.88)	(4,477.48)
Loss for the year	-	-	-	(1,262.75)	(1,262.75)
Other comprehensive loss (net of tax)	-	-	-	(1.29)	(1.29)
<b>Balance as at March 31, 2019</b>	<b>444.15</b>	<b>300.00</b>	<b>4,237.25</b>	<b>(10,722.92)</b>	<b>(5,741.52)</b>
Balance as at April 1, 2019	444.15	300.00	4,237.25	(10,722.92)	(5,741.52)
Loss for the year	-	-	-	(1,701.37)	(1,701.37)
Other comprehensive loss (net of tax)	-	-	-	(26.89)	(26.89)
<b>Balance as at March 31, 2020</b>	<b>444.15</b>	<b>300.00</b>	<b>4,237.25</b>	<b>(12,451.18)</b>	<b>(7,469.78)</b>

Summary of significant accounting policies 2-4  
 Accompanying notes to financial statements 5-48

The notes referred to above form integral part of financial statements  
 As per our report of even date.

As per our report of even date.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W / W-100022

**Abhishek**

Partner

Membership No: 062343

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

**Automotive Stampings and Assemblies Limited**

CIN:L28932PN1990PLC016314

**Pradeep Bhargava**

Chairman

DIN: 00525234

**Deepak Rastogi**

Director

DIN: 02317869

**Yogesh Jaju**

Chief Financial Officer

**Jitendraa Dikkshit**

Chief Executive Officer

**Ashutosh Kulkarni**

Company Secretary

Place: Pune

Date: 8 July 2020

Place: Pune

Date: 8 July 2020

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 1 : Company overview

Automotive Stampings and Assemblies Limited ('the Company') is engaged in the business of manufacturing sheet metal stampings, welded assemblies and modules for the automotive industry. The Company primarily operates in India. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company's Registered office is at - TACO House, PLOT No- 20/B FPN085, V. G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India.

### Note 2 : Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Except as described below, the accounting policies applied in these financial statements are the same as those applied in the financial statements as at and for the year ended 31 March 2019. The changes in accounting policies are also expected to be reflected in the financial statements as at and for the year ending March 31, 2020.

#### Changes in accounting policies

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately if they are different from those under Ind 116 and the impact of changes is disclosed in Note 3.

### 2.1 Basis of preparation of financial statements

#### (i) Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on July 8, 2020."

#### (ii) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following items:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- net defined benefit (asset)/ liability – present value defined benefit obligations less fair value of plan assets

#### (iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest Lakh except share data, unless otherwise indicated.

#### (iv) 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 realised or intended to be sold or consumed in normal operating cycle

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

- Held primarily for the purpose of trading
- Expected to be realised 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.

### **(v) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The Chief Financial Officer and persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of Ind AS. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### **(vi) Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is less than 12 months.

## **2.2 Revenue recognition**

The Company generates revenue principally from -

### **(i) Sale of products including scrap sales:**

The Company recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier appointed by the

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

customer. Invoices are generated, and revenue is recognised at that point in time. Invoices are usually payable within 30 – 90 days. Revenue excludes taxes collected from customers on behalf of the government.

For contracts that permit the customer to return an item, under Ind AS 115 revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. In such circumstances, a fund liability and a right to recover returned goods asset are recognised. The amount disclosed as revenue is net of Goods and Services Tax collected on behalf of third parties.

### (ii) Sale of tools:

Tooling contracts are the fixed price contracts to build a specific tool (asset). Under these contracts a performance obligation is satisfied when control of such assets underlying the particular performance obligation is transferred to the customer. Hence, revenue from tooling contracts is recognized when such tools are transferred to the customers since the customer receives and consumes the benefits at the end of the contract.

Generally, the Company receives short-term tooling advances from its customers which are utilised for providing advance to supplier of the tool. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of any significant financing component.

### (iii) Sale of services:

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognized net of goods and service tax as applicable.

### (iv) Other Income:

Interest Income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and dividend income from investments in shares is recognised when the owner's right to receive the payment is established.

## 2.3 Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevalent, at the date of initial recognition (in case measured at historical cost) or at the date when the fair value is determined (in case measured at fair value). Foreign exchange gain and losses resulting from the settlement of such transaction and from translation of monetary assets and liabilities denominated foreign currencies at year end exchange rates are recognized in profit and loss. Foreign exchange difference regarded as an adjustment to borrowing cost are presented in the statement of profit and loss, within finance costs. All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other income / other expenses.

## 2.4 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

historical cost less depreciation. Historical cost comprises of purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

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

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets which in certain cases may be different than the rate prescribed in Schedule II to the Companies Act, 2013, in order to reflect the actual usages of the assets.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Class of Asset	Useful life as prescribed in Schedule II of Companies Act, 2013 (in years)	Useful life followed by the Company (in year)
Factory Building	30	30
Office building	60	60
<b>Plant and machinery</b>		
- Press Machines	15 (on a single shift basis)	20
- Other plant and equipment	15 (on a single shift basis)	10 to 18
Tools, jigs and fixture	15 (on a single shift basis)	15
Furniture and fitting	10	10
Office equipment	5	5
Vehicles	8	4

- Improvements to leased premises are depreciated over the balance tenure of leasehold land.
- Leasehold land is amortized on a straight line basis over the period of the lease.

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized as income or expense in the statement of profit and loss.

### 2.5 Intangible asset

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets are amortized on a straight line basis over their estimated useful lives ranging from 3-5 years. The amortization period and

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

amortization method are reviewed as at each Balance sheet end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

### 2.6 Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less cost to sell. A gain is recognised for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of sale of the non-current asset is recognised at the date of de-recognition. Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

### 2.7 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### 2.8 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

### 2.9 Leases

#### A. Policy applicable from April 01, 2019 (refer note 37(b))

At inception of a contract, the Company assesses whether a contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after April 01, 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **B. For policy applicable before April 01, 2019**

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **2.10 Inventories**

Raw materials and stores, work-in-progress, finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**2.11 Employee benefits**

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans

(a) Defined benefit plans

*Gratuity obligations*

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

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(b) Defined contribution plans

A defined contribution plan is a post-employment benefit under which an entity pays a specific contribution to a separate entity and has no obligation to pay any further amounts. Retirement benefit in the form of provident fund and superannuation fund are a defined contribution



## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

schemes and the contributions are charged to the statement of profit and loss during the period in which the employee renders the related service. The Company has no obligation, other than the contribution payable to these funds. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) **Termination benefits**

Termination benefits in the nature of voluntary retirement benefits are recognized as an expense when as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **2.12 Financial instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss

(i) **Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) (FVTOCI / FVTPL), and
- those measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition.

(ii) **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss

Subsequent measurement of debt instruments depends on the Company's business models for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Company classifies its debt instruments:

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

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

**(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 (c) details how the Company determines whether there has been a significant increase in credit risk.

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.”

### **(iv) Derecognition**

A financial asset is derecognised only when

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

### **2.13 Offsetting financial instruments**

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

### **2.14 Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of profit and loss.

### 2.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 2.16 Trade receivables

These amounts represent receivable for goods and services provided by the Company prior to the end of financial year which are not received. Trade receivable are presented as current assets unless payment is not due within 12 months after the reporting period. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

### 2.17 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. Trade and other payables 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 the effective interest method.

### 2.18 Share capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.19 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

### **2.20 Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract Liabilities are disclosed in Note 27 as advances from customers.

### **2.21 Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **2.22 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions for restructuring are recognized by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.24 Government grants

Grant from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchases of Property, Plant and Equipment are included in non-current liability as deferred income and are credited to Profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

### 2.25 Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income / expenses .

### 2.26 Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 2.27 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### Note 3: Changes in accounting policies

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these financial statements. The Company applied Ind AS 116 with a date of initial application of 1 April 01, 2019, using the modified retrospective approach. As a result, the Company has changed its accounting policy for lease contracts as detailed below.

