

JBM Auto Limited

Plot No. 133, Sector 24,
Faridabad - 121 005 (Haryana)
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JBMA/SEC/2021-22/26
07th September, 2021

Listing Department**BSE Limited**

Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400001
Script Code: 532605

National Stock Exchange of India Ltd.

Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051
Symbol: JBMA

Sub.: Submission of Notice of 25th Annual General Meeting and Annual Report for the Financial Year 2020-21

Dear Sir/ Madam,

In furtherance to our earlier communication dated 31st August, 2021, we enclosed herewith the Notice of 25th Annual General Meeting of the Company scheduled to be held on Thursday, 30th September, 2021 at 11:30 A.M. (IST) through Video Conferencing/ Other Audio Visual Means, as informed.

Further, pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Annual Report of the Company for Financial Year 2020-21 is also enclosed herewith.

Kindly take the above submissions to your records.

Thanking you,

For **JBM Auto Limited**

Vivek
Digitally signed
by Vivek Gupta
Date: 2021.09.07
20:20:15 +05'30'

Vivek Gupta
Chief Financial Officer
& Company Secretary

Works:

Plant II : Plot No. 5, Sector 31, Kasna Indl. Area, Greater Noida, Gautam Budh Nagar-201 306 T:+91 120 4522500, F:+91 120 4522504

Plant III : 71-72, M.I.D.C. Satpur, Nashik - 422 007 T: +91 253 2207297 F: +91 253 2360559

Plant IV : Plot No. B-2, Survey No. 1, Tata Motors Vendor Park, Sanand, Ahemdabad - 382 170 (Gujarat) T:+91 2717 645180

Plant V : Plot No. 157-E, Sector 3, Pithampur Industrial Area, Distt. Dhar-454 775 (M.P.)

Plant VI : SP-1/891. RIICO Industrial Area, Pathredi, Distt. Alwar, Rajasthan -303107

Corp. Office : Plot No. 9, Institutional Area, Sector 44, Gurgaon- 122003 (Hr.) 7:+91-124-4674500, 4674550 F:4+91-124-4674599

Regd. Office : 601, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110 019 T: +91 11 26427104, F: +91 11 26427100

CIN : L74899DL1996PLC083073

JBM Auto Limited
Registered Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110019
CIN: L74899DL1996PLC083073
E-mail: jbma.investor@jbmgroup.com
Website: www.jbmgroup.com
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NOTICE OF TWENTY FIFTH (25TH) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25th Annual General Meeting ("AGM") of the members of JBM Auto Limited will be held on Thursday, 30th September, 2021 at 11:30 A.M. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited IND AS Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2021 together with the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

(a) "RESOLVED THAT the Audited IND AS Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted".

(b) "RESOLVED THAT the Audited IND AS Consolidated Financial Statements of the Company for the financial year ended 31st March, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted".

2. To declare dividend on equity shares and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend @ 30% i.e. Rs. 1.50 per equity share (on fully paid-up equity share of Rs. 5 each) of the Company be and is hereby declared for the financial year ended 31st March, 2021 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31st March, 2021".

3. Appointment of a Director retiring by rotation and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Nishant Arya (DIN: 00004954) who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation".

Special Business:

4. To appoint Mr. Jagdish Saksena Deepak, as an Independent Director of the Company for a period of five (5) years

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Jagdish Saksena Deepak (DIN: 02194470), who was appointed as an Additional Director of the Company by the Board of Directors on the recommendation of Nomination and Remuneration Committee with effect from 23rd June, 2021 in terms of Section 161(1) of the Act and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five (5) consecutive years with effect from 23rd June, 2021 to 22nd June, 2026.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and to authorise any of the directors and/ or key managerial personnel and/ or officers of the Company to take necessary actions on behalf of the Company in that regard.”

5. To appoint Mr. Nishant Arya as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company for a period of three (3) years w.e.f. 18th May, 2021 and to fix his remuneration

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (‘the Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the appointment of Mr. Nishant Arya (DIN: 00004954) as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company, liable to retire by rotation, for a period of three (3) years w.e.f. 18th May, 2021 on the terms & conditions as set out below with liberty and authority to the Board of Directors (which expression shall include a committee thereof) to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013 or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Nishant Arya:

(a) Basic Salary: Rs. 20,00,000 (Rupees Twenty Lacs only) per month in the scale of 20,00,000 - 3,00,000 - 30,00,000 with authority to the Board (which expression shall include a committee thereof) to revise his salary from time to time. The annual increments will be on merit based and after taking into account the Company’s performance.

(b) Perquisites & Allowances: In addition to the basic salary, Mr. Nishant Arya shall be entitled to perquisites and allowances like furnished accommodation (including gas, water, electricity etc.), payment of House Rent Allowance, furnishing allowance, House maintenance allowance/ reimbursement, Living allowance, special allowance reimbursement/ allowance for domestic help/ servant(s), Child education allowance/ reimbursement, Medical allowance/ reimbursement (whether incurred in India or abroad) Accident/ Medical insurance, Leave travel expenses/ or allowance for self, spouse, dependent children and dependent parents, club fee, or any other allowance by whatever name called and any other permitted perquisite. However, the aggregate value of these allowances/ perquisites shall be restricted to an amount equivalent to 200% of the basic salary per month.

Apart from the above, he shall also be entitled to the followings, which shall not be included in the computation of perquisites for the purpose of calculating the said ceiling of perquisites:

- i. Company’s chauffeur driven car(s) for the business of the Company;
- ii. Telephone facility including mobile phones for the business of the Company;
- iii. One month’s leave with full salary for every 11 months of service;
- iv. Reimbursement of entertainment/ travelling/ hotel and other expenses actually and properly incurred for the business of the Company;
- v. Company’s contribution to Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company;
- vi. Gratuity payable at the rate not exceeding half a month’s salary for each completed year of service in the Company; and
- vii. Encashment of leave at the end of the tenure.

(c) Commission: In addition to basic salary and perquisites/ allowances as above, he shall be entitled to commission not exceeding @ 3% of the Net Profits of the Company calculated in accordance with Section 198 or any amendment thereto of the Companies Act, 2013 in a particular financial year as may be determined/ approved by the Board of Directors.

RESOLVED FURTHER THAT the overall remuneration payable to Mr. Nishant Arya shall not exceed the maximum permissible limits as prescribed under the Companies Act, 2013.

RESOLVED FURTHER THAT the perquisites and allowances shall be evaluated as per the provisions of the Income Tax Rules in force from time to time, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

RESOLVED FURTHER THAT in case of inadequacy of profits or no profits in the Company in any financial year, Mr. Nishant Arya shall be paid the remuneration as aforesaid including such amount of commission, as may be decided by the Board of Directors as minimum remuneration and in addition thereto, he shall be entitled to the following perquisites (not to be included in the computation of the ceiling of the minimum remuneration):

- a. Company's contribution to Provident Fund, Superannuation Fund, Annuity Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at the rate not exceeding half-month's salary for each completed year of service in the Company.
- c. Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT Mr. Nishant Arya shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof.

RESOLVED FURTHER THAT any one Director or Mr. Vivek Gupta, Chief Financial Officer & Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of e-form(s)/ return(s) etc. with the Registrar of Companies, NCT of Delhi & Haryana.

6. To re-appoint Mr. Sandip Sanyal as Whole-time Director and to be designated as "Executive Director" for a period of two (2) years

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

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 ('the Act') and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment thereof, for the time being in force] and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Sandip Sanyal (DIN: 07186909) as a Whole-time Director and designated as the 'Executive Director' under the category of Key Managerial Personnel (KMP) of the Company for a further period of two (2) years w.e.f. 18th May, 2021 on the terms & conditions as set out below with liberty and authority to the Board of Directors (which expression shall include a committee thereof) to alter and vary the terms and conditions of the said re-appointment from time to time within the scope of Schedule V of the Companies Act, 2013 or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Sandip Sanyal:

- a. Basic Salary: Rs. 2,38,000 (Rupees Two Lacs and Thirty Eight Thousand Only) per month.
- b. Perquisites & Allowances: In addition to the basic salary, Mr. Sandip Sanyal shall be entitled to Perquisites like Furnished Accommodation (including gas, water, electricity etc.) or payment of House Rent Allowance, Allowance/ Reimbursement for hard furnishing, house maintenance allowance/ Reimbursement, Allowance/ Reimbursement of domestic help/ servant(s), Child Education Allowance/ Reimbursement, Medical Allowance/ Reimbursement, Accident/ Medical Insurance, Leave Travel Expenses/ Allowances for self, spouse, dependent children and dependent parents, club fees or any other permissible perquisites. The aggregate value of these perquisites shall be maximum to an amount equivalent to 250% of the basic salary per month.
- c. Apart from the above, Mr. Sandip Sanyal will also be entitled to Reimbursement of Entertainment/ Travelling/ Hotel/ other expenses incurred for the business of the Company on actual basis.

RESOLVED FURTHER THAT in case of inadequacy of profit or no profits in any financial year, the Company shall pay to Mr. Sandip Sanyal, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors/ Committee of the Board may deem fit, subject to the limits prescribed herein and in Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Sandip Sanyal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof.

RESOLVED FURTHER THAT the appointment of Mr. Sandip Sanyal shall not be subject to retirement by rotation while holding the office of Whole-time Director.

RESOLVED FURTHER THAT any one Director or Mr. Vivek Gupta, Chief Financial Officer & Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of e-form(s)/ return(s) with the Registrar of Companies, NCT of Delhi & Haryana."

7. Ratification of remuneration of Cost Auditors for the Financial Year 2021-22

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 2,50,000 (Rupees Two Lacs Fifty Thousand only) plus applicable tax and out of pocket expenses payable to M/s. Jitender, Navneet & Co., (FRN 000119), who were appointed by the Board of Directors, as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company for the Financial Year 2021-22.

RESOLVED FURTHER THAT any one Director or Mr. Vivek Gupta, Chief Financial Officer & Company Secretary of the Company, be and are hereby severally authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of e-form(s)/ return(s) etc. with the Registrar of Companies, NCT of Delhi & Haryana."

8. To consider and approve the issue of Securities

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force] and other applicable rules there under ("the Companies Act") and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosures Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") [including any statutory modification(s) or re-enactment thereof, for the time being in force], Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Listing Agreements entered into with the respective Stock Exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999, as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India ("GoI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies (the "RoC"), the Stock Exchanges, and/ or any other competent authorities and subject to any required approvals, consents, permissions and/ or sanctions of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board/ Secretariat for Industrial Assistance), the Department of Industrial Policy and Promotion, the SEBI, the RoC, the RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and/ or sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution) to create, issue, offer and allot (including with provisions for reservation on firm and/ or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted), either in India or in the course of international offering(s) in one or more foreign markets, equity shares of the Company, Global Depository Receipts ("GDR"), American Depository Receipts ("ADR") Foreign Currency Convertible Bonds ("FCCB") and/ or other financial instruments convertible into or exercisable for Equity Shares (including warrants, or otherwise, in registered or bearer form), Non-convertible preference shares, compulsorily convertible preference shares, optionally convertible preference shares, fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/ or

any security convertible into Equity Shares with or without voting/ special rights and/ or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as the "Securities") or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, through public offerings and/ or private placement and/ or on preferential allotment basis or any combination thereof or by issue of prospectus and/ or placement document and/ or other permissible / requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and/ or bilateral and/ or multilateral financial institutions, non- resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds and/ or any other categories of investors whether or not such investors are members of the Company (collectively referred to as the "Investors"), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding Rs. 500 Crore (Rupees Five Hundred Crores only) or equivalent thereof in any foreign currency, inclusive of such premium as may be fixed on such Securities at such a time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/ or the underwriter(s) and/ or other advisor(s) for such issue.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of passing of the shareholders' resolution for approving the above said issue of Securities or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such a price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on such price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in the event that the Equity Shares are issued to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities are entitled to apply for Equity Shares or such other time as may be decided by the Board or permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of any other Securities shall be as per the regulations/ guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GoI through their various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

(a) The Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(b) The Equity Shares that may be issued by the Company shall rank pari-passu with the existing Equity Shares of the Company in all respects including dividend, which shall be subject to relevant provisions in that behalf contained in the Article of Association of the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to the applicable laws, rules, regulations and guidelines and subject to the approvals, consents and permissions, if any, of any governmental body,

authority or regulatory institution including any conditions as may be prescribed in granting such approvals, consents or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari-passu with the existing Equity Shares in all respects including dividend, which shall be subject to relevant provisions in that behalf contained in the Article of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolutions described above, the Board or any Committee thereof be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue/ conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/ charge in accordance with the provisions of the Companies Act in respect of any Securities as may be required either on pari-passu basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the RoC, the lead managers, or other authorities or agencies involved in or concerned with the issue of Securities and as the Board or Committee thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board vide this Resolution may be exercised by the Board or Committee thereof as the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval there to expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized to engage/ appoint the lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more national and/ or international stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions”.

9. To fix the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Special Resolution:**

“RESOLVED THAT in supersession of the earlier resolution passed through postal ballot on 12th January, 2015 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time [including any statutory modification(s) or re-enactment thereof, for the time being in force], consent of Company be and is hereby accorded to the Board of Directors (including any committee thereof) to borrow any sum or sums of monies from time to time or at any time from Company’s Bankers and/ or from any one or more other persons, firms, bodies corporates or financial institutions whether by way of discounting or otherwise and whether secured by charges, mortgages, hypothecations, lien, pledge, lease or any kind of charge(s) on the assets and properties of Company/ Subsidiary Company/ies/ Associate Company/ies, wheresoever situated, whether movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertakings of the Company/ Subsidiary Company/ies/ Associate Company/ies notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business may

exceed the aggregate of the paid-up share capital of the Company, free reserves and securities premium that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the monies may be borrowed by the Board of Directors (including any committee thereof) and outstanding at any time shall not exceed the sum of Rs. 1,300 Crores (Rupees One Thousand Three Hundred Crore only).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors (including any committee thereof) be and are hereby further authorized to execute such agreements, undertakings and other documents and containing such conditions as the Board of Directors may think fit.

RESOLVED FURTHER THAT any one Director or Mr. Vivek Gupta, Chief Financial Officer & Company Secretary be and are hereby severally authorized to finalise, settle and execute all documents/ deeds/ agreements as may be required, and generally to take all other necessary steps and to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable including filing of e-form(s)/ return(s) with the Registrar of Companies, NCT of Delhi & Haryana."

10. To give authorization to the Board of Directors or any Committee thereof to create Mortgage and/ or Charge on all or any of the movable and/ or immovable properties of the Company both present and future under Section 180(1)(a) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Special Resolution:**

"RESOLVED THAT in supersession of the earlier resolution passed through postal ballot on 12th January, 2015 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, pledge, mortgages, hypothecations, lien, pledge, lease or any other kind of charge(s) in addition to the existing charges, pledge, mortgages, hypothecations, lien, pledge, lease, etc., on such movable and immovable properties, wheresoever situated, both present and future, of the Company in such manner as the Board may deem fit, including to give any corporate guarantee in favour of the financial institutions, banks, lenders, Agents and other other persons/ body corporates to secure the borrowing(s) availed/ to be availed by the Company/ Subsidiary Company/ies/ Associate Company/ies/ Group Company/ies by way of loan(s)/ advance (in Indian Rupee and/ or in foreign currency) and/ or by way of securities (comprising partly/fully convertible debentures and/ or non-convertible debentures with or without detachable or non-detachable warrant, and/ or secured premium notes and/ or floating rate notes/ bonds or other debt instruments) issued/ to be issued by Company/ Subsidiary Company/ies/ Associate Company/ies/ Group Company/ies from time to time, provided that, the total borrowing(s) by Company/ Subsidiary Company/ies/ Associate Company/ies/ Group Company/ies together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges and all other monies payable in respect of the said borrowing(s) for which the charge to be created on the movable and/ on immovable properties of the Company or corporate guarantee is to be given etc. shall not, at any time exceed Rs. 2,000 Crores (Rupees Two Thousand Crore Only) or the aggregate of the paid-up capital, free reserves and security premium of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

RESOLVED FURTHER THAT any one Director or Mr. Vivek Gupta, Chief Financial Officer & Company Secretary of the Company be and are hereby severally authorized to finalise, settle and execute all documents/ deeds/ agreements as may be required, and generally to take all other necessary steps and to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable, and to settle any question, difficulty or doubt that may arise in regard to the creation of the aforesaid mortgages, charges, or otherwise considered by the Board of Directors to be in the best interest of Company and including filing of e-form(s)/ return(s) with the Registrar of Companies, NCT of Delhi & Haryana."

11. To approve the transactions with related parties pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations") and other applicable provisions, if any, of the Listing Regulations, the Companies Act, 2013 and rules made thereunder, [including statutory modification(s) or re-enactment thereof for the time being in force], such other approvals as may be required, consent of the members be and is hereby

accorded to enter into material related party transaction(s) relating to sale, purchase and supply of batteries for EV Buses and job work etc. or transaction of whatever nature at arm's length basis and in the ordinary course of business for a period of five (5) years with effect from 1st April, 2021 up to 31st March, 2026 with respective parties and maximum amount per annum, as mentioned herein below:

| Rupees in crores | | | | |
|------------------|--|--|---|--|
| S. No. | Name of related party | Relationship | Nature of transaction | Expected Annual Value of transaction during the period of 5 (Five) years |
| 1. | JBM Green Energy Systems Private Limited | Related Party as per section 2(76) of Companies Act 2013 | Sale, purchase and supply of batteries for EV Buses and job work etc. or transaction of whatever nature at arm's length basis and in the ordinary course of business. | 2,000 |

RESOLVED FURTHER THAT the Board of Directors (the "Board") and/or any Committee thereof be and is hereby authorized to negotiate and finalize other terms & conditions and to do all such acts, things or deeds and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and/or expedient to giving effect to the above resolution."

**By Order of the Board of Directors
For JBM Auto Limited**

**Place: Gurugram (Haryana)
Date: 11th August, 2021**

**Sd/-
Vivek Gupta
Chief Financial Officer
& Company Secretary
M. No. F7918**

NOTES:

1. In view of the COVID-19 pandemic, social distancing norm to be followed and pursuant to the Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 issued by the Ministry of Corporate Affairs and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid circulars, the 25th AGM of the Company being conducted through Video Conferencing (VC) hereinafter called as "e-AGM". Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. **e-AGM:** The Company has appointed KFin Technologies Private Limited, to provide Video Conferencing facility for the AGM and the attendant enablers for conducting of the e-AGM.
4. Corporate Members are required to access the link <http://evoting.kfintech.com> and upload a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf. Institutional investors are encouraged to attend and vote at the meeting through VC.
5. In line with Circulars, the Notice of 25th AGM and Annual Report for the Financial Year 2020-21 are being sent only by electronic mode to those Members whose email address was registered with the Company/ Depositories. Members may please note that this Notice and Annual Report will also available at the Company's website: www.jbmgroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively and on the website of KFin Technologies Private Limited at <http://evoting.kfintech.com>.
6. Members who have still not registered their email IDs are requested to do so at the earliest. Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant. Members holding shares in physical mode are requested to register their email IDs with the Company by sending an email to Compliance Officer of the Company at jbma.investor@jbmgroup.com and/or by sending a request to MCS Share Transfer Agent Ltd, Registrar and Share Transfer Agent ('RTA') through email at helpdeskdelhi@mcsregistrars.com or contact at +91 11 41406149, for receiving the Notice and Annual Report.
7. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company at its email id jbma.investor@jbmgroup.com at least a week in advance, so that relevant information may be made available, if the Company permits such information to be furnished.
8. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of special businesses to be transacted at the AGM, as set out under item nos. 4 to 11 above and the relevant details of the Director seeking appointment/re-appointment under item nos. 3, 4, 5 and 6 above as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given in note no. 27 to the notice.
9. (a) The Register of Members and Share Transfer Books will remain closed from **24th September, 2021** to **30th September, 2021**, (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the ensuing AGM.
(b) The dividend on Equity Shares, if declared at the Meeting, will be paid within a period of 30 days from the date of declaration, to those members, whose names appear in the Register of Members on close of business hours on **23rd September, 2021**. The dividend is Rs. 1.50 per equity share.