#### A. Definition of a lease

Previously, the Company determined at contract inception whether an arrangement is or contains a lease under Ind AS 17. Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 2.9(A). On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease. Therefore, the definition of a lease under Ind 116 was applied only to contracts entered into or changed on or after 1 April 2019.

#### B. As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to



## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Company decided to apply recognition exemptions to short-term leases [see Note 2.9]. For leases of other assets, which were classified as operating under Ind AS 17, the Company recognised right-of-use assets and lease liabilities.

### **(i) Leases classified as operating leases under Ind AS 17**

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Company used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- Applied a single discount rate to a portfolio of leases with similar characteristics
- Adjusted the right-of-use assets by the amount of Ind AS 37 onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

### **(ii) Leases previously classified as finance leases**

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset and the lease liability at the date of initial application of Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17. Accordingly, an amount of ₹139.42 lakhs has been reclassified from leasehold land to right-of-use assets.

## **C. Impacts on the financial statements**

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset and a lease liability of ₹ 428.56 lakhs. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at April 01, 2019. The incremental borrowing rate applied is 11% p.a. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

### **Note 4 : Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures.

These judgments, estimates and assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below. These Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

financial impact on the Company and that are believed to be reasonable under the circumstances.

### **Significant judgments**

#### **4.1 Revenue recognition - Sale of tools (Refer note 2.2)**

The tooling contracts entered by the Company with customers requires management's judgement in determining whether these contracts should be considered as sale of goods under Ind-AS 18 or as construction contracts under Ind AS 11. The revenue for sale of goods is recognized when substantially all the risks and rewards are transferred to the customer and other criteria for revenue recognition for sale of goods as specified in the accounting policies are met. Revenue for construction contracts is recognized on a percentage of completion method.

The Management has regarded these tooling contracts as a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are the fixed price contracts and measured and recognized as per the principles laid down under Ind AS 11. These principles require the recognition of revenue and expenses under "Percentage of Completion Method". Considering the Company's process of manufacturing these tooling contracts, the management has assessed that the contract costs to complete the contract and the stage of contract completion cannot be measured reliably except at the stage of completion of the tool. Owing to this, the revenue recognition in respect of these contracts is deferred till contract completion.

#### **4.2 Contingent liabilities**

The Company has received various orders and notices from tax and other judicial authorities in respect of direct taxes, indirect taxes and labour matters. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate. Management regularly analyzes current information about these matters and makes provisions for probable losses including the estimate of legal expense to resolve the matters. In their assessments management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss.

#### **4.3 Classification of leasehold land**

The Company has entered into lease agreement for land at one of its facilities. The lease period is of around 79-90 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee. Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

#### **4.4 Going concern assumptions**

The Company has incurred significant losses of INR 1,701.37 lakhs for the financial year ended March 31, 2020 and the Company's total liabilities exceeded its total assets by INR 5,883.33 lakhs as at March 31, 2020. The Company's management has carried out an assessment of the Company's financial performance and expects it to continue its operations and meet its liabilities as and when they fall due. Based on the followings considerations, the Management of the Company are of the opinion that the preparation of the financial statements of the Company on a going concern basis is appropriate;

1. Support letter from the Holding Company.
2. The Company has prepared a strategic plan for the next five years. It is now getting updated after giving the unexpected effect of COVID - 19 on its performance for the year 2020-21. The said plan takes into account reductions in costs through operational efficiency improvement initiatives and rationalization of existing operations, adding new businesses, increase in sales volumes from the existing and new customers, raising of finance from various sources etc. which will help in improving the Company's future financial performance.



## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

### **4.5 Determination of cash generating unit (CGU) for Impairment analysis**

As part of its impairment assessment for non-financial assets (i.e. property, plant and equipment), the management needs to identify Cash Generating Units i.e. lowest group of assets that generate cash flows which are independent of those from other assets. Considering the nature of its assets, operations and administrative structure, the management has defined all assets put together as a single Cash Generating Unit.

### **4.6 Segment reporting**

"Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

Operating segments are defined as 'Business Units' of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Company has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Company operates is India.

### **4.7 Impairment of Property, plant and equipment : Key assumptions used**

The management has assessed current and forecasted financial performance of the Company and the current market value of the assets to determine whether carrying value of property, plant and equipment has suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

### **4.8 Claims payables & receivable to customers**

"Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Company has made accruals in respect of unsettled prices for some of its other material purchase contracts, finished goods and scrap sales contracts. These accruals are made considering the past settlement arrangements with the vendors and customers respectively and the applicable metal prices from published sources. Actual results of these considerations may vary and the variations may be material.

Further, the management has assessed and believes that the timing of cash outflow pertaining to this accruals are uncertain and hence considered the same as payable on demand and classified under current liabilities.

### **4.9 Defined benefit plan**

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit 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

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

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, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 43.

### 4.10 Fair valuation 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 judgment is required in establishing fair values. Judgments 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.

### 4.11 Impairment of financial assets

The impairment provisions for financial assets disclosed under Note 32 are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### 4.12 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The World Health Organisation in February 2020 declared COVID 19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's manufacturing plants and offices also had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue from the month of March 2020 has been impacted. The Company is monitoring the situation closely taking into account directives from the Government.

Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including the assessment of recoverable values of its property, plant and equipment, right-of-use assets, investments in subsidiaries and joint ventures, financial assets and the net realizable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and in particular on the automotive and auto component industry and the Company's customers, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

### 4.13 Standard issued by not yet effective

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

#### Note 5 : Property, plant and equipment, capital work-in-progress and intangible assets

a. Reconciliation of carrying amounts

	Freehold land	Leasehold land [refer note c (ii) below]	Factory buildings	Office buildings	Plant and machinery	Tools, jigs & fixtures	Furniture and fixtures	Office equipment	Vehicles	Total	Intangible assets -Computer software
<b>Gross block</b>											
Balance as at April 1, 2018	30.46	199.80	3,774.26	123.13	8,984.11	25.08	26.42	54.78	4.42	13,222.46	43.36
Additions	-	38.94	-	-	1,238.16	-	0.68	15.12	-	1,292.90	-
Assets held for sale (refer note 15)	-	(60.38)	(257.65)	-	(11.96)	-	-	-	-	(318.03)	-
Disposals	-	-	-	-	-	-	-	-	-	(11.96)	-
<b>Balance as at March 31, 2019</b>	<b>30.46</b>	<b>139.42</b>	<b>3,555.55</b>	<b>123.13</b>	<b>10,210.31</b>	<b>25.08</b>	<b>27.10</b>	<b>69.90</b>	<b>4.42</b>	<b>14,185.37</b>	<b>43.36</b>
Balance as at April 1, 2019	30.46	139.42	3,555.55	123.13	10,210.31	25.08	27.10	69.90	4.42	14,185.37	43.36
Leasehold land transferred to Right of use assets	-	(139.42)	-	-	-	-	-	-	-	(139.42)	-
Additions	-	-	46.20	-	325.72	5.71	2.87	46.91	-	427.41	44.49
Disposals	-	-	-	-	(215.98)	-	(7.19)	(3.83)	-	(227.00)	-
<b>Balance as at March 31, 2020</b>	<b>30.46</b>	<b>-</b>	<b>3,601.75</b>	<b>123.13</b>	<b>10,320.05</b>	<b>30.79</b>	<b>22.78</b>	<b>112.98</b>	<b>4.42</b>	<b>14,246.37</b>	<b>87.85</b>
Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-
Balance as at April 1, 2018	-	9.24	548.59	6.42	2,207.04	6.53	13.41	36.69	3.54	2,831.46	33.76
Depreciation and amortization charge for the year	-	3.08	185.99	2.27	764.57	1.62	4.11	8.79	0.81	971.25	4.41
Assets held for sale (refer note 15)	-	(4.33)	(72.29)	-	-	-	-	-	-	(76.62)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>7.99</b>	<b>662.29</b>	<b>8.69</b>	<b>2,971.61</b>	<b>8.15</b>	<b>17.52</b>	<b>45.48</b>	<b>4.35</b>	<b>3,726.08</b>	<b>38.17</b>
Balance as at April 1, 2019	-	7.99	662.29	8.69	2,971.61	8.15	17.52	45.48	4.35	3,726.08	38.17
Leasehold land transferred to Right of use assets	-	(7.99)	-	-	-	-	-	-	-	(7.99)	-
Depreciation and amortization charge for the year	-	-	168.05	2.27	836.72	1.75	2.95	10.12	0.07	1,021.93	5.94
Disposals	-	-	-	-	(27.35)	-	(5.87)	(3.83)	-	(37.05)	-
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>830.34</b>	<b>10.96</b>	<b>3,780.99</b>	<b>9.90</b>	<b>14.59</b>	<b>51.77</b>	<b>4.42</b>	<b>4,702.97</b>	<b>44.11</b>
<b>Carrying amount (net)</b>											
Balance as at March 31, 2019	30.46	131.43	2,893.26	114.44	7,238.70	16.93	9.58	24.42	0.07	10,459.29	5.19
Balance as at March 31, 2020	30.46	-	2,771.41	112.17	6,539.06	20.89	8.19	61.21	-	9,543.40	43.75

#### b. Capital work-in-progress

Capital work-in-progress as at March 31, 2020 amounts to INR 377.83 Lakhs comprising majority of addition to factory building at Pantnagar plant and at Pune Plant for ongoing projects and capacity expansions, while that as at March 31, 2019 amounts to INR 362.72 Lakhs comprising majority of addition to plant & machinery and factory building at Chakan and Pantnagar plant for upcoming projects and capacity expansions.

#### c. Notes

- For property, plant and equipment pledged as securities refer note 44. For contractual commitments towards acquisition of property plant and equipment refer note 37 (a)
- There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 79-95 years and as per the lease agreement, the lease term for one of the leasehold facility can be renewed for a further period of 95 years subject to other terms and conditions and for other leasehold facility the renewal will be mutually decided at the time of completion of lease period.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 6A: Loans (non current)

	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Security deposits	93.80	93.80
<b>Total</b>	<b>93.80</b>	93.80

### Note 6B: Other financial assets (non current)

	As at March 31, 2020	As at March 31, 2019
Claims receivable	17.66	17.66
Margin money deposit (Under bank's lien)	2.84	<b>2.84</b>
<b>Total</b>	<b>20.50</b>	<b>20.50</b>

### Note 7: Deferred tax assets (net)

	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax asset</b>		
Unabsorbed depreciation	1,008.91	1,042.81
Provision for employee benefits	79.65	67.27
Provision for slow moving / obsolete inventories	14.03	37.83
MAT credit receivable	91.00	91.00
Less: Provision for doubtful MAT credit	(91.00)	(91.00)
Expenditure covered by section 43 B of Income Tax Act, 1961	134.82	101.44
Others	65.37	43.64
	1,302.77	1,292.99
<b>Deferred tax liability</b>		
Excess of depreciation/amortization on property, plant and equipment under Income Tax law over depreciation/amortization provided in the accounts	1,302.77	1,292.99
	1,302.77	1,292.99
<b>Total deferred tax assets (net)</b>	<b>-</b>	<b>-</b>

The Company has recognized the cumulative deferred tax assets on the basis of prudence, only to the extent of deferred tax liability.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Movement in deferred tax assets / (liabilities)

	Unabsorbed depreciation	Provision for employee benefits	Provision for slow moving / obsolescence inventory	Expenditure covered by section 43 B of Income Tax Act, 1961	Others	Depreciation
Balance as at March 31, 2018 (Charged)/ credited :	832.72	73.94	44.02	137.11	42.14	(1129.93)
- to profit or loss	210.09	(6.67)	(6.19)	(35.67)	1.50	(163.06)
- to other comprehensive income	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>1042.81</b>	<b>67.27</b>	<b>37.83</b>	<b>101.44</b>	<b>43.64</b>	<b>(1292.99)</b>
Balance as at April 1, 2019 (Charged)/ credited :	1042.81	67.27	37.83	101.44	43.64	(1292.99)
- to profit or loss	(33.90)	12.38	(23.80)	33.38	21.72	(9.79)
- to other comprehensive income	-	-	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>1008.91</b>	<b>79.65</b>	<b>14.03</b>	<b>134.82</b>	<b>65.37</b>	<b>(1302.77)</b>

### Note 8: Income tax asset (net)

	As at March 31, 2020	As at March 31, 2019
Opening balance	224.53	245.53
Less: Current tax payable pertaining to earlier years	(12.00)	-
Less: Refunds received during the year	(65.78)	(98.37)
Add: Taxes paid during the year	76.49	77.37
<b>Closing balance</b>	<b>223.24</b>	<b>224.53</b>

### Note 9: Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Capital advances	21.77	16.77
Balances with government authorities	211.21	36.21
Taxes paid under protest	218.18	244.26
Less: Provision for doubtful claims	(117.28)	(55.72)
	100.90	188.54
<b>Total</b>	<b>333.88</b>	<b>241.52</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 10: Inventories

	As at March 31, 2020	As at March 31, 2019
Raw materials	2,024.10	3,056.03
Finished goods (includes goods-in-transit of INR 51.42 Lakhs; March 31, 2019: INR 60.31 Lakhs)*	229.42	361.31
Work-in-progress	509.65	1,480.47
Stores and spares	312.31	244.72
Scrap	61.70	122.15
<b>Total</b>	<b>3,137.18</b>	<b>5,264.68</b>

- (i) Write-downs of inventories to net realizable value amounted to INR 5.95 Lakhs (March 31, 2019 INR 10.29 Lakhs). These were recognized as an expense during the year and included in 'changes in value of inventories of finished goods and work-in-progress' in the statement of profit and loss.
- (ii) Inventories have been offered as securities against the working capital facilities provided by the banks. Refer note 44.

### Note 11: Trade receivables

	As at March 31, 2020	As at March 31, 2019
Trade receivables	1,663.28	2,636.61
Receivables from related parties (refer note 35)	1,596.43	3,918.06
Less: Loss allowance	(92.23)	(84.61)
<b>Total</b>	<b>3,167.48</b>	<b>6,470.06</b>

### Break-up of security details

	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	3167.48	6,470.06
Trade receivables which have significant increase in credit risk	92.23	84.61
Trade receivables - credit impaired	-	-
<b>Total</b>	<b>3,259.71</b>	<b>6,554.67</b>
Less: Impairment loss allowance	(92.23)	(84.61)
<b>Total trade receivables</b>	<b>3,167.48</b>	<b>6,470.06</b>

- (i) The Company's exposure to credit and loss allowances related to trade receivables are disclosed in note 32.
- (ii) Trade receivables have been offered as securities against the working capital facilities provided by the banks. Refer note 44.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 12 (a): Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Bank balances		
- in current accounts	40.69	57.13
Cash on hand	0.29	0.62
<b>Total</b>	<b>40.98</b>	<b>57.75</b>

### Note 12 (b): Bank balances other than cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Bank balances		
- Margin money deposits (restricted)	12.96	0.96
- Balance with bank in unpaid dividend accounts (restricted)	-	0.77
<b>Total</b>	<b>12.96</b>	<b>1.73</b>

### Note 13: Other financial assets (current)

	As at March 31, 2020	As at March 31, 2019
Claims receivable from vendor	409.88	-
Foreign currency derivative contracts	8.75	-
Other receivable	16.50	62.96
<b>Total</b>	<b>435.13</b>	<b>62.96</b>

### Note 14: Other current assets

	As at March 31, 2020	As at March 31, 2019
Advances to suppliers	511.42	344.14
Balances with government authorities	179.81	380.14
Prepayments	70.02	77.84
Advance to employees	14.78	-
<b>Total</b>	<b>776.03</b>	<b>802.12</b>

### Note 15: Assets classified as held for sale

	As at March 31, 2020	As at March 31, 2019
Leasehold land	-	56.05
Factory buildings	-	185.36
<b>Total*</b>	<b>-</b>	<b>241.41</b>

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

\*On 15 January 2019, consent of the Board of Directors was obtained for transfer of leasehold rights of Bhosari MIDC land along with factory building. For the financial year 2018-19, the carrying value of said assets was presented as "Assets classified as held for sale" in current assets and advance consideration received from buyers is presented under "Other current liabilities". The transaction has been completed in the current financial year ended 31 March 2020 resulting in gain of INR 2,100 Lakhs as disclosed under exceptional item in the statement of profit and loss.