10.
 - (a) As you may be aware that in terms of the provisions of the Income Tax Act, 1961 ("the IT Act") as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1st April, 2020 is taxable in the hands of the Members. The Company is, therefore, required to deduct tax at source at the time of payment of dividend to the Members. Please also note that the tax rate would vary depending on the residential status, category of the member, compliant/ non-compliant status on the basis of filing of income tax return of the preceding two years, as per Section 206AB of the IT Act and is subject to provision(s) of requisite declarations/ documents to the Company.
 - (b) TDS would not apply if the aggregate of total dividend distributed to them by the Company during FY 2021-22 does not exceed Rs. 5,000/-. Further, Tax at source will not be deducted where a member provides Form 15G (applicable to Individual in case of dividend) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. You are requested to submit such document(s), if any, to the Company for your respective category on or before 14th September, 2021, in order to comply with the applicable TDS provisions.
 - (c) Further, after receipt of any of the above declarations, if the Company on the basis of its independent assessment, finds any information that is contrary to the declarations received by it, the Company reserves right to rely on the results of its independent assessment and make a deduction of taxes at a higher rate as per applicable provisions of the IT Act.
 - (d) Members holding shares under multiple accounts under different residential status/ member category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category, will be considered on their entire shareholding which is held under different accounts.
 - (e) Determination of tax rate is subject to necessary verification by the Company of the details of the member as available with the Company / RTA as on the record date. In this respect, the Company reserves the right to independently verify the PAN number of the member from the utility of National Securities Depository Ltd. ('NSDL') and if the same is found contrary to the PAN quoted/ provided, the Company will disregard the PAN and proceed as per the prevalent law.
 - (f) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the members(s), such member(s) will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.
 - (g) In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.
 - (h) Members will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>
 - (i) Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. This communication shall not be treated as an advice from the Company or its affiliates or its Registrar and Share Transfer Agent. Members should obtain the tax advice related to their tax matters from a tax professional.
11. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, MCS Share Transfer Agent Limited ("MCS") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be informed only to the Depository Participant by the members.
12. Equity shareholders holding shares in physical form are requested to update their bank details with the Company/ Registrars and Share Transfer Agent. Shareholders who have not updated their bank account details, dividend warrants/ demand drafts/ cheques will be sent out to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.

13. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2012-13 to the Investor Education and Protection Fund established by the Central Government. Pursuant to the provisions of Section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereof, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 12th December, 2020 (date of last Annual General Meeting) on the website of the Company at www.jbmgroupp.com.
14. **Updation of PAN, email address and other details:** Members holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email addresses, mobile numbers and other details with their relevant Depositories through their Depository Participants. Members holding shares in physical mode are requested to furnish details to the Company's Registrar and Share Transfer Agent. The Company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.
15. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in electronic/ demat form may file nomination in the prescribed Form SH-13 (in duplicate) with the respective Depository Participant and in respect of shares held in physical form, the nomination form may be filed with RTA.
16. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS Share Transfer Agent Limited, for consolidation into a single folio.
18. Non-Resident Indian members are requested to inform MCS Share Transfer Agent Limited, 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 name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
19. **Information and other instructions relating to remote e-voting are as under:**
 - i. 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), the Company is pleased to provide remote e-voting facility to all the members of the Company to exercise their right to vote in respect of the resolutions to be passed at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by KFin Technologies Private Limited (KFintech) on all resolutions set forth in this Notice.
 - ii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.
 - iii. Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. e-voting during the AGM is integrated with the VC platform. Members may click on the voting icon to cast their votes. The e-voting portal will be open for voting from **Monday, 27th September, 2021 (9.00 a.m. IST) to Wednesday, 29th September, 2021 (5.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on 23th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by KFintech for voting thereafter.
 - iv. Only those shareholders, who are present in the e-AGM 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 e-AGM.

- v. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact evoting@kfintech.com or phone no. at 1800 309 4001 (toll free) for any further clarifications. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- vi. Mr. Dhananjay Shukla, Practicing Company Secretary, (Membership No. FCS 5886) has been appointed as the Scrutinizer to scrutinize the remote e-voting process.

20. **THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCE:-**

1. The options for remote e-voting and e-voting during Annual General Meeting (AGM) are explained herein below:

Option1: Access to Depositories e-voting system in case of individual members holding shares in demat mode.

Option2: Access to KFIN e-voting system in case of members holding shares in physical and non-individual members in demat mode.

Option3: Access to join virtual AGM of the Company on KFin system to participate in AGM and vote at the AGM.

Details of Option 1 are mentioned below:

- l) Login method for remote e-voting for Individual members holding securities in demat mode.

| NSDL | CDSL |
|---|--|
| <p>1. User already registered for IDeAS facility: I. URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</p> | <p>1. Existing user who have opted for Easi / Easiest I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-voting page without any further authentication. V. Click on e-voting service provider name to cast your vote.</p> |
| <p>2. User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" III. Proceed with completing the required fields.</p> | <p>2. User not registered for Easi/Easiest I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/easiRegistration II. Proceed with completing the required fields.</p> |
| <p>3. User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp II Proceed with completing the required fields.</p> | <p>3. By visiting the e-Voting website of CDSL I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> |
| <p>4. By visiting the e-Voting website of NSDL I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/ Member' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. V. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.</p> | <p>IV. After successful authentication, user will be provided links for the respective ESP (E-voting Service Provider) where the e-voting is in progress.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL

| Members facing any technical issue - NSDL | Members facing any technical issue - CDSL |
|--|--|
| Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 or 022-23058542-43. |

Individual Shareholders (holding securities in DEMAT mode) - Login through their Depository Participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. Once login, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/ CDSL Depository site after successful authentication. Click on company name or e-voting service provider name i.e., KFINTECH and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Details of Option 2 are mentioned below:

- I. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech which will include details of e-voting Event Number (EVEN), USER ID and password. They will have to follow the following process
- II. Initial Password is provided in the body of the email.
- III. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- IV. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No. /DP ID Client ID will be your User ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your votes.
- V. After entering the details appropriately, click on LOGIN.
- VI. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- VII. You need to login again with the new credentials.
- VIII. On successful login, the system will prompt you to select the EVENT i.e. JBM Auto Limited.
- IX. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/ dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/ or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- X. Click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- XI. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.
- XII. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image

(PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer through email at dshukla.fcs1@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.

- XIII. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at <https://evoting.kfintech.com> under help section or call on 1800 309 4001 (toll free).
- XIV. All grievances connected with the facility for voting by electronic means may be addressed to KFintech or send an email to evoting@kfintech.com or call 1800 309 4001 (Toll Free).
- XV. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

Details of Options 3 are mentioned below:

Instructions for all the members for attending the AGM of the Company through VC/OAVM and e-voting during the meeting.

- a. Members will be provided with a facility to attend the AGM through VC/ OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com> by using the evoting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
- b. The Members can join the AGM 15 minutes before and 15 Minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- c. The VC/ OAVM would allow participation of at least 1000 shareholders on first-come-first serve basis.
- d. No restrictions on account of first-come-first-served basis entry into AGM will be applicable to 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.
- e. The attendance of the members (members logins) attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- f. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- g. 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.
- h. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The members may click on the voting icon displayed on the screen to cast their votes.
- i. A member can opt for only single mode of voting i.e. through remote e-voting or e-voting at the AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- j. Institutional Members are encouraged to attend and vote at the AGM through VC/ OAVM.
- k. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker at <https://emeetings.kfintech.com/> and click on "Speaker Registration" by mentioning the demat account number/ folio number, city, email id, mobile number and submit. The speaker registration shall commence from **27th September, 2021 (9:00 a.m. IST) to 28th September, 2021 (5:00 p.m. IST)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, members questions will be answered only if the members continues to hold shares of the Company as of the cut-off date. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the AGM conference.

- I. Members who wish to speak at the Meeting will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
21. The facility for voting through electronic voting system will also be made available at the Meeting ("Vote") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM is the same person mentioned for remote e-voting. Facility to cast vote through e-voting at AGM will be made available on the Video Conferencing screen and will be activated once the e-voting is announced at the Meeting.
22. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.jbmgroupp.com and also communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed, not later than two (2) working days of the conclusion of the AGM.
23. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
24. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode and same may be accessed upon log-in to <https://evoting.kfintech.com>.
25. The recorded transcript of the forthcoming AGM shall be maintained by the Company and also be made available on the website of the Company. www.jbmgroupp.com, at the earliest soon after the conclusion of the Meeting.
26. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed to this Notice.
27. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile and other details of Director eligible for appointment/ re-appointment vide item nos. 3, 4, 5 and 6 are as follows:

| Sr No. | Particulars | Details | | |
|--------|--|---|---|---|
| | | | | |
| 1. | Name | Mr. Jagdish Saksena Deepak | Mr. Nishant Arya | Mr. Sandip Sanyal |
| 2. | DIN | 02194470 | 00004954 | 07186909 |
| 3. | Date of Birth | 16.07.1958 | 01.11.1986 | 10.04.1951 |
| 4. | Date of appointment | 23.06.2021 | 30.07.2009 | 18.05.2015 |
| 5. | Qualifications | IAS (Retired) and MBA from Indian Institute of Management (IIM), Ahmedabad | Graduate in business administration from the Bradford University, UK and completed a course in Business Development & Strategy from London School of Economic | B. Tech (IIT Kharagpur) and PGDBM Jamshedpur |
| 6. | Experience in specific functional areas | Having vast and rich experience in the areas of commerce, international trade, telecommunication, electronics and information technology. | Having experience in renewables including electric vehicles and have an expanded experience in Development of R&D and Innovation. | Having vast and rich experience in developing business strategy and leading sustainable & profitable growth of various organizations he has been associated with. Amongst his previous stints, he has to his credit some of the biggest names in the Indian and global automotive industry like Ford, Maruti Suzuki, TATA Motors. |
| 7. | Directorship held in other listed entities | Nil | Jay Bharat Maruti Limited | Nil |

| | | | | |
|-----|---|---|---|---|
| 8. | Membership/ Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee) | Nil | Audit Committee: 1. Jay Bharat Maruti Limited - Member Stakeholder Relationship Committee: 1. JBM Auto Limited – Member | Nil |
| 9. | Names of listed entities from which the Director has resigned in the past three years | Nil | Nil | Nil |
| 10. | Number of Shares held in the Company | Nil | 3,39,400 | Nil |
| 11. | In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements | The necessary skills and capabilities required for the role is been possessed by the Director | Not Applicable | Not Applicable |
| 12. | Terms and conditions of re- appointment | Appointed as Independent Director w.e.f. 23rd June, 2021. Not liable to retire by rotation | Appointed as Managing Director designated as Vice-Chairman and Managing Director w.e.f. 18th May, 2021 subject to liable to retire by rotation at every AGM | Re-appointed as Whole-time Director designated as Executive Director w.e.f. as 09th February, 2021, not liable to retire by rotation. |
| 13. | Last Drawn Remuneration incl. Sitting Fees for Board & Committee(s) Meetings (2020-21) | Not Applicable | Rs. 1.40 lacs (Sitting Fees) | Rs. 71.71 lacs (Salary) |
| 14. | Number of Board Meetings attended during the year | Not Applicable | 4 out of 4 | 4 out of 4 |
| 15. | Relationship with any Director(s) of the Company | Not Applicable | Son of Mr. Surendra Kumar Arya | NA |

**By Order of the Board of Directors
For JBM Auto Limited**

**Sd/-
Vivek Gupta
Chief Financial Officer
& Company Secretary
M. No. F7918**

**Place: Gurugram (Haryana)
Date: 11th August, 2021**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statements sets out all material facts relating to the Special Businesses mentioned in Item Nos. 4 to 11 of the accompanying notice:

ITEM NO. 4

Appointment of Mr. Jagdish Saksena Deepak, as an Independent Director of the Company for a period of Five (5) years

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors has approved the appointment of Mr. Jagdish Saksena Deepak (DIN: 02194470) as an Additional Director (Independent Non-Executive Director) of the Company with effect from 23rd June, 2021 for a term of five (5) consecutive years with effect from 23rd June, 2021 to 22nd June, 2026 under Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company.

The appointment of Mr. Jagdish Saksena Deepak is subject to the approval of the members. The Company has received a notice from a member proposing Mr. Jagdish Saksena Deepak as a candidate for the office of Director of the Company and his appointment is subject to the approval of the members by special resolution.

Brief Profile:

Mr. Jagdish Saksena Deepak is a person of high standing, good repute and have long and rich experience of working with Government of India and State Government (Uttar Pradesh) in various capacities mainly in the areas of commerce, international trade, telecommunication, electronics and information technology.

He worked as Ambassador of India to the World Trade Organization (WTO) at Geneva for 3 years up to May 2020. He also articulated the Indian position on e-commerce and investment. He also worked as Secretary/ Joint Secretary, Telecom, Government of India for more than 3 years and designed and conducted the first 3G/ 4G spectrum auctions in 2010.

He has also served as Director General Trade Remedies (DGTR) and has been a member of the Governing Body of the Indian Institute of Foreign Trade (IIFT) and Central Governing Council of the Institute of Chartered Accountants of India (ICAI) for over 5 years.

He was also District Magistrate, Varanasi in 1996-97 and Commissioner Faizabad and Meerut.

His induction on the Board will support in broadening the overall expertise of the Board and his contribution in the strategic and business diversification areas will be immensely beneficial to the Company.

Mr. Jagdish Saksena Deepak does not hold any shares in the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

A copy of draft letter of appointment of Mr. Jagdish Saksena as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Board of Directors of the Company recommend the Resolution as set out at Item No. 4 of the accompanying notice for approval of the members by way of a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution except Mr. Jagdish Saksena Deepak himself.

ITEM NO. 5

Appointment of Mr. Nishant Arya as a Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company for a period of three (3) years w.e.f. 18th May, 2021 and to fix his remuneration

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Nishant Arya (DIN: 00004954) as a Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company under Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Articles of Association of the Company for a term of three (3) consecutive year with effect from 18th May, 2021 till 17th May, 2024.

The appointment of Mr. Nishant Arya is subject to the approval of the members by special resolution.

Brief Profile:

The Nomination and Remuneration Committee of the Company in its meeting held on 18th May, 2021 has recommended the appointment of Mr. Nishant Arya as a Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company for a period of three (3) consecutive years w.e.f. 18th May, 2021, subject to the approval of members in the Annual General Meeting. The Nomination and Remuneration Committee has also approved the terms and conditions of the appointment of Mr. Nishant Arya.

Mr. Nishant Arya is son of Mr. Surendra Kumar Arya. He Graduated in Business Administration from Bradford University, U.K. and completed a course in Business development and strategy from the London School of Economics. Mr. Nishant Arya spearheaded the JBM Group initiative of diversification into Bus manufacturing, Renewables including electric vehicles and have an expanded experience in Development of R&D and Innovation.

In compliance of the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions of the Companies Act, 2013, the appointment of Mr. Nishant Arya as a Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company on the terms and conditions as mentioned in item No. 5 of the accompanying notice is being placed for your approval by way of a Special Resolution.

The above may also be treated as an abstract of terms of appointment and memorandum of interest in compliance of Section 190 of the Companies Act, 2013.

Mr. Nishant Arya is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

A copy of draft letter of appointment of Mr. Nishant Arya as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company setting out the terms and conditions is available for inspection by members at the registered office of the Company.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution except Mr. Nishant Arya and Mr. Surendra Kumar Arya.

ITEM NO. 6

Re-appointment of Mr. Sandip Sanyal, as Whole-time Director and to be designated as an "Executive Director" for a period of two (2) years

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors has re-appointed Mr. Sandip Sanyal (DIN: 07186909) as a Whole-time Director designated as "Executive Director" in the category of Key Managerial Personnel of the Company under Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Articles of Association of the Company for a term of two (2) consecutive year with effect from 18th May, 2021 and his appointment is subject to the approval of the members by special resolution.

Brief Profile:

The Nomination & Remuneration Committee of the Company in its meeting held on 09th February, 2021 has recommended the re-appointment of Mr. Sandip Sanyal as a Whole-time Director designated as "Executive Director" of the Company w.e.f. 18th May, 2021 subject to the approval of members in the Annual General Meeting. The Nomination & Remuneration Committee also approved the terms and conditions of the appointment of Mr. Sandip Sanyal.

Mr. Sandip Sanyal brings with him vast experience of over 36 years in developing business strategy and leading sustainable & profitable growth of various organizations he has been associated with. Amongst his previous stints, he has to his credit some of the biggest names in Indian and global automotive industry like Ford, Maruti Suzuki, TATA Motors, etc.

Mr. Sandip Sanyal pursued his Bachelors in Technology (B. Tech) from Indian Institute of Technology, Kharagpur followed by Post Graduation Diploma in Business Management (PGDBM) from XLRI, Jamshedpur.

As President, Strategic Growth at JBM Group, Mr. Sandip Sanyal's key responsibilities include spearheading the group's initiatives for inorganic & organic growth globally in the automotive sector as well as engineering services. He is also mentoring and supporting development of key strategies and policies as a member of the group supervisory board.

The above may also be treated as an abstract of terms of appointment and memorandum of interest in compliance of Section 190 of the Companies Act, 2013.

In compliance of the provisions of Sections 197, 203 and all other applicable provisions of the Companies Act, 2013, the re-appointment of Mr. Sandip Sanyal as Executive Director of the Company on the terms and conditions as mentioned in item No. 6 of the accompanying notice is being placed for your approval by way of a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution except Mr. Sandip Sanyal himself.

ITEM NO. 7**Ratification of remuneration of Cost Auditors for the Financial Year 2021-22**

The Board, on the recommendation of the Audit Committee, has approved the service of Cost Auditor on the terms and conditions including remuneration, to conduct the audit of the cost records of the Company for the Financial Year 2021-22 as per the following details:

| Sr. No. | Name of the Cost Auditor | Audit Fees |
|----------------|---|-------------------|
| 1. | M/s. Jitender, Navneet & Co. (FRN 000119) | Rs. 2,50,000 |

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 7 of the notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2021-22.

None of the Directors, Key Managerial Personnel (KMP) and relatives are concerned or interested in the Resolution set out at item no. 7 of the accompanying notice.

ITEM NO. 8**Issue of Securities in terms of Sections 42, 62 and 71 of the Companies Act, 2013.**

The members of the Company are hereby informed that the Company had taken an approval of the shareholders for issuing the Securities in terms of Sections 42, 62 and 71 of the Companies Act, 2013 by passing a special resolution in the 24th Annual General Meeting held on 12th December, 2020. Further, as per the provisions of Section 42 of the Companies Act, 2013 and the rules made thereunder, special resolution is valid for one year in case of offer or invitation for non-convertible debentures. Since, the Company has not issued the Non-Convertible debentures during the last one year, the validity of the special resolution will expire on 11th December, 2021.

In order to strengthen the financial position of the Company, meet the funding requirement in current and any future businesses and for general corporate purposes, including but not limited to debt reduction, it is proposed to create, offer, follow on offer, issue and allot securities as stated in the resolution at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest,

etc. as may be deemed appropriate by the Board/ Committee at its discretion including the discretion to determine the categories of allottees to whom the offer, issue and allotment shall be made at the time of such offer, issue and allotment considering the market conditions and other relevant factors and wherever necessary in consultation with lead managers, either in foreign currency or equivalent Indian Rupees inclusive of such premium as may be determined by the Board/ Committee, in any convertible foreign currency, as the Board/ Committee at its absolute discretion may deem fit and appropriate. The Company intends to issue securities for aggregate amount not more than Rs. 500 Crores or its equivalent in one or more foreign currencies.

Members may note that the above resolution was passed at 24th AGM held on 12th December, 2020, but due to non- suitable market conditions the said issue of securities in terms of Sections 42, 62 and 71 of the Companies Act, 2013 was not made. Hence, the above resolution is placed for your approval in this 25th AGM. It is proposed to create, offer, follow on offer, issue and allot securities as stated in the resolution at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc. as may be deemed appropriate by the Board/ Committee at its discretion.

This Special Resolution enables the Board of Directors/ Committee to undertake a Private Placement as per SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2018, amended from time to time ("ICDR Regulations"). The Board of Directors/ Committee may adopt this mechanism, as prescribed under Chapter VI of the ICDR Regulations in order to facilitate and meet capital expenditure needs of the existing/ future projects of the Company, its subsidiaries and to meet any exigencies etc. without the need for fresh approval from the shareholders. The pricing of the Securities shall be determined by the Board in accordance with the ICDR Regulations. The Special Resolution also enables the Board/ Committee to issue Securities in tranches, to such persons, at such times, at such prices as the Board/ Committee deem fit. The Company may, in accordance with applicable laws, offer a as permitted under applicable law on the price determined pursuant to the ICDR Regulations. The detailed terms and conditions for the offer will be determined by the Board/ Committee considering the market conditions. The Equity Shares allotted or arising out of conversion of any Securities will be listed on recognized stock.

The Board of Directors of the Company recommend the Resolution as set out at Item No. 8 of the accompanying Notice for approval of the members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in anyway, concerned or interested in the said resolution, except to the extent of their shareholdings in the Company.

ITEM NO. 9

To fix the borrowing limits of the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013

The Company requires to borrow funds from time to time to meet both its short term and long terms business objectives, from various external agencies like banks, financial institutions, bodies corporate, individuals or other kind of lenders. As per Section 180(1)(c) of the Companies Act, 2013, the Company shall not, except with the approval of members by special resolution, borrow monies together with the monies already borrowed, if any, (apart from temporary loans obtained obtained by Company's bankers in the ordinary course of business) exceeding the aggregate of paid-up capital and its free reserves.

Considering the future funding requirements of the Company and pursuant to consolidation of the borrowings of JBM Auto Limited due to amalgamation of JBM Auto System Private Limited and JBM MA Automotive Private Limited with JBM Auto Limited, it is proposed to fix the borrowing powers of the Board of Directors of the Company from various Banks and/ or Financial Institutions and/ or any other lending institutions and/ or Bodies Corporate and/ or such other persons as may be considered fit. The Proposed borrowing together with the moneys already borrowed by the Company (apart from temporary loans) may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Company. Hence, it is proposed to fix the maximum borrowing limits upto Rs. 1,300 Crores (Rupees One Thousand Three Hundred Crore Only).

The resolution, if passed, will enable the Board of Directors (or any committee thereof) to borrow monies (apart from temporary loans obtained by Company's bankers in the ordinary course of business) which may exceed the aggregate of paid-up capital and its free reserves but not exceeding Rs. 1,300 Crores (Rupees One Thousand Three Hundred Crore Only).

The Board of Directors of the Company recommend the Resolution as set out at Item No. 9 of the accompanying Notice for approval of the members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in anyway, concerned or interested in the said resolution, except to the extent of their shareholdings in the Company.

ITEM NO. 10

To give authorization to the Board of Directors or a Committee thereof to create Mortgage and/ or Charge on all or any of the movable and/ or immovable properties of the Company both present and future

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the members is obtained by way of a Special Resolution. Consequent to increase in the borrowing limits of the Company as per item no. 9 above, it would be necessary to revise the approval for creation of mortgage, charge etc. on properties of the Company.

Hence, keeping in view the enhancement of the borrowings powers in item no. 9 above, the proposed borrowings of the Company as well as proposed borrowings of Subsidiary Company/ies/ Associate Company/ies/ Group Company/ies of the Company may be secured by way of creating the charges, mortgages, hypothecations, lien, pledge, lease or any kind of corporate guarantee or any other kind of charge on the Company's assets in favour of the lenders/ holders of securities/ trustees for the holders of the said securities as mentioned in the above resolution. Thus, it is necessary to pass a resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of charges/ mortgages/ hypothecations for an amount not exceeding Rs. 2,000 Crores or the aggregate of the paid up capital, free reserves and securities premium of the Company, whichever is higher.

The Board of Directors of the Company recommend the Resolution as set out at Item No. 10 of the accompanying Notice for approval of the members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in anyway, concerned or interested in the said resolution, except to the extent of their shareholdings in the Company.

ITEM NO. 11

To approve the transactions with related parties pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

JBM Green Energy Systems Private Limited is a related party to the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant accounting standards. The transaction with this related party are material in nature, as it exceeds 10% of Turnover as per the last audited financial statement of the Company. However, the transaction(s) with the Related Parties are on arm's length basis and in the ordinary course of business. Under the said regulation, all Related Party Transactions shall require prior approval of Audit Committee and all material Related Party Transaction shall require approval of shareholders, who are unrelated, by an Ordinary Resolution.

The particulars of transactions are as under:

| | |
|--|---|
| (a) Name of Related Parties: | JBM Green Energy Systems Private Limited |
| (b) Nature of relationship: | Related Party as per Section 2(76) of the Companies Act, 2013 |
| (c) Material terms of contracts/ transactions: | Sale, purchase and supply of batteries for EV Buses and job work etc. or transaction of whatever nature are on arm's length basis and in ordinary course of business. |
| (d) Monetary Value: | Estimated value as mentioned in the Resolution |
| (e) Any other information relevant or important for the members to take a decision on proposed transaction | None |

The Board of Directors recommend the Resolution set out at Item No. 11 of the accompanying notice for approval of shareholders of the Company, who are unrelated vis-à-vis the subject matter of the contract/ transaction by an Ordinary Resolution. None of the Directors except Mr. Nishant Arya and Mr. Surendra Kumar Arya or Key Managerial Personnel of the Company or their relatives are in, any way, concerned or interested, financially or otherwise, in the resolution.

**By Order of the Board of Directors
For JBM Auto Limited**

Place: Gurugram (Haryana)

Date: 11th August, 2021

**Sd/-
Vivek Gupta
Chief Financial Officer
& Company Secretary
M. No. F7918**

NOTICE FOR SHAREHOLDERS/ INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders/ Investors of JBM Auto Limited are notified that in pursuance of the Section 124 of the Companies Act, 2013 (the Act) and rules made there under, the Company is required to transfer amount of dividends that remain unclaimed/ unpaid for a period of seven (7) years from the date on which they were declared, to the Investor Education and Protection Fund (IEPF) established under Section 125 of the Companies Act, 2013 and rules made thereunder.
2. Dividend declared during the following Financial Years shall fall due for transfer to IEPF on completion of a period of seven years from the respective date of declaration of Dividend. A table containing the due dates for transfer to IEPF for various years is given below for the information of the Shareholders/ Investors:

| Financial Year | Rate of Dividend | Proposed date for transfer to IEPF |
|----------------|------------------|------------------------------------|
| 2013-14 | 30% | 29.10.2021 |
| 2014-15 | 50% | 27.10.2022 |
| 2015-16 | 35% | 08.10.2023 |
| 2016-17 | 40% | 23.09.2024 |
| 2017-18 | 40% | 09.10.2025 |
| 2018-19 | 45% | 19.10.2026 |
| 2019-20 | 35% | 16.01.2028 |

3. The shareholders/ investors of the Company are hereby informed that pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 including any amendment and re-enactment thereof, the Company is required to transfer equity shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of Investor Education and Protection Fund. In compliance of the said rules, the Company has communicated through its letters dated 10th July, 2021 sent to the concerned shareholders as well the newspaper advertisement whose shares are liable to be transferred to IEPF Demat Account and also published a notice in the newspapers containing that the names of such shareholders and their folio number or DP ID - Client ID are available on the Company's website i.e. www.jbmgroup.com to claim unclaimed dividend for the financial year 2013-14 and onwards immediately by making an application to the Company or MCS Share Transfer Agent Limited, RTA of the Company. The Company will transfer the equity shares for the year 2013-14 within a period of thirty (30) days of such equity shares becoming due to be transferred to the fund to comply with the provisions of Section 124 of the Companies Act, 2013.
4. Shareholders/ Investors who have not encashed their Dividend Warrants, if any, for any of the aforesaid Financial Years, are requested to lodge their claims by quoting their respective Folio No./ DP ID/ Client ID with Company at the following address:

Company Secretary
JBM Auto Limited
Plot No. 133, Sector - 24, Faridabad - 121005, Haryana
Ph: 0124 - 4090200 | Email: jbma.investor@jbmgroup.com
5. Shareholders are advised to ensure that their claims for unpaid/ unclaimed dividend are lodged timely so as to reach the same on or before the date indicated against each year in the table at Sr. No. 2 above. The claims received after these dates shall not be entertained and the amount outstanding shall be transferred to IEPF.
6. Shareholders are requested to note that after the transfer of the amount to IEPF, the claim for payment shall lie with IEPF Authority as per Section 125 of the Companies Act, 2013.
7. Shareholders may note that Securities and Exchange Board of India (SEBI) vide their Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated 20th April, 2018 has mandated all listed Companies to make payment of dividend to the shareholders through approved electronic mode and also directed that updated bank details and PAN of the Shareholders be obtained and maintained by the Companies. The shareholders are requested who's PAN and Bank Account details are not updated in their folio no/ DP ID Client ID may contact to

the Company/ Registrar and Transfer Agent (RTA) of the Company for obtaining format for furnishing the bank details, PAN and email id etc. at email id jbma.investor@jbmggroup.com or admin@mcsregistrars.com. Shareholders are also requested to quote your Phone/ Mobile No. for faster communication while correspondence with the Company/ RTA.

8. Shareholders also please note that Securities and Exchange Board of India vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated 8th June, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only. Members holding shares physical form are advised to dematerialize their physical shareholding at the earliest. No request for transfer of shares in physical form can be processed by the Company/ RTA.

Place: Gurugram (Haryana)

Date: 11th August, 2021

CELEBRATING



YEARS OF
INNOVATION | GROWTH | EXCELLENCE

JBM AUTO LIMITED



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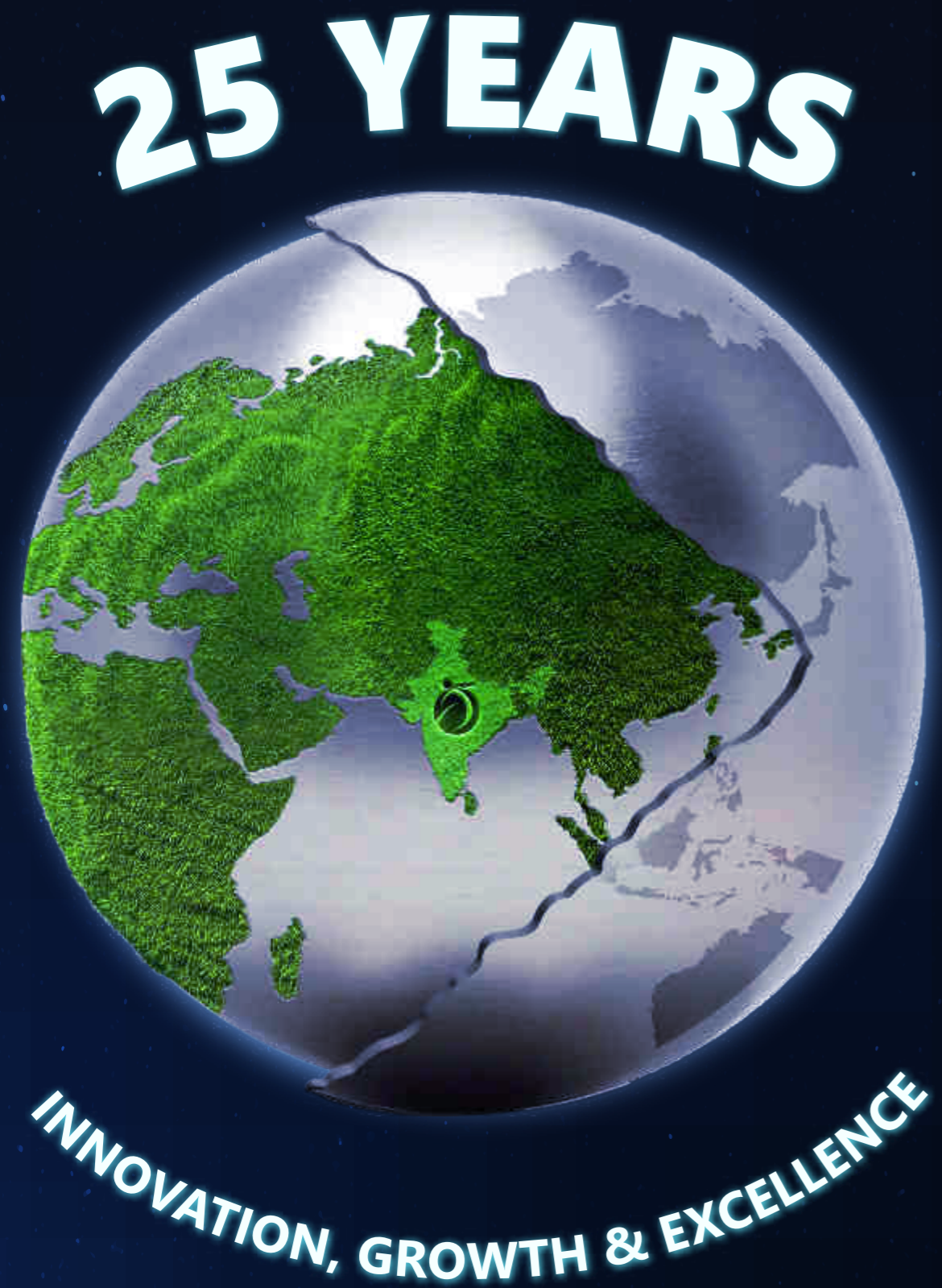
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INNOVATION, GROWTH AND EXCELLENCE

As we manoeuvre through the current era of technology transition, the aggressively evolving global automotive sector is working towards developing products and solutions that align with the new normal. At the cusp of this transition, we at JBM Auto Ltd. are gearing up to harness the opportunities on the technology front, positioning our offerings at the right place and at the right time. With the influx of latest technology in our process ecosystem, JBM Auto will stand committed to its focus towards innovating and creating value for all stakeholders. As we march ahead in our journey of excellence, we will be able to align with the end consumer to provide and customise solutions for multiple platforms single-handedly. Technology is bed rock of our growth that is enabling us further consolidate our leadership position.

At JBM Auto Ltd, growth and change go hand in hand. In our endeavour towards building sustainable business models, we curate business strategies that act as a catalyst to redefine product standards and quality at enhanced levels of innovation and customer orientation. To sustain and enhance our leadership in the market, this year, we have focussed on reorienting the business towards the new normal, for all the three business divisions i.e. auto components & systems, tool room, and OEM. On the operational front, we have focused on increasing our capacity utilization, upskilling, and enhancing manpower efficiencies, converting fixed costs to variable, adopting frugal

working methodologies to ensure competitiveness, effective utilization of all resources and optimise costs. For us, excellence is all about 'enriching'; enriching the business DNA for enriching our customers' experience. Moreover, as a responsible corporate, we are devising sustainable products and solutions to make the Nation and our planet green. By way of our OEM division, we have been relentlessly working towards augmenting India's extensive and evolving transport ecosystem.

Adopting digitization has been an interesting and productive journey; artificial intelligence (AI), IoT, machine learning and Industry 4.0 have provided JBM Auto a competitive edge, much ahead of the industry. To align with our Vision 2025, an independent digitization and AI function has been introduced in the recent restructuring exercise of the company. By way of application of AI at JBM Auto, we have redefined and channelized multiple basic fundamentals across various business functions and the shopfloor. As part of this exercise, we have been able to get rid of repetitive processes making the system 'First Time Right, Every Time Right'. The intent is to steer the organization and processes up to speed and agility through exploring new technologies and generating maximum stakeholder value. As an organisation, we are well on our way to creating a JBM Auto of tomorrow, wherein, we will continue to challenge the status quo.

"We do not learn from experience... we learn from reflecting on experience."

- John Dewey

SOARING HIGH CONNECTED TO THE ROOTS

We at JBM Auto Ltd., have dexterously amalgamated our strengths and R&D acumen to make our products future-ready ahead of time. We are actively pursuing application of alternative materials and technologies to address the dynamics of our new business categories like Electric Vehicles. Our persistence towards achieving excellence transformed us from Auto Systems into an OEM and further today as an E-mobility Ecosystem provider.

We have successfully been able to deliver

optimum solutions with the right mix of product, process and complete ecosystem know-how. Our state-of-the-art products are a testimonial to our expertise in the mobility solutions space. Akin to our commitment to fortify our position as one of the leading automotive component manufacturers in India, we have developed high tensile tools for safety critical & complex parts.

Our business practice is based on our key philosophy of TIP (Technology, Innovation & People)

VISION

Expanding Leadership in our business by creating an agile environment that delivers excellence and delight to stakeholders through the power of people, innovation and technology.



VALUES

LETTER FROM THE CHAIRMAN'S DESK

Dear Shareholders,

It is a momentous occasion as I express my thoughts on the 25th anniversary of JBM Auto Ltd, by way of this Annual Report of the company for FY2020-21. As I put my message forward on the 25th Annual General Meeting of your company, a famous saying resonates within me, "The most reliable way to predict the future is to create it". With this dream in mind, we initiated our journey of excellence way back in 1996. Our focus, then, was towards simpler auto parts and components which gradually transitioned to complex auto systems & assemblies and today your company is manufacturing high end buses which are successfully running across various states of India. The journey in these 25 years has been wholesome, engaging and enriching wherein JBM Auto has transformed from a product centric approach to experience & solution-based methodology. Our integral prerogative since our inception has been our belief towards propelling shared prosperity.

The global outlook continues to be highly uncertain over a year after the pandemic erupted as new mutations of the COVID19 virus continue to impact lives, livelihoods, and sentiments. The year gone by has taken all of us through extremely difficult and unforeseen situations both, at personal as well as professional fronts. Despite all our limitations about the understanding of COVID19, our resilience and perseverance enabled us to learn and manoeuvre ourselves through the new normal. At this juncture, on behalf of the entire JBM family, I would like to extend my gratitude to all the doctors, medical and support staff who relentlessly stood in the line of duty to save precious lives.

At JBM Auto Ltd., we have defied traditional manufacturing methodologies by way of our technology based green manufacturing approach that reflects positively on the environment and the society at large. Since our inception we have evolved and come a long way. The automotive industry today has entered the era of vehicles that are autonomous, connected, electric and shared. At the same time, the Indian auto industry is making its mark in the global arena and hence undergoing massive transformation in terms of technology, governance, policy framework and international collaborations.

This new age transformation at the point of manufacturing and adoption of new-age advanced technologies is paving a path for JBM Auto to grow its business on the back of information and well-informed decision making.

Like the global economy, the Indian economy too faced a setback due to the pandemic. The quarterly growth turned sharply negative during the first two quarters of FY2020-21, on account of stringent pan-India lockdowns mandated to control the spread of the disease. With the gradual lifting of restrictions on the movement of people and goods, by the second half of the financial year the economy started showing initial signs towards recovery. But despite these signs of recovery, the Gross Domestic Product (GDP) growth for FY2020-21 stood at -7.3% as compared to 4.0% in FY2019-20.