**Note 16: Equity share capital**

	As at March 31, 2020	As at March 31, 2019
Authorized 20,000,000 (March 31, 2019 : 20,000,000) equity shares of INR 10 each	2,000.00	2,000.00
16,000,000 (March 31, 2019:16,000,000 ) preference shares of INR 10 each	1,600.00	1,600.00
<b>Total</b>	<b>3,600.00</b>	<b>3,600.00</b>
<b>Issued, subscribed and fully paid-up share capital</b> 15,864,397 equity shares of INR 10 each. (31 March 2019: 15,864,397 equity shares of INR 10 each)	1,586.44	1,586.44

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b> At the commencement and at the end of the year	15,864,397	1,586.44	15,864,397	1,586.44

**(b) Shares held by Holding Company**

	As at March 31, 2020	As at March 31, 2019
11,898,296 equity shares (March 31, 2019 : 11,898,296 equity shares) held by Tata AutoComp Systems Limited, the Holding Company	1,189.83	1,189.83

**(c) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	31 March 2020		31 March 2019	
	Number of shares held as on March 31, 2020	% holding	Number of shares held as on March 31, 2019	% holding
Tata AutoComp Systems Limited	11,898,296	75.00%	11,898,296	75.00%



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### (d) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a face value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Note 17: Other equity

	As at March 31, 2020	As at March 31, 2019
<b>Capital redemption reserve</b>		
At the commencement and at the end of the year	300.00	300.00
<b>Securities premium reserve</b>		
At the commencement and at the end of the year	4,237.26	4,237.26
<b>General reserve</b>		
At the commencement and at the end of the year	444.15	444.15
<b>Retained earning</b>		
At the commencement of the year	(10,722.92)	(9,458.88)
(Loss) for the year	(1,701.37)	(1,262.75)
Remeasurements of post-employment benefit obligations during the period (net of tax)	(26.89)	(1.29)
At the end of the year	(12,451.18)	(10,722.92)
<b>Total</b>	<b>(7,469.77)</b>	<b>(5,741.51)</b>

### Nature and purpose of other reserves

#### *Capital redemption reserve*

The Capital redemption has been created out of the profit of earlier years at the time of redemption of the preference shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013

#### *Securities premium Reserve*

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

#### *General reserve*

The general reserves are the retained earnings of a Company which are kept aside out of Company's profits to meet future (known or unknown) obligations. The general reserve is a free reserves which can be utilized for any purpose after fulfilling certain conditions.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 18: Borrowings (non - current)**

	As at March 31, 2020	As at March 31, 2019
<b>Term Loan</b>		
<b>Secured</b>		
From banks	206.45	734.94
From related party	-	434.41
<b>Unsecured</b>		
From Holding Company (refer note 35)		
Long term loan	1,350.00	1,350.00
Inter Corporate Deposit (ICD)	1,300.00	1,300.00
	2,856.42	3,819.35
Less: Current maturities of long-term borrowings	(204.87)	(1,031.28)
Less: Interest accrued	(1.58)	(13.07)
<b>Total</b>	<b>2,650.00</b>	<b>2,775.00</b>

The Company's exposure to interest rate and liquidity risks related to borrowings is disclosed in note 32.

**1. Details of repayment of term loans**

Lender and nature of facility	Amount outstanding as at March 31, 2020	Amount outstanding as at March 31, 2019	Terms of repayment/ Maturity detail
State Bank of India- Term loan	206.45	380.99	Phased repayment with quarterly installments ending in September 2020.
State Bank of India- Term loan	-	353.95	Repaid in quarterly installment by December 2019.
Tata Capital Financial Services Limited - Term loan	-	434.41	Repaid in quarterly installment by December 2019.
Tata AutoComp Systems Limited, Holding Company - Term loan	900.00	900.00	Repayment with scheduled installment in March 2022 (Rescheduled).
Tata AutoComp Systems Limited, Holding Company - Term loan	450.00	450.00	Repayment with scheduled installment in March 2022 (Rescheduled).
Tata AutoComp Systems Limited, Holding Company - ICD	1,300.00	1,300.00	Repayment with scheduled installment in March 2022 (Rescheduled).
Less: Current maturities of long-term borrowings	(204.87)	(1,031.28)	
Less: Interest accrued	(1.58)	(13.07)	
	<b>2,650.00</b>	<b>2,775.00</b>	

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

#### Note 18: Borrowings (non - current) (continued)

##### Details of repayment of term loans (continued)

2. (a) Term loan of INR NIL (March 31, 2019 INR 434.41 Lakhs) from Tata Capital Financial Services Limited was secured by first and exclusive hypothecation of plant and machinery of Pantnagar plant of the Company.
- (b) Term Loan of INR 206.42 Lakhs (March 31, 2019 INR 380.99 Lakhs) from State Bank of India is secured by exclusive first charge by way of hypothecation of specific press machinery at Halol Plant.
- (c) Term Loan of INR NIL Lakhs (March 31, 2019 INR 353.95 Lakhs) from State Bank of India which was secured by first charge on plant and machinery at Chakan and Halol plant (except machinery already hypothecated to SBI for Term loan in (b) above and first charge on plant and machinery to be acquired at Chakan plant out of term loan.
3. Interest rates on the above loans range between 10.25% p.a. to 16.60% p.a.

#### Note 19: Provisions (non-current)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Compensated absences	163.18	149.45
Gratuity (refer note 43)	251.86	215.61
Provision for warranty (refer note 38)	1.39	3.63
<b>Total</b>	<b>416.43</b>	<b>368.69</b>

#### Note 20: - Borrowings (current)

	As at March 31, 2020	As at March 31, 2019
<b>Secured</b>		
Loans from banks repayable on demand	2,035.20	4,390.34
Loan from related party repayable on demand (refer note 35)	4,480.57	3,825.51
<b>Unsecured</b>		
Loan from Holding Company repayable on demand (refer note 35)	4,200.00	2,600.00
Loan from related party repayable on demand (refer note 35)	1,000.00	-
	11,677.39	10,815.85
Less: Interest accrued	(46.17)	(37.64)
<b>Total</b>	<b>11,669.60</b>	<b>10,778.21</b>

Notes:

1. Loans from banks repayable are secured by hypothecation of current assets and second charge on the movable and immovable properties of Chakan plant of the Company.
2. Loan from related party is secured by first and exclusive hypothecation of plant and machinery and first charge on leasehold land and building of Pantnagar plant of the Company.
3. Interest rates on the above loans range between 8.75% p.a. to 11.00% p.a.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 21: Trade payables

	As at March 31, 2020	As at March 31, 2019
(a) Total outstanding dues of micro and small enterprises	47.80	128.21
(b) Total outstanding dues of creditors other than micro and small enterprises		
- Acceptances	333.15	-
- Other than related parties	5,778.37	8,636.13
- To related parties	880.54	334.40
<b>Total</b>	<b>7,039.86</b>	<b>9,098.74</b>

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 32

### Note 22: Other financial liabilities (current)

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term borrowings	204.87	1,031.28
Creditors for capital goods	53.87	149.33
Claims payable to customers	601.33	586.09
Unclaimed dividend	-	0.77
Accrued employee liabilities	303.11	301.87
Interest accrued	140.69	180.90
Security deposit from customers	108.06	221.55
Foreign currency derivative contracts	-	0.08
<b>Total</b>	<b>1,411.93</b>	<b>2,471.87</b>