The Indian auto components industry accounts for around 2.3% of India's GDP and 25% to the manufacturing GDP. During the five-year period between FY16 to FY20, the Indian automotive components industry registered a CAGR of 6%, to reach US\$ 49.3 billion by FY20. During the first half of FY 2020-21 (from April to September 2020), the turnover of the automotive components industry stood at Rs.1.19 lakh crore (US\$ 15.9 billion), registering a decline of 34% over the first half of the previous year. Exports from this industry grew at a CAGR of 7.6% during the same period to reach US\$ 14.5 billion in FY20. As per the Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026.

Your company has taken giant strides in the EV space in the year gone by. I am pleased to share that your company has commissioned an end-to-end in-house E-Mobility platform to cater to the seamless adoption and running of e-buses in the country. This e-mobility platform has been commissioned in Navi Mumbai and Ahmedabad, wherein your company is overseeing the complete ecosystem right from bus operations to charging to maintenance. We are in advanced stages of discussion with various state governments for replicating the same in other cities and states as well in a very short turnaround time.

The OEM business of your company has been in expansion mode with ECO-LIFE 100% Electric Bus now successfully plying in multiple cities of the country, including Navi Mumbai, Ahmedabad, Port Blair and shall soon be running in the Delhi-NCR and Bengaluru region. Our BS-VI variant CITYLIFE was first ever city bus to ply on Indian roads post the implementation of the new emission standards. Your company also bagged the biggest order of 700 AC CNG and 200 electric buses from Delhi Transport Corporation.

Our eco-friendly buses are being recognized for their state-of-the-art technology and enhanced safety & comfort and have been aptly felicitated with various prestigious awards.

In the auto component space, your company has redefined the dynamics of the industry in the last 25 years. From humble beginnings to a stage today where we manufacture almost 500,000 complex auto systems & assemblies daily, your company is catering to global OEMs such as Ford, VW, Honda, FCA, Renault, TATA Motors, M&M, PSA and many more. Moreover, your company's tooling development capacities have grown 30-fold to 1500 dies and 500 fixtures and robotic systems annually since inception. The tooling division has transformed into India's largest tooling business and a preferred supplier for OEMs, delivering consistent growth of over 20% CAGR and

servicing over 90% OEMs in India across PV, CV, Agri, 3W and 2W segments. The tooling business has been recognized by various OEMs such as Ford, M&M, Tata Motors, Isuzu, Escorts, etc. for consistently delivering new products with timely development and exceeding customer expectations. Further, your company has been recently recognised by the prestigious 'Economic Times – Promising Plants 2021' award. This recognition is bestowed to manufacturing facilities that have not only scaled excellence but are also setting new benchmarks for the industry.

Your company's Skill Development Centre (SDC) is constantly taking the lead in providing Apprenticeship Trainings to Candidates who have completed their 10th Standard or higher, including those who have secured ITIs, Diplomas or Engineering degrees. In last 6 years, we have trained and placed more than 8000 candidates hailing from different parts of the country. As the training courses have been customized on an 'Earn & Learn' principle, it has enabled your company to help under privileged and tribal candidates.

As a responsible corporate citizen, it became imperative for us to create an ecosystem around eco-consciousness, thereby, subsequently scaling up the business on such foundations that articulates our ethos and vision. Our employees, their families coupled with our responsibility towards the society and Nation at large continues to be an essential ingredient of the strategic planning process of your company. It gives me immense pleasure to inform you that this year a revolutionary initiative – Sankalp Siddhi has been inducted that aims at elevating the skill sets and invoking the latent talents of our employees and their families.

The success and eminence of JBM Auto as a market leader began as a modest dream, to create JBM as an equivalent to 'JBM Inside' every vehicle running on Indian roads. In these 25 years, I am proud to say that together we have come extremely close to realizing that dream. However, this is just a beginning to newer dreams and goals which will bring in greater sheen to our success in the coming times.

Finally, it is critical for me to state that getting vaccinated, wearing masks and maintaining social distancing is the only approach to control the spread of the pandemic. I urge all to follow these protocols so as to ensure safety for self and family. Kindly continue to follow the directives issued by the government and contribute towards saving the Nation from the possible third wave of COVID19 pandemic.

To conclude, I extend my sincere appreciation to the management and the staff of the company for their valued contribution, as always. A big thanks to you, our valued stakeholders. Your faith and trust in our capabilities keeps motivating us to transform and grow from strength to strength.

Stay Healthy, Stay Safe

Thank You and Jai Hind.

**SURENDRA
KUMAR ARYA**
CHAIRMAN

"Constantly think about how you could be doing things better, keep questioning yourself"
– Elon Musk

MESSAGE FROM VICE CHAIRMAN & MANAGING DIRECTOR

Dear Shareholders,

Over the last 25 years, it has been our motto to promote collaborative growth, collaborative learning and collaborative evolution by adopting a responsible business approach. We have been clearly conscious towards curating our offerings and solutions with an intent to enrich and empower lives of the people. Technology and innovation coupled with the right talent have been the key catalysts that have driven our journey of excellence since 1996.

The year 2020 will be etched as the most unpredictable year of modern human history. It compelled each one of us to stop and switch over to 'survival mode' and lead to severe business disruptions. The fact that such situation may arise was inconceivable until COVID19 actually happened. The pandemic is unprecedented in terms of its impact on people, industry & economy with extreme consequences, in other words a 'Black Swan' event.

At JBM Auto, we utilised this time constructively bringing out the true spirit of perseverance in all of us. Our philosophy to remain agile and frugal empowered us to react to the situation sensibly. With a legacy of winning against the odds we adapted swiftly to the demands of the 'new normal' while incorporating preventive measures in our ways of working. With the Business Contingency Plan in place well within time, we were amongst the first to resume production in May 2020. We ensured enforcement of strict policies and protocols to safeguard our employees and not compromise on customers' expectations and delivery standards.

Your company has been looking at the silver lining of opportunities even in these toughest of times. This is a historic year for the company in terms of completing 25 years of a phenomenal journey wherein each of our business divisions strategized its own goals and path distinctly. JBM Auto is the only company in India to have transformed into an OEM from Auto component manufacturing within only 20 years of its inception. Today, it gives me immense confidence to share that all our business divisions are equally robust and hold market leadership position in their own specific domains. We have worked progressively towards streamlining each of the businesses by means of enhancing our product portfolio, reducing time to market, optimising the total cost of ownership, thereby, maximising stakeholder value.

The Government has encouraged purchase of fuel-efficient vehicles by announcing the vehicle scrappage policy recently to phase out old and unfit vehicles. It is estimated that this move will encourage use of fuel-efficient, environment-friendly vehicles, thereby reducing vehicular pollution and oil import cost. Additionally, a Rs. 18,000 crore scheme was announced to give impetus to bus-based public transportation in India. This will act as a catalyst for faster growth in

the Indian automobile sector. India is on a national mission of electric mobility and faster adoption and manufacturing of electric vehicles (EVs). India's 2030 EV ambitions, signalled by NITI Aayog, states that 70 per cent of all commercial cars, 30 per cent of private cars, 40 per cent of buses, and 80 per cent of two-wheeler and three-wheeler sales in 2030 would be of EVs. To meet India's electric vehicle (EV) ambitions, a cumulative investment of ~Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030. This is likely to boost the demand of auto components from local manufacturers. Your company is ready to act on the given opportunity with utmost vigour and agility.

Your company's tooling division is one of the largest tooling businesses in India and is also the most preferred supplier by OEMs. We have constantly endeavored to upskill our product base and add value added products such as tooling for skin panels, high tensile parts and dies. Recently, we made our foray into the specialized and niche area of robotics and automation. The tooling division has expertise to execute turnkey projects for OEMs via delivering end-to-end tooling solutions for dies and welding lines. Last year, we expanded our product portfolio by developing dies for Skin Panels for two wheelers. Our focus is on keeping pace with upcoming technologies and expanding the product base with progressive dies.

JBM Auto has been the first public transport provider to have run BS-VI buses in India in the capital city of New Delhi. Further, as the torch bearer of driving sustainability and green environment initiatives, your company is a pioneer towards creating its end-to-end e-mobility ecosystem, under the government's Make in India initiative. This fiscal our ECO-LIFE 100% electric city buses have been deployed in the states of Gujarat and Andaman as well. JBM ECO-LIFE buses have already been plying in Navi Mumbai since Oct 2019. This electric bus operation will provide estimated savings of around 1.5 million litres of diesel and 20000 tonnes of CO2. ECO-LIFE buses have already covered over 20 lac e-kms pan India since deployment. JBM Auto was felicitated with the 'Electric Bus Manufacturer of the year' award for our ECO-LIFE series of electric buses at the EV Manufacturing and Design Show India 2021 Awards. As a responsible organisation, we have committed to clock over 1 billion e-kms over the next 3-4 years.

The future of mobility in India and globally is evolving rapidly towards becoming more electrified and environment friendly, while delighting end users with superior experiences. The pace of progress is exciting in the EV space with special focus on public transportation. Your company's R&D team has developed a long-term strategy in line with the Automotive Mission Plan 2026. This roadmap is much in line

towards creating new products as well as for adoption of newer technologies that will define the future of the industry.

I would like to thank all our shareholders, bankers and partners for the consistent support and encouragement. We are constantly striving to embark on new journeys and reach new milestones with renewed spirits and perseverance.

Your Company is an end-to-end 'Well to Wheel' solution-based enterprise in the mobility space, with presence across auto components, tooling and the complete ecosystem for Buses (including vehicle technology, battery technology, charging infrastructure). Our USP springs from our ability to manage multiple modular platforms for meeting customer requirements and reducing time to market.

As a responsible organisation, we have committed to clock over 1 billion e-kms over the next 3-4 years.



NISHANT ARYA
VICE CHAIRMAN &
MANAGING DIRECTOR

'Let's go invent tomorrow rather than worrying about what happened yesterday.'
-Steve Jobs

KEY HIGHLIGHTS

7000
Employee Strength

Excellence has become a habit
– *Tim Cook*

16 state-of-the-art manufacturing facilities

We can't be in survival mode, We have to be in growth mode.
– *Jeff Bezos*

3 Business Divisions

Sustainability has to be a way of life To be a way of business
– *Anand Mahindra*

1982.04cr
Turnover FY 21

AUTO COMPONENTS AND SYSTEMS

A journey that redefined the landscape of the automotive industry



We manufacture key auto systems & high-level assemblies.

Our innovative products are safety critical items such as BIW parts including cross car beam & many aesthetical parts which define the styling of the product.

- Manufacturing 5,00, 000 auto components and assemblies daily
- Over 800 robots and presses
- One stop shop for state of the art technology for products manufactured with Global standards
- Exporting components to Sweden, Brazil, Belgium, Vietnam, Romania, North America, Russia and Japan for world renowned auto OEMs
- Over 50 lakhs cars, 25 lakhs tractors and 25 lakhs commercial vehicles have atleast one JBM component and are plying safely on roads
- Currently catering to more than 15 new passenger car models
- Working on multiple light weighting solutions including aluminum and hot stamping technologies

Serving Global Customer





TOOL ROOM DIVISION

The Tool Room division has its focus on innovation and it keeps on upgrading itself to interface with all new industry requirements and technology. It manufactures tools and dies for turnkey projects. We have added Line Building business this year alongwith major focus on safety critical items like chassis & suspension systems and key aesthetical parts like skin panels. High strength steel applications are being taken up as a key strength with new opportunities coming up for crash, safety, light-weighting requirements of multiple OEMs where we will use materials upto 980 MPA based on the customer requirements and product applicability.

Make in India, Make for the World

MILESTONES

India's largest Tooling business

Consistent growth with > 20% CAGR

> 90% OEM's with 28 customers across

5 million vehicles produced across > 100 vehicle platforms with JBM Tooling

700 dies annually with new green field tool room

- Tooling development capacity has grown 30 fold yearly since inception.
- Expertise to design and develop End to End Tooling solutions for Dies for all Press technologies of Tandem, Transfer and Progressive stamping.
- Delivered 3 turnkey cabin projects.
- Best in class Tooling infrastructure with High Speed CNC machines and Trial presses.
- Developed tooling for Mercedes Benz c class and GLC models. Will cater to over 4 million Mercedes Benz cars that will be exported to over 15 countries in Europe
- Vision to grow 100% in next 3 years by delivering seamless art to part experience to customers across industry
- World class robotic system delivered to BMW.
- Tooling Division became the pioneer in developing tools for Global OEMs cars made in India with 'ONE QUALITY, GLOBAL QUALITY'.
- Developed Tooling for 8 India specific vehicles platforms having cumulative volume of 0.4 million for Leading European OEMs and made > 450 Tools and Robotic systems.
- Only facility in India to develop full range of Skin parts and Ultra High strength steel parts of 980 Mpa.
- Continuously evolving safety and emission regulations from BS1 to BS6.
- Transitioned from design on Drawing Boards to advanced design and simulation. Accomplished more than 4 million hours of Design and Simulation work.





OEM DIVISION

NEXTGEN MOBILITY SOLUTIONS

In JBM Auto Ltd. Commemoration of 25 years of success, the OEM Division has been a significant contributor in this journey, by providing visibility to JBM brand name as an OEM. The entire product portfolio is developed by keeping customer centricity at the core. Some of the key pillars of this philosophy are good aesthetics, passenger comfort & safety, convenience, advanced technology adoption, lowest TCO enabling JBM in coming up with the Best-in-Class products.

Some momentous occasions of the youngest division of JBM Auto are:

- JBM Bus Division made an entry into the low floor city bus market by launching its first product CityLife- 12m Low Floor AC CNG bus in AutoExpo 2014.
- NMRC, Noida was the first customer and a fleet of 50 buses was supplied to them in the year 2016.
- The fleet was powered by Cummins 5.9L Engine and Automatic Transmission and boasted of many unique features like Uni – floor design on monocoque structure, Independent front suspension, Inverted portal axles and all disk brakes to name the few.
- Our R&D was the first design center in a Bus Division in India to be recognized by Department of Scientific & Industrial Research (DSIR).

MILESTONES

KILOMETERS CLOCKED
PAN INDIA

50 Mn+

AVERAGE PASSENGERS/
DAY PAN INDIA

4 lac

DIESEL SAVED

1.5 Mn ltrs.

CO₂ SAVED

**20,000
Tonnes**

E-KILOMETERS COVERED

20 lac +

- It was in the same year that JBM entered into a JV with the European EV giant Solaris for the technological knowhow. It was the company's big step towards its EV strategy.
- Our journey in 2017, was focused on improving the market footprint and the company worked to increase its product portfolio by adding 2 new product variants namely Skool life and Bizlife as School Bus and Staff Movement mobility solution.
- In 2018, 3 products were showcased in AutoExpo 2018 including of the first 12m EV of India that was developed in collaboration with Solaris.
- JBM won prestigious order for 200 Nos of 12m CNG Non-AC buses from GMCBL for plying on the roads of Gurgaon. This City Bus services was launched as Gurugaman.
- In 2019 the company continued attaining newer heights and expanding product portfolio further in EV as well as CNG space. We developed our first indigenous Electric bus on 9m high floor platform for city bus application. NMMT, Navi Mumbai was the owner of a fleet of 30 nos.
- The same year the organization successfully forayed into a new segment of Tarmac coaches and two new customers in the form of InterGlobe Aviation and SpiceJet Airlines joined the 'Elite Customer' for operations in New Delhi, Airport.
- Next success story was an order of 250 nos of 12m CNG BS-IV AC buses was received from DIMTS, Delhi for the cluster operation.
- JBM Buses started plying on Delhi Road within only 5 years of inception of OEM vertical whereas it has remained a long cherished dream of many other OEMs.
- Inauguration was done by the Hon'ble Chief Minister of Delhi, Mr. Arvind Kejriwal and the company got highly appreciated for the supplied product.

- A big challenge came in the form of BS-VI emission norms adoption throughout the country from 1st April, 2020. With a proactive approach and a meticulously drawn program plan, the BS-VI emission compliant 12m LF CNG product was ready in-time. JBM was the first company to develop BS-VI compliant City Bus in India ahead of timeline.
- Along with the CNG BS-VI bus, JBM also launched 2 EV products- one of the first Hi-Capacity 12m EV platform with sitting capacity of 40 passengers comfortably and the second one on the 9m platform in AutoExpo 2020.
- In 2020, JBM got its first BS-VI order from DIMTS. JBM became the first company in India to supply BS-VI compliant 12m LF CNG bus for public transportation and Delhi became the first city in the country to add the new-age vehicles to its bus fleet.
- In 2021, JBM focused mainly on expansion of its EV portfolio along with new customer addition. 3 variants of 9m HF EV buses and localized version of 12m EV have been developed and supplied to the following customers- AJL, Ahmedabad; NMMT, Navi Mumbai; NTPC, Andaman & Nicobar.
- Currently, JBM has acquired prestigious orders from DTC for 700 nos of 12m CNG BS-VI bus and 200 nos of 12m EV buses which are under execution. Order from BMTCL, Bangalore has also been bagged by JBM.

There have been many initiatives from the Government of India encouraging green technology with low emission levels and usage of the EV technology for public transportation. JBM's Vision 2025 is in-line with the Government's policy. The next few years are going to be quite exciting as a number of new products and variants are lined up for development. A few new platforms will also be coming up catering to various segments and applications. JBM also has a vision of having a global footprint and looking beyond India for business expansion. For achieving the Vision objectives, JBM has plans of strengthening its base by developing its capabilities and infrastructure. Customer being the king, the reduction of TCO and increasing the customer value proposition have always been part of JBM's Vision, which in turn will provide JBM with further business opportunities.





OUR PORTFOLIO

FUELING THE FUTURE

1st 12m LF AC CNG BS-IV bus manufactured by JBM and 50 nos supplied to NMRC

FY 2015-16



First time participation in AutoExpo 2016

The buses were powered by Cummins Engines and Allison Transmission

1st School bus developed on the 12m LF platform.