The Company's exposure to currency and liquidity risks related to financial liabilities is disclosed in note 32

### Note 23: Provisions (current)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Compensated absences	54.97	53.70
Gratuity (refer note 43)	3.44	-
Provision for warranty (refer note 38)	7.26	7.24
Provisions for tax contingencies	183.75	-
<b>Total</b>	<b>249.42</b>	<b>60.94</b>

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

#### Note 24: Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Advance from customers	612.86	1,532.12
Deferred grant (INR 3 Lakhs each year released to statement of profit and loss from year end March 31, 2017)	18.00	21.00
Other payables		
Statutory dues	131.46	493.84
Others	4.09	3.98
Consideration received in advance for sale of property, plant and equipment	-	858.94
<b>Total</b>	<b>766.41</b>	<b>2,909.88</b>

#### Note 25: Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products (refer footnote below)	35,937.36	48,049.39
Sale of services	287.06	78.14
Other operating revenues	15.88	39.71
<b>Total</b>	<b>36,240.30</b>	<b>48,167.24</b>

#### a) Contracts with customer

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue recognised from contracts with customers	36,240.30	48,167.24
Disaggregation of revenue		
Based on type of goods		
- Components, assemblies and sub-assemblies	29,751.94	36,936.53
- Tools, dies and moulds	1,962.94	4,603.34
- Scrap	4,525.42	6,627.37
Based on market		
- Original equipment manufacturers	31,714.88	41,539.87
- Others	4,525.42	6,627.37
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers	-	-

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### b) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers:

	Year ended March 31, 2020	Year ended March 31, 2019
Trade receivables	3,167.48	6,470.06
Contract liabilities	1,214.19	2,118.21

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended are as follows:

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Contract liabilities at the beginning of the year</b>	2,118.21	1,609.23
Revenue recognised that was included in the contract liability balance at the beginning of the year	1,532.12	600.57
Increase due to cash received, excluding amounts recognised as revenue during the year	628.10	1,109.55
<b>Contract liabilities at the end of the year</b>	<b>1,214.19</b>	<b>2,118.21</b>

### c) Performance obligations

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

### d) Transaction price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.

### e) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

### f) Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

### g) Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 26: Other income

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on deposit with bank	-	0.23
Net gain on sale of property, plant and equipment	36.45	44.75
Net foreign exchange gain	-	18.81
Other non-operating income	7.96	135.32
<b>Total</b>	<b>44.41</b>	<b>199.11</b>

### Note 26 (a): Cost of materials consumed

	Year ended March 31, 2020	Year ended March 31, 2019
Inventory of raw materials at the beginning of the year	3,056.03	1,965.76
Add: Purchases	25,718.30	38,515.90
Less: Inventory of raw material at the end of the year	2,024.10	3,056.03
<b>Total</b>	<b>26,750.23</b>	<b>37,425.63</b>

### Note 26 (b): Changes in inventories of finished goods and work-in progress

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Opening stock</b>		
Work-in-progress	1,480.47	519.75
Finished goods	361.31	175.56
Scrap	122.15	29.48
	1,963.93	724.79
<b>Closing stock</b>		
Work-in-progress	509.65	1,480.47
Finished goods	229.42	361.31
Scrap	61.70	122.15
	800.77	1,963.93
<b>Total</b>	<b>1,163.16</b>	<b>(1,239.14)</b>

### Note 27: Employee benefits expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	2,861.89	3,053.82
Contributions to provident fund and other fund	281.52	272.93
Staff welfare expenses	301.77	423.25
<b>Total</b>	<b>3,445.18</b>	<b>3,750.00</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 28: Finance costs

	Year ended March 31, 2020	Year ended March 31, 2019
Interest on loan at amortised cost	1,748.27	1,650.05
<b>Total</b>	<b>1,748.27</b>	<b>1,650.05</b>

### Note 29: Depreciation and amortization expense

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment	1,021.93	971.25
Amortization on other intangible assets	5.94	4.41
Amortization of right of use assets	103.29	-
<b>Total</b>	<b>1,131.16</b>	<b>975.66</b>

### Note 30: Other expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of consumables, stores and spare parts	357.21	666.37
Contract labour charges	1,672.68	1,653.16
Power and fuel	774.35	1,114.08
Rent and service charges	150.84	149.81
Repairs and maintenance		
Buildings	57.96	94.46
Machinery	363.73	716.86
Others	50.85	114.21
Insurance	101.22	75.44
Rates and taxes	327.51	102.41
Communication expenses	6.73	9.38
Travelling and conveyance	56.29	49.82
Freight and forwarding	620.78	671.18
Consumption of packing material	67.30	27.87
Legal and professional fees (refer note 30(a))	121.35	384.61
Provision for doubtful trade receivables	7.62	3.97
Net loss on foreign currency transaction	0.70	-
Processing charges	572.43	899.82
Security expenses	188.03	130.59
Miscellaneous expenses	338.50	202.86
<b>Total</b>	<b>5,836.08</b>	<b>7,066.90</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 30 : a) Legal and professional fees includes following payment to auditors

	Year ended March 31, 2020	Year ended March 31, 2019
As Auditor		
Statutory audit	8.00	8.00
Tax audit	1.00	1.00
Limited review of quarterly results	3.00	3.00
Reimbursement of expenses and certification fees	1.12	1.57
<b>Total</b>	<b>13.12</b>	<b>13.57</b>

### Note 31 : Fair Value Measurement

#### Financial Instrument by category:

As at March 31, 2020

	Amortized cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial assets:</b>			
<b>Non Current</b>			
Loans	93.80	-	93.80
Other financial asset	20.50	-	20.50
<b>Current</b>			
Trade receivables	3,167.48	-	3,167.48
Cash and cash equivalents	40.98	-	40.98
Bank balances other than cash and cash equivalents	12.96	-	12.96
Other financial asset	426.38	8.75	435.13
<b>Financial liabilities:</b>			
<b>Non Current</b>			
Borrowings	2,650.00	-	2,650.00
Lease liabilities	109.12	-	109.12
<b>Current</b>			
Borrowings	11,669.60	-	11,669.60
Lease liabilities	101.99	-	101.99
Tarde payable	7,039.86	-	7,039.86
Other financial liabilities	1,411.93	-	1,411.93

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 31 : Fair Value Measurement (Contd.)**

**Financial Instrument by category:**

As at March 31, 2019

	Amortized cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial assets:</b>			
<b>Non Current</b>			
Loans	93.80	-	93.80
Other financial asset	20.50	-	20.50
<b>Current</b>			
Trade receivables	6,470.06	-	6,470.06
Cash and cash equivalents	57.75	-	57.75
Bank balances other than cash and cash equivalents	1.73	-	1.73
Other financial assets	62.96	-	62.96
<b>Financial liabilities:</b>			
<b>Non Current</b>			
Borrowings	2,775.00	-	2,775.00
<b>Current</b>			
Borrowings	10,778.21	-	10,778.21
Trade payable	9,098.74	-	9,098.74
Other financial liabilities	2,471.79	0.08	2,471.87

**Fair value hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 31 : Fair Value Measurement (continued)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020:

	As at March 31, 2020	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Asset</b>				
Derivative financial instruments - foreign currency forward	8.75	-	8.75	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019:

	As at March 31, 2019	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
<b>Liability</b>				
Derivative financial instruments - foreign currency forward	0.08	-	0.08	-

The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

The Company has availed long term borrowings from banks, financial institutions and holding company carrying interest in the range of 10.25% to 10.50%. The Company has determined the fair value of these loans based on discounted cash flows using a current borrowing rate. The carrying values approximates their respective fair values. Similarly the fair value of non-current financial assets also approximates its carrying value.

#### Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- Fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date
- Fair value of the remaining financial instruments is determined using discounted cash flow analysis.