FY 2016-17



1st Diesel engine bus developed for staff carrying application- 12m LF platform

1st supply outside of Delhi-NCR

1st 12m LF EV developed in collaboration with Solaris

Non-AC variant was developed on the 12m LF CNG BS-IV platform and 200 buses were supplied to GMCBL

New models launched in AutoExpo 2018

FY 2017-18



1st EV developed on the 9m HF platform and 30 buses supplied to NMMT, Navi Mumbai

FY 2018-19



A product was developed on the 12m LF platform for Tarmac application. The customers were Interglobe Aviation & Spicejet airlines

AC variant was developed on the 12m LF platform and an order of 250 buses for DIMTS, Delhi was fulfilled

The year started with 3 new product launches in AutoExpo 2020- 12m LF BS-VI, 12m LF NAC EV with 40 seats & 9m EV HF

BS-VI buses were powered by M/s Weichai Engines

12m LF AC CNG BS-VI buses supplied to DIMTS- CityLife-1st BS-VI emission compliant 12m CNG LF bus of India

FY 2019-20



FY 2020-21



3 variants of 9m HF EV buses were developed and order fulfillment for AJL, Gujrat ; NMMT, Navi Mumbai & NTPC, Andaman & Nicobar was done

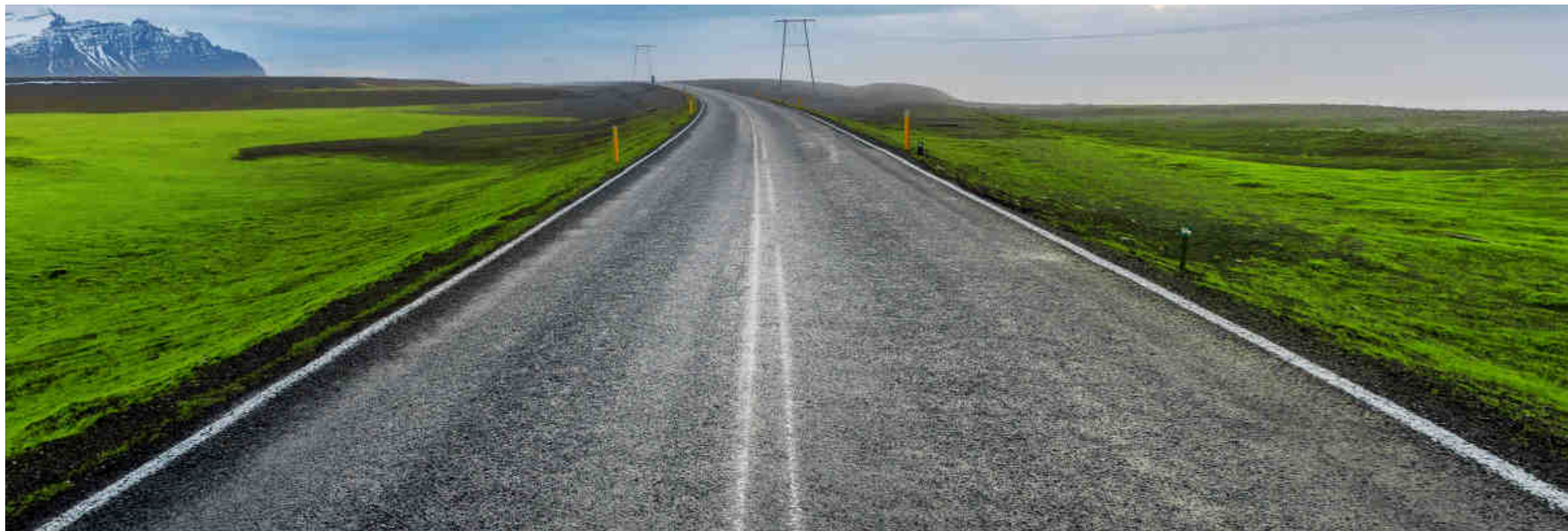
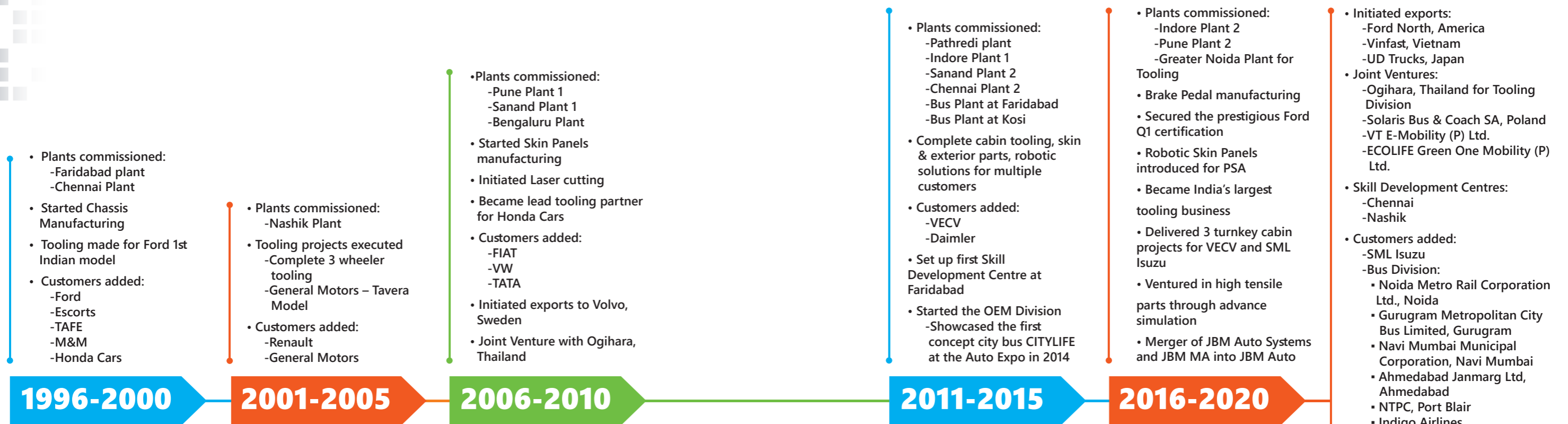
12m LF AC EV buses developed and supplied to NMMT, Navi Mumbai

JBM has also bagged its biggest order so far- 700 nos of 12m LF AC CNG BS-VI buses from Delhi Transport Corporation.

Similarly DTC has also awarded an order for 200 nos of 12m LF EV buses



25 YEARS MILESTONES



“TIP – Enabling Innovation, Empowering People, Enhancing Technology”

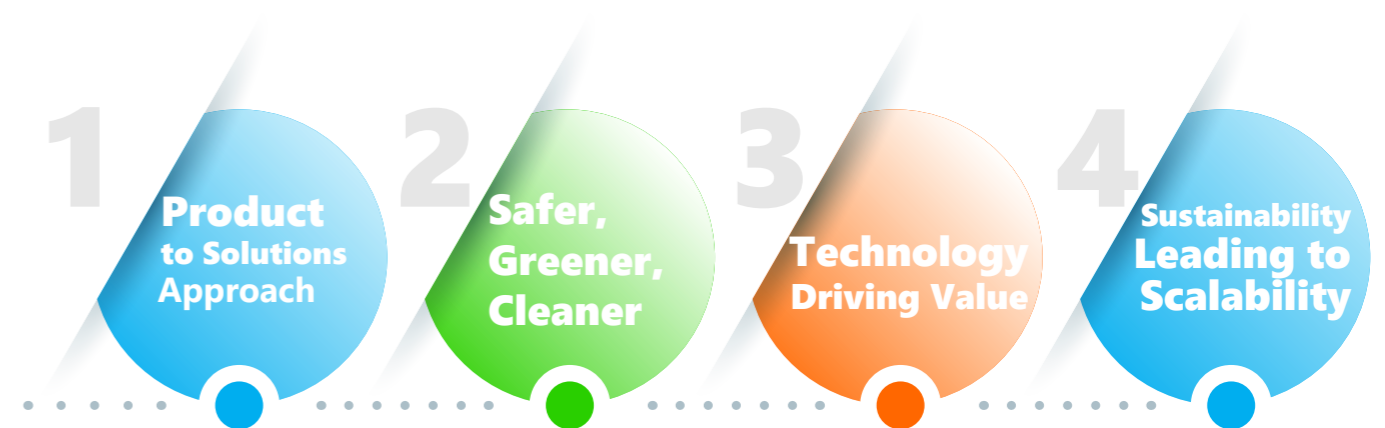
Our focus on long-term capability building, both in terms of process and people, have been at the core of JBM’s business transformation in recent years. Continuous realignment has helped position us to grab the right opportunities.

KEY PREROGATIVES OF OUR JOURNEY

MOVING FROM ONE MILESTONE TO ANOTHER



Through the years our integral values and ethos have enabled us to stay focused towards our goals and objectives. In these 25 years they have been the cornerstone of all our initiatives as we moved from strength to strength. Now as we are gearing up for accomplishing our Vision 2025, we have outlined our key prerogatives that will act as guiding principles and a launchpad to propel JBM Auto in taking the next giant leap.



“ Young to be brave and old to be smart ”

1. PRODUCT TO SOLUTION APPROACH

FACILITATING SEAMLESS ART-TO-PART EXPERIENCE

JBM Auto has been consistently evolving with agility, dynamism and rigour. Initially, our focus was on auto components, which transitioned to auto systems and assemblies, i.e. from product-based to experience and solution-based approach. Our focus is on the TCO (total cost of ownership) principle for driving optimum value and cost optimisation from our products and solutions. JBM Auto's holistic approach towards garnering customer engagement and generating customer delight allows us to stay ahead. All our business verticals work in sync, which gives us a sustainable and scalable ecosystem. Simplifying the hi-tech approach and making it user friendly and affordable is what we strive for.

At JBM Auto we are equipped with diverse product portfolio that enables us to be one of the most competitive company in the industry with strong emphasis on efficiency and operations, customer reliability and state of the art engineering and designing. Our key success factors such as globally competent and skilled workforce with an infrastructure that enables us to not only withstand the change but to also make optimum use of it.

2. SAFER, GREENER, CLEANER

BEST WAY TO PREDICT THE FUTURE IS TO CREATE IT

The imperatives that drive the future are based on effectiveness and impact on today and would be the driving forces to synergise production & consumption in order to make life and living worthwhile. As we dwell in an era of changing paradigms, there is a need to create value that not only enables us for the present but simultaneously makes provisions for a Cleaner | Greener | Safer tomorrow. The very thought of human efficiency is driven by multiple parameters that stand on the pillars of innovation that propel our environment, sustainability towards environment and its related infrastructure to manage transitioning from the present to being future ready. The strengths of JBM Auto in this domain are cohesive planning, resource management and execution excellence to create business synergies towards a futuristic business

platform that serves earth and its dwellers. This ethos defines the drive to innovation and create product alignments to become the preferred mobility solutions conglomerate. The seamless synergy between auto components manufacturing, tooling to transitioning as the most appealing OEM by manufacturing eco-friendly compressed natural gas fuelled buses, as well as simultaneously creating an EV Infrastructure that consist of Electric Bus manufacturing, Sustainable Energy Generation, Green Energy Storage to EV Charging Infrastructure Development. As we look ahead, we see better times for our current and future generations to come; where one can be reliant on JBM Auto Ltd. to provide for consuming mobility that is Cleaner, Greener, Safer.

"Let's nurture the nature so that we can have a better future."

3. TECHNOLOGY DRIVING VALUE



PROUD TO BE INDIAN, PRIVILEGED TO BE GLOBAL

Technology, Innovative business models and People (TIP), happen to be JBM Auto's springboard for achieving our vision 2025. World over, disruptive innovation is driving the narrative of the entire manufacturing ecosystem. At JBM Auto, we have swiftly aligned ourselves to these emerging trends and are becoming more robust by adopting frugal engineering practices, digitalizing production and enabling enhanced processes, thereby reducing the time to market. In line with our consistent focus towards upgrading our processes and systems

with the most advanced technologies, graduating to AI and Digital Manufacturing has been seamless across our various businesses. Data based decision making is being undertaken across our various verticals by way of deployment of technologies such as Industry 4.0, Data analytics and IoT. Also, our Machine Learning tools and other processes are based on the AI platform with real time data and analytics. Systems such as vehicle health monitoring systems, battery management systems, etc. provide data and information on a real time basis enabling predictive decision making.

4. SUSTAINABILITY LEADING TO SCALABILITY

WE ARE THE EARTH AND THE EARTH IS US!

Intrinsic to the core JBM DNA, we have been relentlessly working towards creating products that not only address the requirements of the future but are also green & sustainable. At JBM Auto Ltd., we believe in scaling up the business in tandem with our accountability towards the environment, thus, propelling our belief of shared prosperity. As a responsible corporate citizen, it is time to create an ecosystem around eco-consciousness, thereby, subsequently scaling up the business on such foundations that forms the ethos and the business vision of JBM Auto Ltd. Traditional methodology of auto component and automobile manufacturing has been defied by JBM Auto Ltd.'s green manufacturing approach that reflects positively on the environment. JBM Auto Ltd. has consistently proved its mettle not only in creating value for all its stakeholders, but also bringing sustainability in its product development and creating an eco-system that propels positive energy. Our core deliverables as a 'Glocal' corporate citizen is to be constantly focused towards bringing in best-in-class technology, adapting to the environment, and re-inventing each day. An organization of the future must aim at customizing its products and solutions to ensure competitiveness, total cost of ownership and quality, i.e. synergies must be built around design to cost, design to functionality and design to manufacturing'.



Only company providing end-to-end e-Mobility solutions indigenously as part of 'Make in India'

JBM Auto as an organization has constantly focused towards bringing in best-in-class technology, adapt to the environment, and re-invent each day. We moved our focus from products to sustainability and chose buses as a business to get into. Our products define luxury, comfort and safety. We wanted to make buses in India a conveyance of choice, not necessarily need, with enhanced comfort and innovative features.

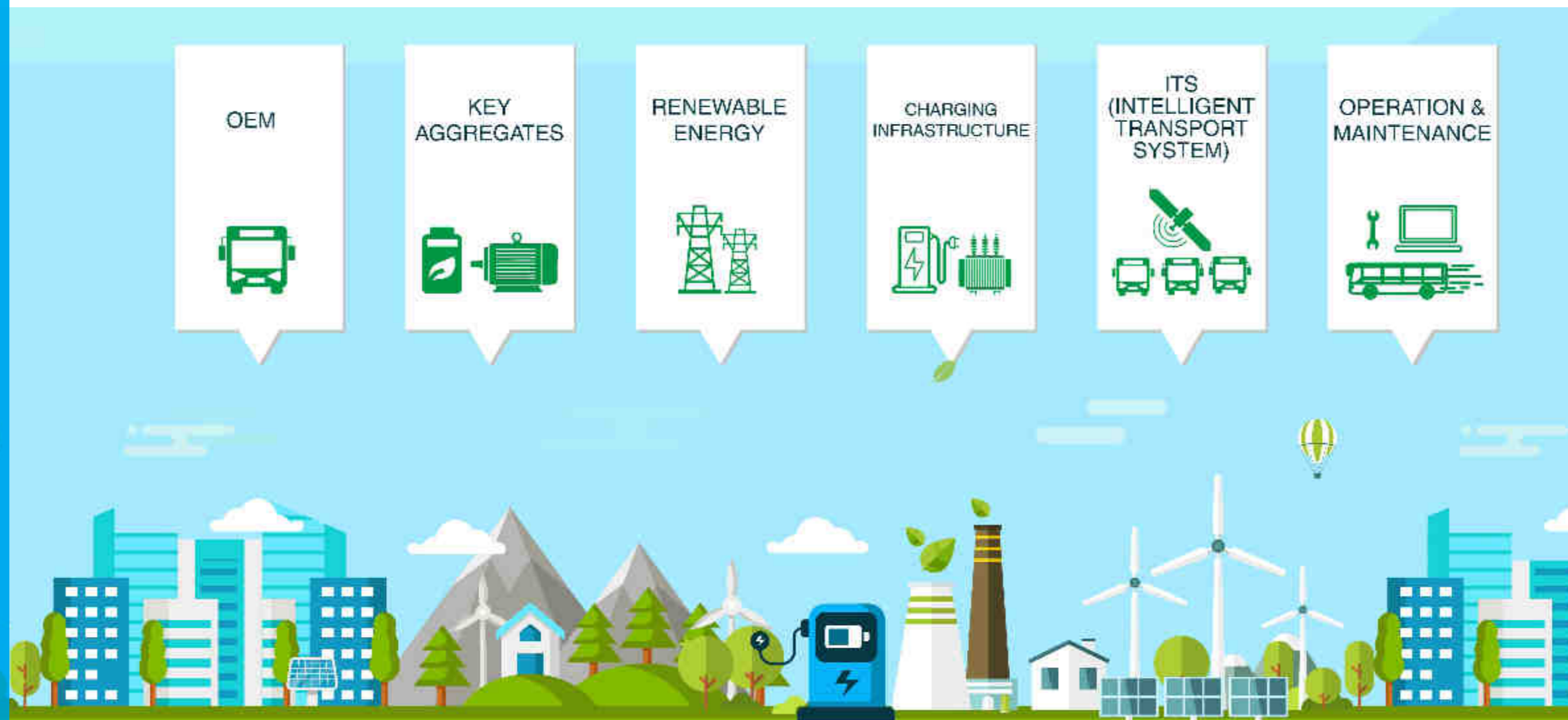
The agenda is to create an in-house integrated EV Ecosystem that would enable the rapid deployment of electric vehicles in India. To institutionalize this, a "Well to Wheel" (W2W) concept was developed. W2W not only drives business across

JBM Auto's various verticals but also propels our initiatives towards sustainability and green manufacturing. Our multiple businesses like Renewable Energy, EV Charging Infrastructure and Electric Vehicles have strategically synergized towards creating a seamless solution from generation to consumption of clean energy. We drive business sustainability with a multi-focal approach towards energy conservation, people skill enhancement and societal development that leads to scalability.

With the introduction of the new business verticals, JBM Auto has also transitioned towards newer customer and audience categories such as the Business to Consumer (B2C) and Business to Government (B2G), thereby re-innovating the JBM brand with a larger spread amongst the masses.

Eventually based on a long-term strategy, we strived to create an end-to-end solution that ranged from using solar energy, to charging electric vehicles and storing energy by recycling battery. It was quite challenging at the beginning considering the market demand and manufacturing costs involved. However, that has now changed significantly. People driving innovative business models using the right technology have always been at the core of our organization. They are the drivers behind such success stories.

Another point that has distinguished us and propelled growth is identification and development of joint ventures (JVs) with the right partners. We have worked together with JV partners to develop new capabilities and introduce new offerings in the market.



JBM AUTO E-MOBILITY PLATFORM

JBM Auto has commissioned a first of its kind e-Mobility platform to facilitate seamless induction, running, charging and maintenance of electric buses in the country. This offering comes in as a just in time solution and has been deployed in the cities of Ahmedabad, Gujarat and Port Blair, Andaman & Nicobar. By way of this endeavor, we are determined to creating a unique 'Well to Wheel' ecosystem aimed at provisioning green & sustainable public transport solutions. Currently, JBM ECOLIFE 100% Electric buses are successfully plying and serving the masses in various states of the country. Our endeavor is to be the preferred complete e-mobility ecosystem provider encompassing electric vehicles, charging infra, power infra to maintenance & support, thereby, driving optimum total cost of ownership for the customers.

Adoption of electric buses for public transportation is integral to India's EV adoption plan as buses are a primary form of public transportation in India and therefore primary contributor to air pollution. Buses offer a compelling use-case for EV adoption owing to long daily runs, higher route predictability and charging infra facility at depots.

There are significant incentives and policy support measures undertaken by the Government to give further impetus to EV adoption:

- Several State Governments in India have a policy to transition a large percentage of their public transport buses to electric buses over the next 5-10 years in accordance to Automotive Mission Plan (AMP) 2026.
- Central Government has launched Faster Adoption And Manufacturing of Hybrid And Electric Vehicles (FAME) scheme to push EV adoption. FAME II scheme was launched in April 2019 with a total financial allocation of Rs. 100 Bn and a subsidy of approx. Rs. 50 lakhs per electric bus. Gross Cost Contracting (GCC) model has been launched to address the key challenges facing electric bus adoption, such as lack of charging infrastructure and high upfront cost.
- Under GCC, private operators offer 'e-mobility service' where they provide electric buses, run them and create supporting charging infrastructure for a stable revenue stream over a period of 10-12 years. The market size for electric buses used for public transportation in India is expected to be increase by a large proportion. JBM E-mobility Ecosystem is favourably positioned to leverage this market opportunity.



GLIMPSES OF AUTO EXPO



SKILL DEVELOPMENT CENTRE



As a group, JBM is setting up multiple skill development centres having accreditation from various central ministries. The Group, rated as one having the best skill development centres at different forums is enrolling thousands of people every year at three of its centres across the country i.e., Faridabad, Ahmedabad and Chennai. Our vision is to go pan India by setting up self-sufficient centres in multiple states. Skilling is integral for maintaining the value chain for the success of this kind of ventures. Government recognised certified course ranging from one month to three years include both classroom training i.e., theoretical and real time training at mechanical shops where the trainees are trained for initial understanding and thereafter sent for on the job training. Candidates come from as far as Chhattisgarh and the Northeast who are trained and employed either in-house or in other companies. In the last 3-4 years, JBM has trained more than 10,000 candidates. JBM's work culture and objectives are clearly aligned to Atmanibhar Bharat Vision and supports the spirit of 'Vocal for local'.



AWARDS & ACCOLADES



1. JBM Auto bagged the BEST INNOVATION (EV Category) Award at the 8th World Auto Forum Awards (Jan 2021)



2. Electric Bus Manufacturer of the Year at EV Manufacturing and Design Show India 2021 Awards conducted by E-Mobility+ (Jan 2021)



3. Mr. Nishant Arya felicitated by the World Leadership Congress with the Business Leader of the Year award (Feb 2021)

4. Received awards from TAFE motors & Tractor Ltd. for 'Excellence Contribution on Localisation.'
5. Received SML Isuzu award for 'performance in cost competitiveness'
6. Ranked 2nd position in National Kaizen Competition.
7. Ranked 2nd position in CII National POKA Yoke Competition.
8. TPM strong commitment award received from CII .
9. Won Silver award in CII National Level 3M Competition in MUDA category.

THE GREEN ENERGY INITIATIVES IMPLEMENTED ACROSS OUR VARIOUS PLANTS WILL BE GENERATING OVER 300 LAC UNITS THAT WILL RESULT IN A SAVING OF OVER 27000 TONS OF CO₂ EMISSIONS OVER ITS LIFETIME.

TO FURTHER SUPPLEMENT OUR EFFORTS TOWARDS DECARBONISATION AND REDUCING THE RENEWABLE ENERGY POWER INTERMITTENCY, WE HAVE GONE A STEP AHEAD WITH THE DEPLOYMENT OF BEHIND THE METER ENERGY STORAGE SYSTEMS ACROSS OUR VARIOUS PLANTS AT JBM AUTO LTD.

CORPORATE SOCIAL RESPONSIBILITY

JBM Auto firmly believes in contributing to the society in a positive manner. Our societal activities endorse the concept of socio-economic equity along with environmental sustainability. We have persistently worked towards economic empowerment of the rural communities wherein we have provided economic independence to them and improved their infrastructure through our community outreach programs. We believe that education is the best weapon that can help people fight poverty. So, education is one of the routes, we have taken various initiatives to socially uplift the village community in rural India.

We are promulgating education amongst people by adopting 'Ekal Vidyalayas', which are one-teacher run schools involved in the integrated & holistic development of rural & tribal India by educating every child. Besides, we have been associated with several NGOs who are actively involved in imparting education to the underprivileged and are helping in character building, improving health & hygiene of people, and increasing their exposure to sports. In the healthcare stream, we have been organising in-house blood donation camps over the years for children suffering from Thalassemia.

These camps have witnessed encouraging participation of our employees who have donated blood for the cause. We have also been reaching out to extend our support to distressed people and communities during COVID 19. We believe that good value should be instilled at a very early age, therefore, we have produced motivational CD's for distribution to various schools and institutions, which, in turn, will help nurture a healthy and ethical society.

For us, a holistic approach towards business is imperative, hence, we have taken into account both social and environmental ethos and have woven them together into our business DNA. Our ways of operating will be and are always in line with social and environmental needs that will not only help make our business viable but also create a good value for all our stakeholders.



CORPORATE INFORMATION

BOARD OF DIRECTORS



Mr. Surendra Kumar Arya,
Chairman



Mr. Nishant Arya,
Managing Director & Vice Chairman



Mr. Praveen Kumar Tripathi,
Director



Mrs. Pravin Tripathi,
Director



Mr. Sandip Sanyal,
Executive Director



Mr. Mahesh Kumar Aggarwal,
Director



Mr. J S Deepak,
Director
(w.e.f 23.06.2021)

Chief Financial Officer &
Company Secretary
Mr. Vivek Gupta

Statutory Auditor
Sahni Natarajan and Bahl,
Chartered Accountants

Share Transfer Agent
MCS Share Transfer Agent Limited

NBFC's
Tata Capital Financial Services Ltd.
Bajaj Finance Ltd.



BANKERS

Axis Bank Ltd. | Axis Finance Limited | Bajaj Finance Limited | Citi Bank | CTBC Bank Ltd | DBS Bank India Limited
HDFC Bank Ltd | ICICI Bank Limited | IDFC First Bank Ltd | INDUSIND Bank | Kotak Mahindra Bank Ltd. | RBL Bank Ltd.
Standard Chartered Bank | State Bank Of India | Tata Capital Financial Services Ltd | Tata Cleantech Capital Limited
The Hongkong And Shanghai Banking Corporation Limited | Yes Bank Limited

CONSOLIDATED

| Particulars | FY17 | FY18 | FY19 | FY20 | FY21 |
|--|----------|----------|----------|----------|----------|
| Gross Sales | 1,693.48 | 2,110.29 | 2,206.96 | 1,946.73 | 1,982.04 |
| Net Sales | 1,500.92 | 2,045.31 | 2,206.96 | 1,946.73 | 1,982.04 |
| Other Income | 14.86 | 12.27 | 24.97 | 15.41 | 11.97 |
| Total Revenue (net of excise duty) | 1,515.78 | 2,057.58 | 2,231.93 | 1,962.14 | 1,994.01 |
| EBIDTA | 190.67 | 263.02 | 284.48 | 245.77 | 216.09 |
| Depreciation | 50.05 | 69.88 | 74.83 | 73.85 | 75.73 |
| Finance cost | 52.75 | 55.73 | 59.40 | 64.27 | 55.38 |
| Profit Before Tax (PBT) | 97.38 | 137.42 | 150.25 | 107.65 | 78.05 |
| Tax Expense | 25.46 | 47.83 | 52.16 | 38.43 | 28.75 |
| Profit After Tax (before adjustment to Non Controlling Interest) | 71.92 | 89.59 | 98.09 | 69.22 | 49.30 |
| Other comprehensive income | (0.10) | 12.5 | (0.55) | (0.03) | 1.07 |
| Non controlling Interest | 6.54 | - | - | - | - |
| Total Comprehensive Income attributable to Owners of the company | 65.28 | 102.09* | 97.54 | 69.19 | 50.37 |
| Equity Share Capital (Including share issued due to Merger) | 20.40 | 23.65 | 23.65 | 23.65 | 23.65 |
| Reserve & Surplus | 336.22 | 526.19 | 621.74 | 679.87 | 721.97 |
| Net Worth | 356.62 | 549.84 | 645.39 | 703.52 | 745.62 |
| Long Term Debt Equity Ratio | 0.70 | 0.62 | 0.55 | 0.40 | 0.49 |

* Pursuant to Business Combination, gain of Rs. 12.42 crores has arisen due to Fair Valuation of previously held interest of the company in JBM MA Automotive Private Limited.

KEY INDICATORS

| Particulars | FY17 | FY18 | FY19 | FY20 | FY21 |
|---|----------|----------|----------|--------|----------|
| EBIDTA / Total Revenue (%) | 12.70 | 12.78 | 12.75 | 12.53 | 10.84 |
| PBT/Total Revenue (%) | 6.42 | 6.68 | 6.73 | 5.49 | 3.91 |
| PAT/Total Revenue (%) | 4.31 | 4.36 | 4.37 | 3.53 | 2.53 |
| RONW (PAT/Net worth)% | 18.30 | 16.29 | 15.20 | 9.84 | 6.76 |
| Earning Per Share | 16.02 | 18.94 | 20.74 | 14.63 | 10.42 |
| Cash Earning Per share | 28.27 | 33.70 | 36.56 | 30.24 | 26.66 |
| Book Value per share | 87.42 | 116.25 | 136.45 | 148.74 | 157.64 |
| Dividend Per Share (in ₹) | 2.00 | 2.00 | 2.25 | 1.75 | 1.50 |
| Equity Dividend(₹ in cr) | 8.16 | 8.16 | 9.18 | 8.28 | 7.09 |
| Corporate Dividend Tax(₹ in cr) | 1.66 | 1.66 | 1.89 | - | - |
| Dividend Payout ratio(%) (Standalone) | 24.72% | 30.58% | 22.71% | 11.91% | 13.41% |
| Price /Earning ratio(times) | 17.36 | 20.12 | 12.83 | 9.52 | 40.34 |
| No of shares (in cr) | 4.08 | 4.73 | 4.73 | 4.73 | 4.73 |
| Market Price of Share as on 31st March(₹) | 278.10 | 381.05 | 266.00 | 139.30 | 420.35 |
| Market Capitalisation (₹ in cr) | 1,134.52 | 1,554.51 | 1,085.16 | 658.87 | 1,988.21 |

Note:
 - No of shares of FY 18 and FY 19 includes 0.65 Cr share to be issued due to merger, which have been issued in FY 20.
 - The figures related to Profit and Loss and Balance Sheet from FY 18 to FY 19 are reproduced on merged Basis.

Total Income(Net of Excise Duty)
(₹ In Crores)



Total Comprehensive Income
(₹ In Crores)

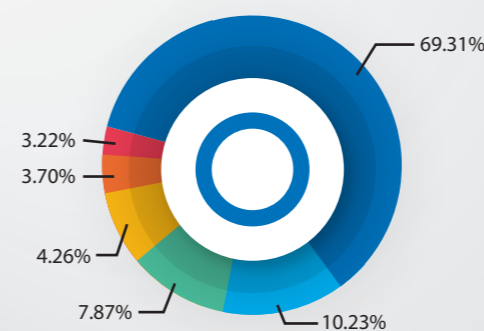
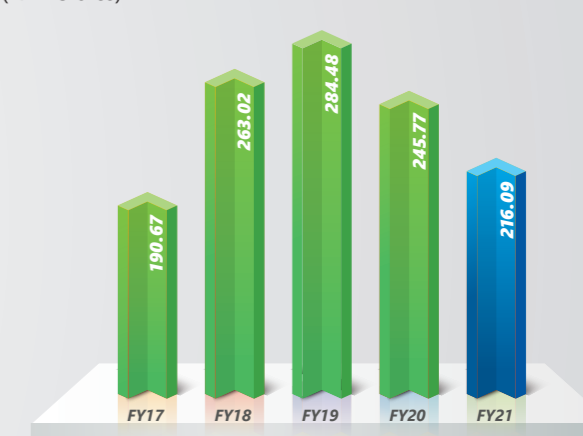


* Pursuant to Business Combination, gain of Rs. 12.42 crores has arisen due to Fair Valuation of previously held interest of the company in JBM MA Automotive Private Limited.

Market Capitalization
(₹ In Crores)



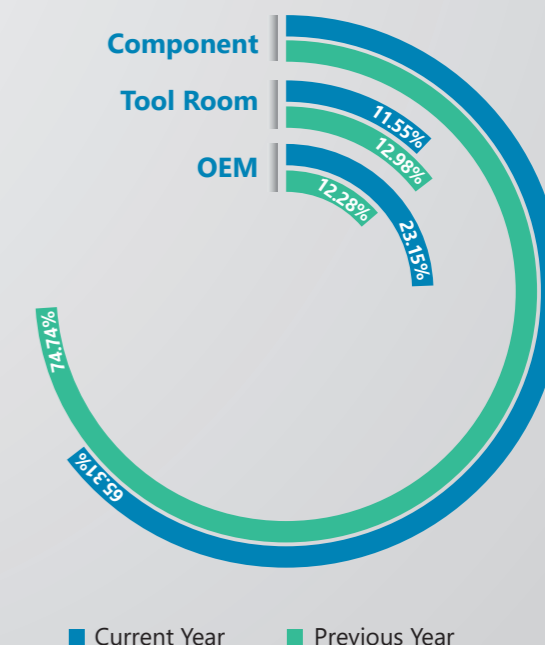
EBITDA
(₹ In Crores)



Distribution of Income 2021
(In %)

- Raw Material Consumed
- Employee benefits expense
- Depreciation and amortisation expense
- Other expenses
- Finance Cost
- Profit/(loss) before share of Profit/(loss) of an associate and a joint venture

Consolidated Segment-wise Revenue from Operations



BOARD'S REPORT

To the Members,

Your Directors present the Annual Report of JBM Auto Limited (the Company) along with the audited financial statements for the financial year ended 31st March, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS

Your Company's financial performance for the year ended 31st March, 2021 is summarized below:

₹ In Crores

| PARTICULARS | STANDALONE | | CONSOLIDATED | |
|--|---------------|---------------|---------------|---------------|
| | FY21 | FY20 | FY21 | FY20 |
| Revenue from operations | 1,965.59 | 1,946.73 | 1,982.04 | 1,946.73 |
| Other Income | 13.02 | 15.41 | 11.97 | 15.41 |
| Total Income | 1,978.61 | 1,962.14 | 1,994.01 | 1,962.14 |
| Profit Before Interest, Taxes and Depreciation and Amortization | 214.24 | 245.60 | 216.08 | 245.60 |
| Less: Depreciation | 75.56 | 73.85 | 75.73 | 73.85 |
| Less: Finance Cost | 56.64 | 64.27 | 55.38 | 64.27 |
| Profit for the period before share of profit in associate and joint venture | 82.05 | 107.48 | 84.98 | 107.48 |
| Share of profit of associate and joint venture | 0.00 | 0.00 | (6.93) | 0.17 |
| Profit Before Tax | 82.05 | 107.48 | 78.05 | 107.65 |
| Tax Expense | 29.13 | 38.00 | 28.75 | 38.43 |
| Profit for the period for continuing operations | 52.92 | 69.47 | 49.30 | 69.22 |
| Other Comprehensive Income for the year | (0.48) | 0.00 | 1.07 | (0.03) |
| Total Comprehensive Income for the year | 52.44 | 69.47 | 50.37 | 69.19 |
| Less: Non-Controlling Interest | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Comprehensive Income attributable to the owners of the Company | 52.44 | 69.47 | 50.37 | 69.19 |

2. FINANCIAL HIGHLIGHTS

On Standalone Basis

During FY21, the Company's revenue from operations is Rs. 1,965.59 crores as against Rs. 1,946.73 crores in the previous year, thereby increase of 0.97%, as against the industry down by 13.95%. This is represented by the strong growth in OEM division by 92.33%.

The profit before tax is Rs. 82.05 crores in FY21 as against Rs. 107.48 crores in the previous year, thereby decreased of 23.66%.

On Consolidated Basis

In compliance with the applicable provisions of the Companies Act, 2013 including the Accounting Standard Ind AS 110 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for FY21.

The Company's consolidated revenue from operations is Rs. 1,982.04 crores as against Rs. 1,946.73 crores in the previous year, thereby increase of 1.81%, against the industry down by 13.95%. This is represented by the strong growth in OEM division by 92.1%.

The profit before tax for the year stood at Rs. 78.05 crores as against Rs. 107.65 crores in the previous year, thereby decreased of 27.50%.

Your Company has taken several steps to reduce the cost and increase its market share in all products.

3. DIVIDEND AND APPROPRIATION

(A) Dividend

The Board has recommended a final dividend of Rs. 1.50 (i.e. 30%) per equity share on fully paid-up equity shares of Rs. 5 each on equity share capital for the financial year ended 31st March, 2021.

The payment of dividends is subject to the approval of the shareholders at the ensuing 25th Annual General Meeting (AGM) of the Company and will be paid to those members whose name will be appearing in the register of members as on the cut-off date i.e. 23rd September, 2021.

(B) Appropriation

No amount has been transferred to the General Reserve for the financial year ended 31st March, 2021.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of the business of the Company during the financial year ended 31st March, 2021.

5. COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly complied by your Company except the exemptions/ relaxations granted by Ministry of Corporate Affairs (MCA) due to COVID 19 pandemic.

6. MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of FY21 and to the date of this report.

7. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As per the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of 7 (seven) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF and corresponding shares on which dividends were unclaimed for seven (7) consecutive years are available on the website of the Company at www.jbmgroup.com/investor.

8. HUMAN RESOURCES

The overall satisfaction of the employees of the Company is high. Employees continued to take charge through collaborative approach and rigorous thinking which become possible through effective HR policies and its religious implementation. The employee's relations were peaceful and harmonious throughout the year.

9. SHARE CAPITAL AND LISTING OF SHARES

The authorized share capital of the Company is Rs. 136 crores and subscribed & paid-up equity share capital of the Company is Rs. 23.65 crores.

The Company's equity shares are listed on the National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). The equity shares are actively traded on NSE and BSE and have not been suspended from trading.

10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

A statement containing the salient features of financial statements of subsidiaries/ joint venture(s)/ associate companies of the Company in the prescribed Form AOC - 1 forms a part of Consolidated Financial Statements (CFS) in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, as amended.

The said Form also highlights the financial performance of each of the subsidiaries/ joint venture(s)/ associate companies included in the Consolidated Financial Statement of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014, as amended.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company.

The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company at www.jbmgroupp.com/investor.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire by rotation every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Nishant Arya retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred, if any. None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013 and rules made there under.

On the recommendation of the Nomination & Remuneration Committee and as approved by Board of Directors, Members of the Company at Annual General Meeting held on 12th December, 2020 have re-appointed Mr. Sandip Sanyal (DIN: 07186909) as Whole-time Director and designated as an "Executive Director" of the Company for a period of 1 (One) year w.e.f. 18th May, 2020.

Mr. Sandip Sanyal was re-appointed as Whole-time Director and designated as the 'Executive Director' under the category of Key Managerial Personnel of the Company from 18th May, 2021. The appointment of Mr. Sandip Sanyal as Whole-time Director and designated as the 'Executive Director' under the category of Key Managerial Personnel is subject to the shareholders' approval in the 25th Annual General Meeting.

Mr. Nishant Arya was appointed as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company from 18th May, 2021. The appointment of Mr. Nishant Arya as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company is also subject to the shareholders' approval in the 25th Annual General Meeting.

Mr. Jagdish Saksena Deepak was appointed as Additional Director (in the category of Independent Director) on 23rd June, 2021. The appointment of Mr. Jagdish Saksena Deepak as Independent Director is also subject to the shareholders' approval in the 25th Annual General Meeting.

Key Managerial Personnel (KMP) as on 31st March, 2021

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with rules made thereunder, following persons are designated as Key Managerial Personnel (KMP) of the Company:

- | | | | |
|-----|-------------------|---|---|
| (a) | Mr. Sandip Sanyal | - | Executive Director |
| (b) | Mr. Vivek Gupta | - | Chief Financial Officer & Company Secretary |

Further, no changes took place in KMP in the FY 2020-21.

12. COMPLIANCES UNDER COMPANIES ACT, 2013

(i) Meetings of the Board

During FY21, 4 (Four) Board Meetings were held through video conferencing/ other audio visual means. For details thereof kindly refer to the Corporate Governance Report forming part of this Annual Report.

(ii) Audit Committee

Detailed information of the Audit Committee is provided in the Report on Corporate Governance forming part of this Annual Report.

(iii) Annual General Meeting

During FY21, Annual General Meeting of the Company was held on Saturday, 12th December, 2020, through video conferencing/ other audio visual means (VC/ OAVM).

(iv) Committees of the Board

The details pertaining to the composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee are included in the Corporate Governance Report forming part of this Annual Report.

(v) Company's Policy on Appointment and Remuneration of Directors

The criteria for determining qualifications, positive attributes and independence in terms of the Companies Act, 2013 and the rules made thereunder, both in respect of independent and the other directors as applicable has been approved by the Nomination and Remuneration Committee. The Board is well diversified and have balance of skills, experience and diversity of perspectives appropriate to the Company.

All directors, other than independent directors and whole-time director, are liable to retire by rotation. One-third of the directors who are liable to retire by rotation, retire every year in the AGM and are eligible for re-election.

The Company's policy relating to nomination and remuneration of directors, key managerial personnel and other employee can be accessed at our website at www.jbmgroupp.com/investor.

(vi) Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that they:

- i. have followed in the preparation of Annual Accounts for FY21, the applicable Accounting Standards and no material departures have been made for the same;
- ii. have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year ended on that date;
- iii. have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. have prepared the annual accounts on a going concern basis;
- v. have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- vi. have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY21.

(vii) Declaration of Independent Directors

The Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of appointment of Independent Directors may be accessed on the Company website at www.jbmgroupp.com/investor.

(viii) Related Party Transactions

All contracts/ arrangements/ transactions etc. entered into by the Company with related parties were in ordinary course of business and on arm's length basis.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and materiality of related party transactions, formulated by the Company.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the Standalone and Consolidated Financial Statements of the Company.

Form AOC - 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure I** to this report.