#### Valuation processes

For valuation of financial assets and liabilities, the finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team on regular basis.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 32 : Financial risk management**

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, the Company has a risk management policy which covers risks associated with the financial assets and liabilities such as credit risks, liquidity risk etc. The risk management policy is approved by the board of directors. The risk management framework aims to achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

**(A)Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this.

*Maturities of financial liabilities*

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>Contractual maturities of financial liabilities</b>	<b>Upto 1 Year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 years and above</b>	<b>Total</b>
<b>March 31 , 2020</b>				
<b>Non-derivatives</b>				
Borrowings	11,669.60	2,650.00	-	14,319.60
Lease liabilities	101.99	109.12	-	211.11
Trade payables	7,039.86	-	-	7,039.86
Other financial liabilities	1,411.93	-	-	1,411.93
<b>Total non-derivative liabilities</b>	<b>20,223.38</b>	<b>2,759.12</b>	<b>-</b>	<b>22,982.50</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

Contractual maturities of financial liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
<b>March 31 , 2019</b>				
<b>Non-derivatives</b>			-	
Borrowings	10,778.21	2,775.00	-	13,553.21
Trade payables	9,098.74	-	-	9,098.74
Other financial liabilities	2,471.87	-	-	2,471.87
<b>Total non-derivative liabilities</b>	<b>22,348.82</b>	<b>2,775.00</b>	<b>-</b>	<b>25,123.82</b>

### (B) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### (a) Interest rate risk

The Company has fixed rate borrowing and variable rate borrowings. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the borrowings (long term and short term (excluding factored receivables)) to interest rate changes at the end of the reporting period are as follows:-

	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	6,674.44	9,334.49
Fixed rate borrowings	7,850.00	5,250.00
<b>Total</b>	<b>14,524.44</b>	<b>14,584.49</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding's

	As at March 31, 2020			As at March 31, 2019		
	Weighted average interest rate	Outstanding balance	% of total loans	Weighted average interest rate	Outstanding balance	% of total loans
Bank loan	10.62%	6,674.44	45.95%	10.97%	9,334.49	64.00%

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

*Sensitivity*

Loss is sensitive to change in interest expenses from borrowings as a result of change in interest rates

Change in interest rate	Impact on profit after tax	
	As at March 31, 2020	As at March 31, 2019
Increases in rates by - 0.50%	33.37	81.57
Decreases in rates by - 0.50%	(33.37)	(81.57)

**(b) Foreign currency risk**

The Company's imports includes raw materials and capital goods. As a result of this the Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company's risk management policy is to hedge around 50% to 70% of forecasted foreign currency transactions for the subsequent 6 months. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	As at March 31, 2020		As at March 31, 2019	
	USD	EUR	USD	EUR
<b>Financial liabilities</b>				
Trade payables	59.38	1.85	99.94	17.26
Foreign currency borrowings including interest	206.42	-	-	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>265.80</b>	<b>1.85</b>	<b>99.94</b>	<b>17.26</b>
Foreign exchange forward contracts against above payables	249.65	-	75.52	-
Fair Value Gain / (Loss)	8.75	-	(0.08)	-

*Sensitivity*

The sensitivity for above net exposure to foreign currency for all liabilities does not have a material impact to profit and loss.

**(C) Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness. For the Company, credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### *Credit risk management*

For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

### *Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit exposure.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2020, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortized cost other than trade receivables. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

Trade receivables	As at March 31, 2020			As at March 31, 2019		
	Gross	Allowance	Net	Gross	Allowance	Net
Period (in months)						
Not due	792.90	-	792.90	4,878.37	-	4,878.37
Overdue up to 3 months	1,594.60	-	1,594.60	1,412.42	-	1,412.42
Overdue 3-6 months	174.04	-	174.04	107.92	-	107.92
Overdue more than 6 months	698.17	92.23	605.94	155.96	84.61	71.35
<b>Total</b>	<b>3,259.72</b>	<b>92.23</b>	<b>3,167.48</b>	<b>6,554.67</b>	<b>84.61</b>	<b>6,470.06</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

The following table summarizes the change in loss allowance measured using lifetime expected credit loss model

<b>Loss allowance on March 31, 2018</b>	<b>80.64</b>
Changes in loss allowance	3.97
<b>Loss allowance on March 31, 2019</b>	<b>84.61</b>
Changes in loss allowance	7.62
<b>Loss allowance on March 31, 2020</b>	<b>92.23</b>

### Note 33 : Capital Management

#### (a) Risk management

The Company's objectives when managing capital are to:-

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans, long-term product and maintaining other strategic investment plans. The funding requirements are met through equity, long term borrowings and short-term borrowings. The Company's policy is aimed at maintaining optimum combination of short-term and long-term borrowings. The Company manages its capital structure and make adjustments considering the economic environment, the maturity profile of the overall debt of the company and the requirement of the financial covenants.

Total debt includes all long term debts as disclosed in note 18 to the financial statements.

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Total long term debt	2,650.00	2,775.00
Total equity	(5,883.33)	(4,155.07)
<b>Total capital</b>	<b>(3,233.33)</b>	<b>(1,380.07)</b>

#### Loan Covenants

With respect to borrowing availed by the Company from Tata Capital Financial Services Limited, the Company is required to comply with following financial covenants:

- Total outside liabilities as a percentage of total net worth should not exceed 10.40 times.
- Total long term debt as a percentage of total tangible net worth should not exceed 3 times.

As at March 31, 2019, the Company has breached the above covenants, which has been waived by Tata Capital Financial Services Limited.



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 34 : Segment information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The Company is engaged mainly in the business of manufacturing and trading of automobile components, design and engineering services. Based on the “management approach” as defined in Ind AS 108, the ‘Chief Operating Decision Maker’ (CODM) considers entire business as single operating segment. The Company’s operating divisions are managed from India. The principal geographical areas in which the Company operates are India. Revenue from customer for each of the major products is as follows:-

	Year ended March 31, 2020	Year ended March 31, 2019
- Components, assemblies and sub-assemblies	29,751.94	36,936.53
- Tools, dies and moulds	1,962.94	4,603.34
- Scrap	4,525.42	6,627.37
<b>Total</b>	<b>36,240.30</b>	<b>48,167.24</b>

Revenue from major customer of the Company’s single reportable segment is INR 17,744.52 Lakhs (March, 31 2019 INR 31,155.52 Lakhs) which are more than 10% of the Company’s total revenue.

### Note 35 : Related party transactions

#### a) Related parties and their relationship

##### Ultimate Holding Company

Tata Sons Private Limited

##### Holding Company

Tata AutoComp Systems Limited

##### Fellow subsidiaries (with whom transactions have taken place during the financial year)

- i) Tata Capital Financial Services Limited
- ii) Tata AIG General Insurance Company Limited

##### Other related parties (Group Companies)

- i) Tata Motors Limited
- ii) Fiat India Automobiles Private Limited
- iii) Tata Advanced Systems Limited (formerly TAL Manufacturing Solutions Limited)
- iv) Tata Technologies Limited
- v) Tata Steel Limited
- vi) Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)
- vii) Tata Teleservices (Maharashtra) Limited

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- viii) Tata Teleservices Limited
- ix) Tata Communications Limited
- x) Tata Ficos Automotive Systems Private Limited
- xi) Tata Toyo Radiator Limited
- xii) Tata Autocomp Hendrickson Suspensions Private Limited
- xiii) Voltas Limited
- xiv) Tata Steel BSL Limited

### Key management personnel and directors

- i) Mr. Neeraj Shrivastava, CEO (Manager) (till May 03, 2019)
- ii) Mr. Jitendraa Dikkshit, CEO (Manager) (with effect from October 17, 2019)
- iii) Mr. Pradeep Bhargava, Director
- iv) Ms. Rati Forbes, Director (till July 18, 2019)
- v) Mr. Shrikant Sarpotdar Director (appointed wef April 24, 2019)
- vi) Ms. Bhavna Bindra Director (appointed wef July 15, 2019)
- vii) Mr. Arvind Goel, Director
- viii) Mr. Deepak Rastogi, Director
- ix) Mr. Sanjay Sinha, Director
- x) Mr. Bharat Parekh, Director