(ix) Extract of Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the FY 2020-21 of the Company is available on the website of the Company at www.jbmgroupp.com/investor.

(x) Auditors and Auditor's Report**(a) Statutory Auditors**

M/s. Sahni Natarajan & Bahl, Chartered Accountants (Firm Registration No. 002816N), were appointed as Statutory Auditors of the Company at the 21st AGM held on 18th August, 2017, to hold office for a period of 5 (five) consecutive years from the conclusion of 21st AGM till the conclusion of the 26th AGM.

The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 07th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

M/s. Sahni Natarajan & Bahl, Chartered Accountants, have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors have issued an unmodified opinion on the financial statements for the financial year ended 31st March, 2021.

(b) Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 and rules made thereunder, Mr. Dhananjay Shukla, Practicing Company Secretary (CP No. 8271) was appointed to conduct the Secretarial Audit of the Company for the financial year 2020-21. He has confirmed that he is eligible for the said appointment.

The observation made by Secretarial Auditors are self-explanatory in nature and does not call for any further comments.

The Secretarial Audit Report for FY21 is annexed to this Report as **Annexure II**.

(c) Internal Audit

In terms of the provisions of Section 138 read with Companies (Accounts) Rules 2014 and other applicable provisions, if any, of the Companies Act, 2013 and on the recommendation of the Audit Committee, the Board of Directors of the Company in their meeting held on 30th June, 2020 have appointed Mr. Amol Modak, Chartered Accountant and external agency, as Internal Auditors of the Company to perform the internal audit for FY20-21.

(d) Cost Audit

Mr. M Krishnaswamy, Cost Accountant was appointed to conduct the audit of cost records of the Company for FY21 by the Board of Directors of the Company in their meeting held on 30th June, 2020.

(xi) Corporate Social Responsibility (CSR)

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 including any subsequent amendment thereto. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this Annual report.

CSR Policy

The CSR Policy including a brief overview of the projects or programs undertaken can be accessed at the Company's website at www.jbmgroupp.com/investor.

CSR Committee

The CSR Committee comprises of Mr. Surendra Kumar Arya as Chairman, Mr. Nishant Arya and Mr. Mahesh Kumar Aggarwal, as other members of the Committee. The Committee, *inter-alia*, reviews and monitors the CSR activities of the Company.

(xii) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 is annexed as **Annexure IV** and forms part of this report.

(xiii) Nomination and Remuneration Policy

The policy for selection of directors and determining director's independence, and the remuneration policy for directors, key managerial personnel & other employees can be accessed at our website at www.jbmgroupp.com/investor.

(xiv) Particulars of Loans, Guarantees and Investments

Particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 as at the end of FY21 have been disclosed in the financial statements.

13. PERFORMANCE EVALUATION

Pursuant to the provisions of the Act, Regulation 17(10) of Listing Regulations and the Guidance Note on Board Evaluation issued by the SEBI dated 05th January, 2017, the Board has carried out the annual performance evaluation of its own performance, Directors' individually as well as evaluation of its Committees. The evaluation criteria, *inter-alia*, covered various aspects of the Board functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

The performance of individual Directors were evaluated on parameters such as level of engagement and contribution, independence of judgment and safeguarding the interest of the Company, etc. The Directors expressed their satisfaction with the evaluation process.

14. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The remuneration paid to the directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of Listing Regulations [including any statutory modification(s) or re-enactment(s) thereof for the time being in force].

The Company's policy relating to remuneration of directors, key managerial personnel and other employee are can be accessed at our website at www.jbmgroupp.com/investor.

15. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Secretarial Auditors, Cost Auditors and Internal Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

16. CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under Listing Regulations. A separate section on Corporate Governance, forming a part of this Annual Report and requisite certificate from Mr. Dhananjay Shukla, Practicing Company Secretary confirming compliance with conditions of Corporate Governance is attached to the report on Corporate Governance.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Listing Regulations, the Management Discussion and Analysis report is given separately and forming part of this Annual Report.

18. INSIDER TRADING POLICY

During the year under review, the Company reviewed compliance with the provisions of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to "Institutional Mechanism for Prevention of Insider trading" and found the systems for internal control are adequate and are operating effectively, in accordance with the amendments to the applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Policy is available on the website of the Company at www.jbmgroupp.com/investor.

19. RISK MANAGEMENT

The Company has a well-defined process in place to ensure appropriate identification and mitigation of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The Company has effectively managed and identified the risks at strategic, business, operational and process levels. Accordingly, formulating the mitigation plans and actions for the identified risks, which are driven by senior leadership.

The key strategic, business and operational risks which are significant in terms of their impact to the overall objectives of the Company along with status of the mitigation plans are periodically presented and discussed in the Board and Audit Committee meetings. Inputs from the Audit Committee and Internal Auditors are duly incorporated in the action plans. All significant risks mitigation plans are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

There are no risks which in the opinion of the Board threaten the existence of the Company.

20. INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Corporate Governance Policies guide the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for Senior Management and Employees of your Company (the Code of Conduct) commits Management to financial and accounting policies, systems and processes. The Risk Management Policy and the Code of Conduct stand widely communicated across your Company at all times.

Your Company's financial statements are prepared on the basis of the significant accounting policies that are carefully selected by Management and approved by the Audit Committee and the Board. These accounting policies are reviewed and updated from time to time.

Your Company uses SAP ERP systems as a business enabler and to maintain its books of account. The transactional controls built into the SAP ERP systems ensure appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. The systems, standard operating procedures and controls are reviewed by management. These systems and controls are audited by Internal Auditor and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation.

Based on the results of such assessments carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of Listing Regulations.

The mechanism covers any instances of financial irregularities, breach of code of conduct, abuse of authority, disclosure of financial/ price sensitive information, unethical/ unfair actions concerning Company vendors/ suppliers, mala-fide manipulation of Company records, discrimination to the Code of Conduct in an anonymous manner.

The Policy also provides protection to the employees and business associates who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

The Whistle Blower Policy of the Company can be accessed at website of the Company at www.jbmgroupp.com/investor.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No Complaint of sexual harassment was received during FY21 by the Company and the policy is available on www.jbmgroupp.com/investor.

23. MEETINGS OF INDEPENDENT DIRECTORS

The Independent Directors of your Company met on 23rd March, 2021 without the presence of the Non-Independent Director or any other Management Personnel. The Meeting was conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, *inter-alia*, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The meeting was attended by all the Independent Directors.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

25. PUBLIC DEPOSITS

During the year, your Company did not accept any public deposits under Chapter V of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as of 31st March, 2021.

26. EMPLOYEES STOCK OPTION PLANS/ SCHEMES

No Employee Stock Options were granted to the Directors or Employees of the Company during the financial year ended on 31st March, 2021.

27. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are form part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are form part of this Annual Report.

However, as per first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining a copy of such information may write to the Company Secretary at the registered office of the Company and the same will be furnished without any fee.

28. INDUSTRIAL RELATIONS

Your Company's focus continues towards propagating proactive and employee centric practices. The transformational work culture initiative, which aims to create an engaged workforce with an innovative, productive and competitive shop-floor ecosystem, continues to grow in strength. In order to develop skills and foster togetherness at the workplace, your Company rolled out multiple training and engagement programs covering a wide range of topics, viz. positive attitude, stress management, creativity, team effectiveness, safety and environment, quality tools, skill building programs, customer focus, and Code of Conduct.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups, health awareness activities and online yoga sessions.

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets of the Company, are the cornerstones of your Company's employee relations approach. The industrial relations scenario continued to be positive across all manufacturing locations.

29. AWARDS & RECOGNITIONS

During the year, the Company had received various awards and recognitions, which have been described in Management Discussion and Analysis Report, forming part of this Annual Report.

30. COVID-19

The impact of Covid-19 on the automotive industry has been severe in the first quarter of the current fiscal. The demand revival in the second quarter was robust, partly because of the pentup demand, and partly on account of the preference for individual mobility. The pace of demand for the full year was dependent upon a number of factors such as the containment of the pandemic, general economic revival and various economic measures taken by Government. The Corona virus Pandemic is having a deep Impact on Indian businesses and has already caused an unprecedented collapse in economic activities. The substantive economic package announced by the Prime Minister could revive the downturn to a great extent.

The Covid-19 impact remains a serious concern for governments and businesses. Your company is doing its best efforts to fight pandemic and helping the fellow countrymen with the supply of Oxygen Plants, Oxygen concentrators, Sanitizers, medicines etc. Your Company has implemented Standard Operating Procedures of social distancing, workplace sanitisation and employee health monitoring, and these are being followed strictly across all its manufacturing locations with effective use of Artificial Intelligence (AI).

However, the spread of the pandemic again started to emerge from the beginning of the current year with much more severe impact on health and life of the people. This has again compelled various state governments to impose lockdown and create containment zones for the first two months of current financial year which impacted the operations of the Company for the first quarter. However, the demand is gradually rising up from our prime customer.

Employee's health is prime important to your Company and for preventing pandemic Company has taken various measures, under AI initiatives, attendance are marked with facial recognition, temperatures checks and auto check of Aarogya Setu and vaccination status are done at entry gates. Alert based detection, travel check during lockdown period, masking in camera for person movement were done through AI. Quarantine area was made for emergency situations under the superintendence of separate covid team including medical professionals.

31. OTHER STATUTORY DISCLOSURES FOR THE PERIOD UNDER REVIEW

- No equity shares were issued with differential rights as to dividend, voting or otherwise.
- No Sweat Equity shares were issued.
- No employee stock options were issued.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year - No application made or any proceeding pending during the financial year 2020-21.
- During the year under review, the Company has not entered in any one time settlement with any of the Banks/ Financial Institutions and therefore, the relevant disclosures are not applicable to the Company

APPRECIATION

Your Director acknowledge the continued assistance, guidance and Co-operation received from Maruti Suzuki India Limited, Suzuki Corporation Limited (Japan), Suzuki Motor Gujarat Private Limited and all its other technical partners.

The Board of Directors would like to express their sincere appreciation for assistance and co-operation received from vendors and stakeholders, including financial institutions, banks, Central and State Government authorities, customers and other business associates, who continued to extend their valuable support during the year under review.

Sd/-
Sandip Sanyal
Executive Director
DIN: 07186909

Place: Gurugram
Date: 11th August, 2021

For and on behalf of the Board of Directors of
JBM Auto Limited

Sd/-
Mahesh Kumar Aggarwal
Director
DIN: 00004982

Place: Noida
Date: 11th August, 2021

'ANNEXURE –I'

FORM NO. AOC – 2

[PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2013 AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

| S. No. | Name(s) of the related party | Nature of relationship | Nature of Contracts / arrangements/ transactions | Duration of Contracts / arrangements/ transactions | Salient terms of Contracts / arrangements/ transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advance, if any | Date on Which the Special Resolution was passed in general meeting as required under first proviso to Section 188 |
|--------|------------------------------|------------------------|--|--|---|--|----------------------------------|--------------------------------|---|
| Nil | | | | | | | | | |

2. Details of material contracts or arrangement or transactions at arm's length basis

| S. No. | Name(s) of the related party | Nature of relationship | Nature of Contracts / arrangements/ transactions | Duration of Contracts / arrangements/ transactions | Salient terms of Contracts / arrangements/ transactions including the value if any | Date(s) of approval by the Board/ Audit Committee | Amount paid as advance, if any |
|--------|------------------------------|---|--|--|--|---|--------------------------------|
| 1 | Neel Metal Products Limited | Public Company in which Director is holding more than 2% of its paid-up share capital | Sale and Purchase of Goods or Material and availing or rendering of services | Ongoing Transactions | Based on Transfer Pricing Guidelines | 03.02.2020 | Nil |

For and on behalf of the Board of Directors of
JBM Auto Limited

Sd/-
Sandip Sanyal
Executive Director
DIN: 07186909

Place: Gurugram
Date: 11th August, 2021

Sd/-
Mahesh Kumar Aggarwal
Director
DIN: 00004982

Place: Noida
Date: 11th August, 2021

ANNEXURE II

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

For the financial year ended 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JBM Auto Limited,
Regd. Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JBM Auto Limited, (hereinafter called "the Company"). The 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, to the extent possible in the prevailing conditions caused by the spread of Covid-19 pandemic, 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 ended 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The 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 Borrowing (No event took place under this Regulation during Audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (No event took place under this Regulation during Audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (No event took place under this Regulation during Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (No event took place under this Regulation during Audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (No event took place under this Regulation during Audit period); and
 - h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (No event took place under this Regulation during Audit period).
- vi. The Company is engaged into the business of Sheet Metal Components, Tools & Dies. The Company is also an Original Equipment Manufacturer (OEM) as it is engaged in the production of Passenger Buses. As identified and confirmed by the management of the Company, following are the specific laws applicable to the Company during the period under audit. Accordingly, we have examined compliance with the applicable clauses of the following specific laws:-
 - a. The Motor Vehicles Act, 1988 and Rules made thereunder
 - b. The Petroleum Act, 1934 and Rules made thereunder

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2);
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") read with the Listing agreements as entered by the Company with the Stock Exchanges.

During the period under audit, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above. However, the Listing fee for the financial year 2020-21 was paid on 7th September 2020 to stock exchanges due to the Covid-19 pandemic and the outcome of one of the Board meeting was reported slightly late to stock exchanges as there was some internet connectivity issue as represented by the Company to us.

We further report that based on review of compliance mechanism established by the Company and also on the basis of the quarterly compliance certificate(s) given by the Executive Director and taken on record by the Board of Directors at their meeting(s), in our opinion, the adequate systems, processes and control mechanism exist in the Company to monitor and ensure compliances with applicable General Laws like Labour laws and Environmental laws.

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

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as per the minutes, as duly recorded and signed by the Chairman of the meeting of the Board of Directors or Committees of the Board; therefore there were no dissenting views required to be recorded as part of the minutes.

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

We further report that, during the audit period, the Company has not undertaken any activity having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. except reported as hereunder:-

1. Pursuant to Sections 42, 62 and 71 of the Companies Act, 2013, the Company has passed an enabling special resolution in the Annual General Meeting of the Company held on 12th December, 2020 for issue of Securities for the amount not exceeding Rs. 500 Crore (Rupees Five Hundred Crore only) or equivalent thereof.

**For Dhananjay Shukla & Associates
Company Secretaries**

**Dhananjay Shukla
Proprietor
FCS-5886, CP No. 8271
UDIN:F005886C000764127**

**Place: Gurugram (Haryana)
Date: 11th August, 2021**

This report is to be read with our letter of even date which is annexed as 'Annexure -A' and forms integral part of this report.

'Annexure-A'

To,
The Members,
JBM Auto Limited,
Regd. Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi -110019

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

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records and other relevant records as maintained by the Company. Physical verification of the records/ documents could not be carried out due to the Covid-19 pandemic. Further, the online verification was done on test basis to ensure that correct facts are reflected in secretarial records and other relevant records. We believe that the processes and practices we followed and the audit evidences we have obtained are sufficient and appropriate to provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have not examined the compliance by the Company with applicable financial laws like Direct tax and Indirect Tax Laws, since the same has been subject to review by the Statutory Financial Auditor or by other designated professionals.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report 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 Dhananjay Shukla & Associates
Company Secretaries**

**Dhananjay Shukla
Proprietor
FCS-5886, CP No. 8271
UDIN:F005886C000764127**

**Place: Gurugram (Haryana)
Date: 11th August, 2021**

ANNEXURE – III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy of the Company - JBM Auto Limited aims to create economic value and to actively contribute towards the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance. Our CSR Policy is formulated in compliance of the requirements of the Companies Act, 2013 and the Rules made there under

2. The Composition of the CSR Committee as on 31st March, 2021 consisting of:

| Sr. No. | Name of Director | Designation/ Nature of Directorship | Number of meeting(s) of CSR Committee held during the year | Number of meeting(s) of CSR Committee attended during the year |
|---------|---------------------------|---|--|--|
| 1. | Mr. Surendra Kumar Arya | Chairman (Non-Executive Director) | 1 | 1 |
| 2. | Mr. Nishant Arya | Member (Non-Executive Director) | 1 | 1 |
| 3. | Mr. Mahesh Kumar Aggarwal | Member (Non-Executive Independent Director) | 1 | - |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company at www.jbmgroup.com/investor.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable

5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per Section 135(5) - Rs. 131.90 crores

7. (a) Two percent of average net profit of the Company as per Section 135(5) - Rs. 2.64 crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- Nil

(c) Amount required to be set-off for the financial year, if any- Nil

(d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 2.64 crore

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (In Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| Rs. 2.67 crore | Nil | Nil | Nil | Nil | Nil |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| (1) Sr. No. | (2) Name of the Project | (3) Item from the list of activities in Schedule VII to the Act. | (4) Local area (Yes/No) | (5) Location of the project | | (6) Project Duration | (7) Amount allocated for the project (In Rs.) | (8) Amount spent in the current financial Year (in Rs.) | (9) Amount Transferred to unspent CSR Account for the project as per Section 135(6) (In Rs.) | (10) Mode of Implementation - Direct | (11) Mode of Implementation - Through Implementing Agency | |
|----------------|----------------------------|---|----------------------------|--------------------------------|--------------|-------------------------|--|--|---|---|--|-------------------------|
| | | | | State | District | | | | | | Name | CSR Registration number |
| 1. | Vocational Skills | Sr. no. ii | Yes | Haryana | Faridabad | Within Two year | 2.64 crore | 2.67 crore | NA | Directly by the Company | NA | NA |
| | | | | Tamil Nadu | Kancheepuram | | | | | | | |
| | | | | Gujarat | Ahmedabad | | | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs. 2.67 crore

(g) Excess amount for set-off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sr. No. | Preceding Financial Year | Amount Transferred to unspent CSR Account for the project as per Section 135(6) (In Rs.) | Amount spend in the reporting financial year (In Rs.) | Amount Transferred to any fund specified under Schedule VII as per Section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (In Rs.) |
|---------|--------------------------|--|---|---|-----------------|------------------|---|
| | | | | Name of the Fund | Amount (In Rs.) | Date of Transfer | |
| - | - | Nil | Nil | - | Nil | - | Nil |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) Sr. No. | (2) Project ID | (3) Name of Project | (4) Financial Year in which the project was commenced | (5) Project duration | (6) Total amount allocated for the project (In Rs.) | (7) Amount spent on the project in the reporting Financial Year (In Rs.) | (8) Cumulative amount spent at the end of reporting Financial Year (In Rs.) | (9) Status of the project - Completed/ Ongoing. |
|----------------|-------------------|------------------------|--|-------------------------|--|---|--|--|
| - | - | - | - | - | Nil | Nil | Nil | - |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

Sd/-
Sandip Sanyal
Executive Director

Sd/-
Surendra Kumar Arya
Chairman
CSR Committee

'ANNEXURE – IV

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning & Outgo required under the Companies (Accounts) Rules, 2014

A. Conservation of energy:

I. Steps taken for conservation of energy

- a. Use pulse setting valves where direct air flow required.
- b. Centralised control of air conditioners and auto off, after working hour.
- c. Use electrical operated solenoid valve line wise in weld shop and interlocked with machine, if machine stop more than 5 minutes, then air stop automatically.
- d. Use solenoid valve line wise in weld shop, if machine stop more than 5 minute than main air stop resulting in reduction of air leakage.
- e. Use portable type small air compressor during shutdown.
- f. Use energy efficient compressor for energy efficient compressor.
- g. Use electrical grinders in place of pneumatic grinders.
- h. Use air receiver tank 04 nos extra in BIW to avoid pressure drop in remote shops & also compressor frequent loading reduce.
- i. Review double impulse spot & convert it into singles pot.
- j. VFD in compressor to reduce power consumption during load unload time.
- k. Mechanical Presses idle time Motor Off control made through PLC for energy saving.
- l. Shop Floor 250 W Metal Hallide 40 Nos changed to 150 W LED Lamps.
- m. Unwanted Movements of Robot axis reduced for better UPH and energy saving.
- n. Air compressor utilization reduced from 2000 CFM to 1500 CFM by optimizing the usage and leak arresting.
- o. Conversion LED Light to street lights.