### (b) Transactions with related parties

	Transaction value		Closing balance	
	Year ended March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>Sale of goods</b>				
- Tata Motors Limited	17,744.52	24,385.85	1,864.70	2,768.32
- Fiat India Automobiles Private Limited	5,563.14	6,831.62	814.95	1,123.00
- Other Group Companies	354.58	25.86	19.74	-
<b>Purchase of goods</b>				
- Tata Motors Limited	265.51	699.42	(195.91)	150.25
- Tata Steel Limited	30.10	71.15	(6.31)	4.57
- Tata Steel Downstream Products Limited	5,186.83	4,810.36	623.30	(185.04)
- Other Group Companies	144.44	7.74	(5.98)	(2.91)
<b>Purchase of Fixed Asset</b>				
- Tata AutoComp Systems Limited	20.82	-	32.57	-
- Other Group Companies	50.89	-	-	-
<b>Sale of service</b>				
- Tata Motors Limited	89.84	58.09	-	-
- Fiat India Automobiles Private Limited	12.33	-	-	-

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

	Transaction value		Closing balance	
	Year ended March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>Purchase of service</b>				
- Tata AutoComp Systems Limited	8.10	99.19	7.46	(100.82)
- Fellow Subsidiaries	42.47	71.91	-	5.84
- Other Group Companies	0.38	8.23	(20.57)	(3.18)
<b>Sale of fixed asset</b>				
-Tata Motors Limited	1.61	-	-	-
<b>Recovery of expenses</b>				
- Tata AutoComp Systems Limited	17.65	7.95	13.09	-
- Other Group Companies	1.83	-	-	-
<b>Reimbursement of expenses</b>				
- Tata AutoComp Systems Limited	133.76	43.16	243.60	(41.91)
<b>Loan availed</b>				
- Tata AutoComp Systems Limited	1,600.00	850.00	5,550.00	3,950.00
- Tata AutoComp Systems Limited - ICD	-	-	1,300.00	1,300.00
- Tata Capital Financial Services Limited	15,053.43	17,160.00	4,442.19	4,224.41
- Other Group Companies	1,000.00	-	1,000.00	-
<b>Loan repaid</b>				
- Tata Capital Financial Services Limited	(14,833.10)	(15,370.00)	-	-
<b>Interest paid</b>				
- Tata AutoComp Systems Limited	693.94	473.69	-	-
- Tata Capital Financial Services Limited	457.99	476.80	(38.38)	(38.05)
- Other Group Companies	24.22	-	-	-
<b>Sitting fees</b>				
- Mr. Pradeep Bhargava	7.20	6.70	-	-
- Ms. Rati Forbes	3.20	4.60	-	-
- Mr. Ramnath Mukhija	-	5.50	-	-
- Mr. Shrikant Sarpotdar	6.40	-	-	-
- Ms. Bhavna Bindra	4.40	-	-	-
<b>Remuneration</b>				
-Mr. Jitendraa Dikkshit (from October 17, 2019) (Refer note d below) Short-term employee benefits	29.17	-	-	-
- Mr. Neeraj Shrivastava (From August 06, 2018) (Refer note d below) Short-term employee benefits	4.87	32.32	-	-
- Mr. Prashant Mahindrakar (Till August 05, 2018) (Refer note d below) Short-term employee benefits	-	19.73	-	-

#### Notes

- The closing balances above are net of advances.
- All outstanding balances are unsecured and are repayable in cash.
- For borrowing terms and conditions refer note 18

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

In addition to the above related party transactions Tata AutoComp Systems Limited (Holding Company) has provided a letter of comfort of INR 1,183.25 lakhs to State Bank of India , INR 1,025.84 lakhs to HDFC Bank Ltd and INR 4,500.00 lakhs to Tata Capital Financial services Limited. (as at March 31, 2019 INR 1710.25 lakhs to State Bank of India and INR 2400.00 lakhs to HDFC Bank Ltd.) with respect to credit facilities availed by the Company.

- d) As post employment obligations and other long-term employee benefits obligations are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

**Note 36 :**

**(a) Contingent liabilities (to the extent not provided for)**

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Claims against the Company not acknowledged as debts</b>		
Excise duty related matters	83.82	118.27
Labour matter (refer note below)	347.82	358.88
Other matters	52.43	52.43

**Note:** In addition to the above, there are certain pending cases in respect of labour matters, the impact of which is not quantifiable and is not expected to be material.

- (a) The Company had received a Show Cause cum Demand Notice for Bhosari and Chakan Plants of the Company from Directorate General of Central Excise Intelligence (DGCEI), Mumbai for alleged evasion of Central Excise duty and alleged contravention of Central Excise Rules during Financial Years from 2006 to 2011 for not charging for dies received from customer and undervaluation of inter unit clearances. The demand includes (a) demand of duty of INR 290 Lakhs (b) applicable interest thereon and (c) penalty. The duty amounting to INR 279 Lakhs was fully paid along with the interest and the balance has been provided for in the books. The Company has litigated for the penalty levied which has been disclosed as contingencies.
- (b) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has also obtained a legal opinion on the matter and basis the same there is no material impact on the financial statements as at 31 March 2020. The Company would record any further effect on its financial statements, on receiving additional clarity on the subject.

**Note 37 : Commitments**

**(a) Capital commitments**

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	81.90	85.58

**(b) Operating lease**

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately if they are different from those under Ind AS 116 and the impact of changes is disclosed below.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### A. Right of use assets

	Land and Building	Total
Balance as at April 01, 2019	289.14	289.14
Add: Reclassified from property, plant and equipment	139.42	139.42
Add: Initial direct cost	-	-
Less: Depreciation charged for the period	(103.29)	(103.29)
<b>Balance as at March 31, 2020</b>	<b>325.27</b>	<b>325.27</b>

### B. Lease liabilities

	As at March 31, 2020
Current	101.99
Non Current	109.12
<b>Total</b>	<b>211.11</b>

### C. Interest expenses on lease liabilities

	Year ended March 31, 2020
Interest on lease liabilities	28.46

### D. Expenses on short term leases / low value assets

	Year ended March 31, 2020
Short term lease	150.84

### E. Amounts recognised in the statement of cash flow

	Year ended March 31, 2020
Total cash outflow for leases	114.48

### F. Maturity analysis – contractual undiscounted cash flows

	Year ended March 31, 2020
Less than one year	120.20
One to five years	115.21
More than five years	-
<b>Total undiscounted lease liabilities at March 31, 2020</b>	<b>235.41</b>

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 38 : Movements in provisions**

	Tax contingencies		Warranty	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Carrying amount at the beginning of the year	-	-	10.87	24.66
Provision made / (reversed) during the year	183.75	-	(2.22)	(11.68)
Amounts used during the year	-	-	-	(2.11)
<b>Carrying amounts at the end of the year</b>	<b>183.75</b>	<b>-</b>	<b>8.65</b>	<b>10.87</b>

**Note 39 : Earnings per equity share**

	Year ended March 31, 2020	Year ended March 31, 2019
Loss for the year as per Statement of Profit and Loss	(1,701.37)	(1,262.75)
Weighted average number of equity shares	15,864,397	15,864,397
(Loss) per share (Basic and Diluted)	(10.72)	(7.96)
Nominal value of an equity share	10.00	10.00

**Note 40 : Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows:**

	Year ended March 31, 2020	Year ended March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
- Principal amount due to micro and small enterprises	47.80	128.21
- Interest on the principal amount due	1.23	1.32
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
- Payments made to suppliers beyond the appointed date	201.33	243.64
- Interest paid on above	-	-
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 the MSMED Act 2006	5.54	7.21
The amount of interest accrued in terms of section 16 of the MSMED Act 2006 and remaining unpaid at the end of each year	6.77	8.53
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 supplier.	74.32	67.55

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 41 : Corporate social responsibility

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Companies [Corporate Social Responsibility (CSR)] Rules, 2014. Therefore it is not required to incur any expenditure on account of CSR activities during the year.

### Note 42 : Income tax

The Company does not have taxable income in current and previous year and hence no tax expenses have been recognized. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, no deferred tax assets have been recognized.

	As at March 31, 2020	As at March 31, 2019
Unused tax losses for which no deferred tax asset has been recognized		
- Business losses	8,980.93	7,117.64
- Unabsorbed depreciation	6,077.59	6,963.73
Potential tax benefit	4,653.08	4,351.14

Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.

Unused tax losses with respect to business losses have following expiry dates

Expiry date	Amounts
March 31, 2024	1,379.30
March 31, 2025	1,088.30
March 31, 2027	3,199.45
March 31,2028	567.41
March 31,2029	2,746.47
<b>Total</b>	<b>8,980.93</b>

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Act 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company has evaluated and decided to continue under the existing tax regime.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 43 : Employee benefits

#### (A) Defined benefit plans

##### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Changes in present value of defined benefit obligation are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening defined benefit obligation as at April 1, 2018</b>	643.11	(403.83)	239.28
Current service cost	47.42	-	47.42
Interest expense/(income)	44.48	(29.99)	14.49
<b>Total amount recognized in profit or loss</b>	<b>91.90</b>	<b>(29.99)</b>	<b>61.91</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense	-	3.18	3.18
(Gain) from change in financial assumptions	11.57	-	11.57
Experience losses	(13.46)	-	(13.46)
<b>Total amount recognized in other comprehensive income</b>	<b>(1.89)</b>	<b>3.18</b>	<b>1.29</b>
Employer contributions	-	(3.00)	(3.00)
Benefit payments	(83.87)	-	(83.87)
<b>Closing defined benefit obligation as at March 31, 2019</b>	<b>649.25</b>	<b>(433.64)</b>	<b>215.61</b>
	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening defined benefit obligation as at April 1, 2019</b>	649.25	(433.65)	215.60
Current service cost	48.21	-	48.21
Interest expense/(income)	43.86	(30.46)	13.41
<b>Total amount recognized in profit or loss</b>	<b>92.08</b>	<b>(30.46)</b>	<b>61.62</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense	-	3.22	3.22
Loss from change in financial assumptions	29.32	-	29.32
Experience (gains)	(6.30)	-	(6.30)
<b>Total amount recognized in other comprehensive income</b>	<b>23.03</b>	<b>3.22</b>	<b>26.25</b>
Employer contributions	-	(2.90)	(2.90)
Benefit payments	(45.27)	-	(45.27)
<b>Closing defined benefit obligation as at March 31, 2020</b>	<b>719.09</b>	<b>(463.79)</b>	<b>255.30</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 43 : Employee benefits (continued)

The net liability disclosed above relates to funded plans are as follows:

	As at March 31, 2020	As at March 31, 2019
Present value of funded obligations	719.09	649.25
Fair value of plan assets	(463.79)	(433.64)
<b>Non-current liability recognized in Balance Sheet</b>	<b>255.30</b>	<b>215.61</b>

Valuation in respect of gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

	As at March 31, 2020	As at March 31, 2019
Discount rate	6.10%	7.00%
Salary escalation	8.00%	8.00%
Rate of return on plan assets	6.10%	8.00%
Attrition rate	18.00%	18.00%

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Year ended March 31, 2020	Year ended March 31, 2019
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(32.43)	(28.18)
(ii) 1% decrease in discount rate	35.58	30.84
(iii) 1% increase in rate of salary escalation	34.72	30.37
(iv) 1% decrease in rate of salary escalation	(32.28)	(28.27)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### Category of planned asset

	As at March 31, 2020	As at March 31, 2019
Insurer managed funds*	100%	100%

\* The Company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2020 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year INR 3.44 lakhs (March 31, 2019 INR 2.70 lakhs).

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 43 : Employee benefits (continued)**

**b) The following payments are expected contributions to defined benefit plan in future years**

The weighted average duration of the defined benefit obligation is 5 years

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Defined benefit obligation</b>		
Less than a year	125.65	118.33
Between 1 - 2 years	119.07	112.64
Between 2 - 5 years	326.41	308.67
Over 5 years	439.42	425.81
<b>Total</b>	<b>1,010.55</b>	<b>965.45</b>

**(B) Defined contribution plans**

The Company has recognized the following amounts in the Statement of Profit and Loss

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Contribution to Employee's Superannuation Fund	22.18	29.83
Contribution to Provident Fund	169.54	144.55
Contribution to Labour Welfare Fund	0.47	0.59
Contribution to Employee's State Insurance Scheme	13.86	28.62

**(C) Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

**1. Interest rate risk:**

The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**2. Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

**3. Demographic risk:**

For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 44 : Assets pledged as security

	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
<b>Financial assets</b>		
<i>First charge</i>		
Trade receivables	3,167.48	6,470.06
<b>Non-financial assets</b>		
<i>First charge</i>		
Inventories	3,137.18	5,264.68
<b>Total current assets pledged as security</b>	<b>6,304.66</b>	<b>11,734.74</b>
<b>Non-current</b>		
<b>Non-financial assets</b>		
<i>First charge</i>		
Leasehold land	129.42	131.42
Building	1,283.53	1,148.15
Plant and machinery	5,678.98	7,064.72
<i>Second charge</i>		
Freehold land	23.55	23.55
Building	1,112.85	1,152.16
<b>Total non-current assets pledged as security</b>	<b>8,228.33</b>	<b>9,520.00</b>
<b>Total assets pledged as security</b>	<b>14,532.99</b>	<b>21,254.74</b>

### Note 45 : Managerial remuneration

During the year, the managerial remuneration paid / approved by the Company to its Chief Executive Officer is in excess of the limits laid down under Section 197 of the Companies Act, 2013 read with Schedule V by INR 1.67 Lakhs. The Company is in the process of obtaining approval from its shareholders at the forthcoming Annual General Meeting for such excess remuneration paid.

### Note 46 : Risk assessment by the Company of COVID-19 (Global Pandemic):

The World Health Organisation in February 2020 declared COVID 19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's manufacturing plants and offices also had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue for the quarter ended March 2020 has been impacted. Continued lockdowns are likely to impact the Company operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Government. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and in particular on the automotive

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

industry, the impact assessment of COVID-19 on the above-mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

**Note 47 :**

During the year 2019-20, the Company discovered that the advance received for sale of leasehold land and building amounting to INR 858.94 Lakhs in the previous year had been inadvertently classified as cash flows from operating activities instead of cash flows from investing activities in its Cash Flow Statement for the year ended 31 March 2019. This inadvertent classification has been restated in the comparative information in the Cash Flow Statement for the year ended 31 March 2020. The following table summarises the impact on the Cash Flow Statement.

	<b>For the year ended 31 March 2019 (as previously reported) (In Lakhs)</b>	<b>Adjustment (In Lakhs)</b>	<b>For the year ended 31 March 2019 (restated) (In Lakhs)</b>
Net cash used in operating activities	(1,287.44)	(858.94)	(2,146.38)
Net cash used in investing activities	(1,443.03)	858.94	(584.09)

**Note 48 :**

The figures for the previous year have been regrouped / rearranged as necessary to conform to current year's presentation and disclosure.

As per our report of even date.  
**For B S R & Co. LLP**  
 Chartered Accountants  
 Firm Registration Number: 101248W / W-100022

**Abhishek**  
 Partner  
 Membership No: 062343

Place: Pune  
 Date: 8 July 2020

**For and on behalf of the Board of Directors of  
 Automotive Stampings and Assemblies Limited**  
 CIN:L28932PN1990PLC016314

**Pradeep Bhargava**  
 Chairman  
 DIN: 00525234

**Deepak Rastogi**  
 Director  
 DIN: 02317869

**Yogesh Jaju**  
 Chief Financial Officer

**Jitendraa Dikkshit**      **Ashutosh Kulkarni**  
 Chief Executive Officer      Company Secretary

Place: Pune  
 Date: 8 July 2020