II. Steps taken by the Company for utilizing alternate source of energy

Installation of roof top solar systems at its plants to reduce cost of generator power.

B. Technology absorption

I. Efforts made towards technology absorption

State of art - Global Die manufacturing tool room "JBM Ogihara - Die technology" installed at Greater Noida in the Year 2019. It is fully equipped with Design and Die simulation & Higher end CNC machines, Prototyping, Die manufacturing facilities.

II. The benefit derived like production improvement, cost reduction, product development or import substitution

State of art-Global Die manufacturing tool room: Competing with global Die maker, by establishing a world class setup locally. It has opened the doors for tool and die business from local & Global OEM's.

III. Information regarding imported technology (Imported during the last three years)

| Detail of Technology Imported | Year of Import | Whether the Technology been fully absorbed |
|-------------------------------|----------------|--|
| No Technology imported | 2020-21 | NA |
| No Technology imported | 2019-20 | NA |
| No Technology imported | 2018-19 | NA |

IV. Expenditure incurred on research and development

| Sr. No. | Particulars | Amount Rs. in Lakhs |
|---------|---------------------|---------------------|
| (a) | Revenue Expenditure | 2,704.38 |
| (b) | Capital Expenditure | 125.49 |
| | Total | 2,829.87 |

C. Foreign Exchange Earnings and Outgo

| Particulars | Amount Rs. in Lakhs |
|---|---------------------|
| Foreign exchange earned in terms of actual inflow | 3,048.22 |
| Foreign exchange outgo in terms of actual outflow | 22,899.33 |

For and on behalf of the Board of Directors of JBM Auto Limited

**Sd/-
Sandip Sanyal
Executive Director
DIN: 07186909**

**Place: Gurugram
Date: 11th August, 2021**

**Sd/-
Mahesh Kumar Aggarwal
Director
DIN: 00004982**

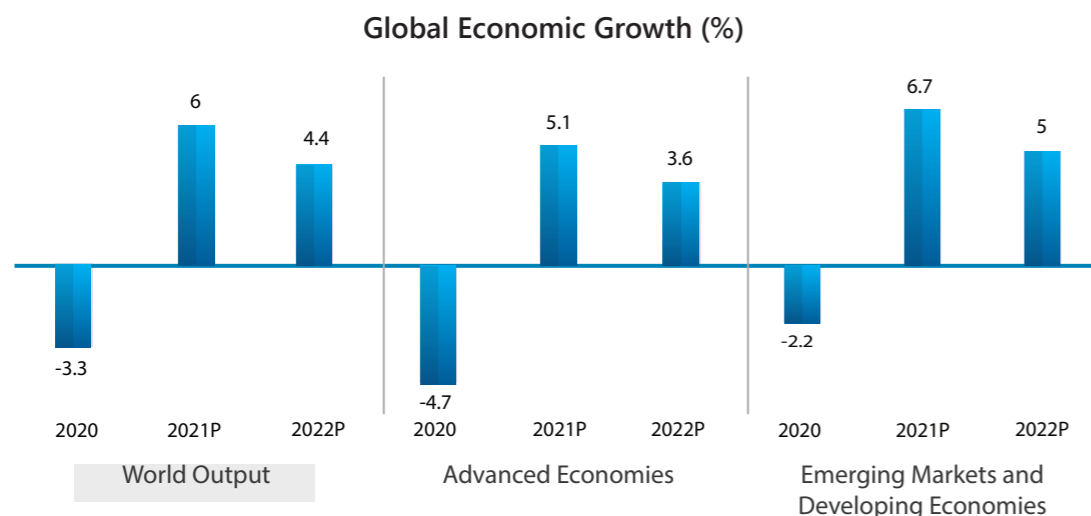
**Place: Noida
Date: 11th August, 2021**

MANAGEMENT DISCUSSION & ANALYSIS

A. OVERVIEW OF THE ECONOMY

1. Global Economy

According to growth estimates by the IMF in its World Economic Outlook (Apr 2021), due to the impact of the outbreak and spread of Covid19, the global economy shrunk by 3.3% in Calendar Year (CY) 2020. Advanced economies were more highly impacted, contracting by 4.7% while Emerging Markets and Developed Economies saw a negative growth of 2.2%.



The Global outlook continues to be highly uncertain over a year after the pandemic erupted as new mutations of the virus continue to impact lives, livelihoods and sentiments. Vaccination drives all across the world have offered some relief, but economic recoveries continue to be divergent, varying from country to country and sector to sector. The major factors responsible for this divergence in the pace of recovery are extent of pandemic-induced disruptions and the response by respective Governments. The IMF has pointed out, "The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis."

Outlook

Global growth is expected to make a sharp recovery in CY2021, posting a strong growth of 6%. This expansion also reflects the lower base in CY2020. Going ahead, growth is expected to be moderate to 4.4% in CY2022. As per the IMF, the leading drivers behind these estimates are the additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of CY2021, and continued adaptation of economic activity to subdued mobility.

The IMF has also cautioned that this outlook is highly tentative and depends to a large extent on the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization and evolution of financial conditions.

Source: IMF

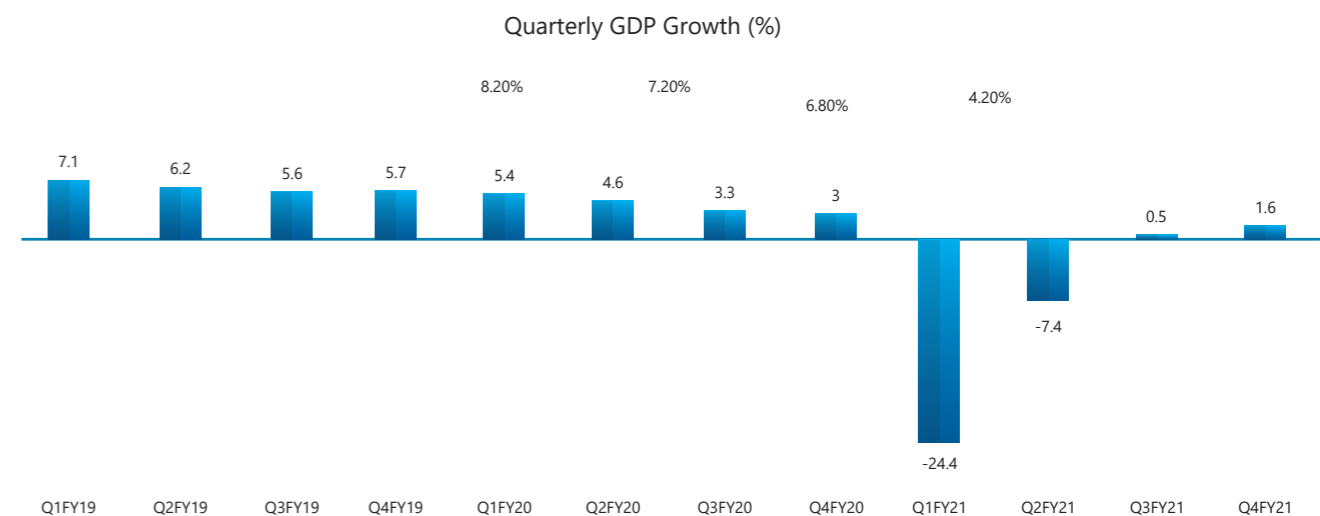
2. Indian Economy

In its mid-year update (May 2021) of the World Economic Situation and Prospects (WESP), the United Nations projected that the Indian economy would grow at 10.1% in CY 2022. This will make it one of the fastest growing major economies in the world, ahead of China, which is projected to grow at 5.8% in CY 2022, after slowing down from 8.2% in CY 2021.

Further, the Centre for Economic and Business Research (CEBR), one of the UK's leading economics consultancies, stated at the end of CY 2020 that India, which appears to have been pushed back to being the world's sixth biggest economy in CY2020, will once again overtake the UK to become the fifth largest in CY2025. It also expects India to claim the third spot by CY2030.

Performance of the Indian Economy

Like the global economy, the Indian economy too faced a setback due to the Covid19 pandemic. Quarterly growth turned sharply negative during the first two quarters of FY21, on account of stringent PAN-India lockdowns mandated to control the spread of the disease. With the gradual lifting of restrictions on the movement of people and goods, by the second half of the same financial year the economy recovered tentatively.



Source: tradingeconomics.com | MOSPI

Despite signs of recovery in the second half of the year, the Gross Domestic Product (GDP) growth for FY21 stood at -7.3% as compared to 4.0% in FY20.

The growth in the fourth quarter was largely powered by the manufacturing sector while the services sector remained unresponsive. In absolute terms, the manufacturing and construction sectors demonstrated a pickup in gross value added (GVA) on a quarter-on-quarter basis. The manufacturing sector grew by 6.9% in Q4 FY21 as against 1.7% in Q3 and -4.2% in the same quarter of the previous year. The construction sector grew by 14.5% in Q4 FY21, as against 6.5% in in the previous quarter and just 0.7% in the same quarter of the previous year.

Overall based on full year sector wise growth/degrowth is given in below table

| Industry | 2019-20 | 2020-21 |
|-----------------------------------|---------|---------|
| Agriculture, Forestry and Fishing | 4.3% | 3.6% |
| Manufacturing | -2.4% | -7.2% |
| Construction | 1% | -8.6% |
| Trade, hotels, transport | 6.4% | -18.2% |

Source: NSO, MoSPI

POLICY INITIATIVES DURING FY21

Aatmanirbhar Bharat Abhiyaan initiatives

To counter the economic impact of the pandemic, the Government announced the Aatmanirbhar Bharat Abhiyaan, (Self-Reliant India) in May, 2020. This umbrella of schemes and policies, which comprised a Rs 20.97 lakh crore package, aimed at making India a global hub in the manufacturing and services industry segment. Primarily focused on the supply side and long-term reforms in the agriculture, labour, mining and defence sector it contained various incentives to boost private sector investment.

Later, in November 2020, the Government announced the AatmaNirbhar 3.0 stimulus package with 12 measures rolled out to boost employment in the formal & informal economy, help housing infrastructure and enhance ease of doing business, amongst other things. It also announced new production-linked incentives (PLIs) initiatives under another Rupees 2 trillion PLI scheme for 10 major manufacturing sectors.

Union Budget 2021-22

The Union Budget 2021-22, presented by the Finance Minister on 1st February, contained significant increases in health sector, capital expenditure and proposed far-reaching reforms. The Budget proposals rested on six key pillars – health and well-being; physical and financial capital, and infrastructure; inclusive development for aspirational India; reinvigorating human capital; innovation and R&D; and 'Minimum Government, Maximum Governance'. It indicated substantial government spending over the next five years and announced no major new taxes or levies. The macro-economic policies announced in the Budget focus on stabilising growth, boosting public infrastructure and capital expenditure.

It picked up the thread of the previously announced 'Aatmanirbhar Bharat' initiatives and provided further direction in achieving the government's goal of incentivizing domestic production for self-reliance.

In a further addition to the PLI scheme 13 more sectors were added during the last year, a range of reforms were proposed to incentivise local production. In a bid to make the country a hub for manufacturing and exports. A phased manufacturing plan for solar panels and solar cells was announced, which will help make India self-reliant in the renewable energy space.

The Budget also provided Rs 5.54 lakh crore in capital expenditure, marking a sharp increase of 34.5% over the budget estimates of FY 2020-21. This was intended to boost demand through investments in physical infrastructure, which tend to have multiplier effects by generating demand in sectors such as cement, steel, auto, building materials and allied industries.

The Finance Minister also announced that the Government would work towards raising the share of public transport in urban areas through expansion of the metro rail network and augment city bus services. A Rs 18,000 crore scheme that would be launched to support augmentation of public bus transport services would facilitate deployment of innovative PPP models to enable private sector players to finance, acquire, operate and maintain over 20,000 buses. The scheme would boost the automobile sector, provide a fillip to economic growth, create employment opportunities for the youth and enhance ease of mobility for urban residents.

Source: Press Information Bureau

Vehicle Scrappage Policy

During the Union Budget, the Finance Minister said that the Government would announce a voluntary vehicle scrapping policy to phase out old and unfit vehicles. This would encourage fuel-efficient, environment-friendly vehicles, thereby reducing vehicular pollution and cost of oil imports. This move will help to create job opportunities and boost demand for new vehicles.

Countries like the US, Germany, Canada and China have introduced similar policies to boost their respective automotive industries and check vehicular pollution. For instance, the US has implemented the Car Allowance Rebate System (CARS), also called Cash for Clunkers programme, which offers credit incentives on scrapping older vehicles and replacing them with new and more fuel-efficient vehicles.

The vehicle scrappage policy is also said to be a part of a stimulus package majorly requested by the Original Equipment Manufacturers (OEMs) to stimulate their demand.

Incentives for scrapping old vehicles and buying new ones:

- Vehicle manufacturers can give a discount of upto 5% for buying new vehicles
- Zero new registration fee
- Scrap value equivalent of 4-6% of ex-showroom price of new vehicles
- States can give up to 25% and 15% rebate on road tax for personal and commercial vehicles, respectively
- Reduced maintenance cost and increased savings from fuel

Disincentives for keeping old vehicles:

- States can levy an additional 'Green Tax'
- Hike in renewal of registration fee for private vehicles
- Increase in renewal of fitness certification for commercial vehicles
- Automatic deregistration of unfit vehicles

Vehicles to be exempted:

- Strong hybrids and electric vehicles
- Vehicles using alternative fuels such as CNG, ethanol and LPG
- Farm and agricultural equipment such as tractors, tillers and harvesters

According to MORTH, the policy is likely to result in the following projected gains:

- Lead to increase the Indian Automobile Industry from the current Rs. 4.5 lakh crore turnover to Rs. 10 lakh crores over the coming years
- The export component of Rs. 1.45 lakh crores of the present turnover is likely to go up to Rs. 3 lakh crores
- Availability of scrapped materials such as steel, plastic, rubber and aluminium will increase. This will be used in manufacturing automobile parts, which will reduce cost by 30-40%
- Promote new technologies with better mileage of vehicles besides promoting green fuel and electricity

- Decrease India's huge Rs. 10 lakh crore crude import bill
- Attract new investments of ~Rs. 10,000 crore and create as many as 35,000 jobs

Opportunity for the Automobile Industry

According to MORTH, there are ~17 lakh medium and heavy commercial vehicles (M&HCVs) that are older than 15 years without any valid fitness certificate, 51 lakh light motor vehicles (LMVs) older than 20 years and 34 lakh light motor vehicles (LMVs) older than 15 years. Also, the average age of commercial vehicles is over 10 years and the private vehicles is 10-15 years. Therefore, the proposed policy is also likely to boost sales of heavy and medium commercial vehicles that had been in the contraction zone since 2018.

Outlook

As the economy began to show signs of recovery, the country was hit by a second, more virulent wave of COVID19. This time around, the onus of mandating lockdowns fell on state governments and accordingly, these were implemented to different extents in different regions, depending on the perceived severity of the contagion there. However, as the lockdowns have been lifted in most of the states, the extent of recovery, going forward, will depend on how rapidly this wave is contained by the speed and efficacy of the vaccination programme. Other factors like the prevention of a third COVID19 surge and the state of sentiment and morale will determine growth prospects during FY22. Accordingly, the economic outlook remains uncertain and government, institutional and private forecasts are likely to keep varying as clarity emerges.

B. AUTOMOTIVE INDUSTRY IN INDIA IN FY21

Around the world, the performance of the auto industry is considered as an indicator of the overall growth impulses of the economy. The Indian automobile industry, which was at a nascent stage at the beginning of the 21st century has now become a huge industry that contributes majorly to the growth and development of the Indian Economy. The industry employs 35 million people and its turnover is estimated to be equivalent to 7.1% of overall GDP and a 4.3% share in India's exports.

India holds a strong position in the international heavy vehicles arena as it is the largest tractor manufacturer, second-largest bus manufacturer and third largest heavy trucks manufacturer in the world. The country is also the world's largest two-wheeler and three-wheeler manufacturer. India's passenger vehicle industry is expected to post a growth of 22% - 25% in FY22.

In 2020, India was the fifth-largest auto market, with ~3.49 million units combined sold in the passenger and commercial vehicles categories. It was the seventh largest manufacturer of commercial vehicles in 2019.

In order to keep up with the growing demand, several auto makers are investing heavily in various segments of the industry. The industry has attracted Foreign Direct Investment (FDI) worth US\$ 25.40 billion between April 2000 and December 2020.

Indian automotive industry (including component manufacturing) is expected to reach between Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. Automobile exports are expected to grow at a CAGR of 3.05% during 2016-2026 and the Government of India expects the automobile sector to attract US\$ 8-10 billion in local and foreign investment by 2023.

Government Initiatives for the automobile industry

To encourage foreign investment in the automobile sector the Government of India has allowed 100% foreign direct investment (FDI) under the automatic route. Other recent initiatives taken by the Government of India to give the sector a fillip are -

- The Union Cabinet outlaid Rs. 57,042 crores (US\$ 7.81 billion) for automobiles & auto components sector in production-linked incentive (PLI) scheme under the Department of Heavy Industries.
- The Government aims to develop India as a global manufacturing centre and a Research and Development (R&D) hub.
- Under NATRiP, the Government of India is planning to set up R&D centres at a total cost of US\$ 388.5 million to enable the industry to be on par with global standards.

- The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.
- Recently the Government of India extended FAME-II scheme to March 2024 from March 2022.
- Further, in Union Budget 2021-22, the government introduced the voluntary Vehicle Scrappage Policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.

Source: IBEF

Impetus for Growth in the Automobile Industry

Despite the current dip in sales and other parameters, the long term growth story of the auto industry in India is still intact.

- Substantial increase in house hold income over the last 10 years.
- 'Youngest Nation' by 2025 - India is all set to become the youngest nation by 2025 with an average age of 25 years
- Vehicle penetration - This ratio is expected to reach 72 vehicles per 1000 people by 2025 against 20 per 1000 in 2017.
- Expanding R&D hub - India accounts for 40% of the total \$31 bn of global engineering and R&D spend and 8% of the country's R&D expenditure is in the automotive sector.
- Atmanirbhar Bharat Abhiyaan - Self Reliant India - The special economic and comprehensive package of Rs 20 lakh crores towards promoting manufacturing in India will boost the fortunes of the automobile sector.

Source (SIAM)

i. Performance of the Auto industry in FY21

The Automobile Production, Domestic Sales and Export Sale (No. of Vehicles in lakhs)

| Category | Production | | | Domestic Sales | | | Export Sale | | |
|---------------------|---------------|---------------|---------------|----------------|---------------|---------------|--------------|--------------|---------------|
| | FY 20 | FY 21 | % Growth | FY 20 | FY 21 | % Growth | FY 20 | FY 21 | % Growth |
| Passenger Vehicles | 34.25 | 30.62 | -10.58 | 27.74 | 27.11 | -2.24 | 6.62 | 4.04 | -38.92 |
| Commercial Vehicles | 7.57 | 6.25 | -17.42 | 7.18 | 5.69 | -20.77 | 0.60 | 0.50 | -16.64 |
| Three Wheelers | 11.33 | 6.11 | -46.06 | 6.37 | 2.16 | -66.06 | 5.02 | 3.93 | -21.67 |
| Two Wheelers | 210.33 | 183.50 | -12.76 | 174.18 | 151.19 | -13.19 | 35.19 | 32.78 | -6.87 |
| Total | 263.47 | 263.56 | -14.04 | 215.45 | 186.16 | -13.60 | 47.44 | 41.25 | -13.03 |

According to the Society of Indian Automobile Manufacturers, in FY21, there was a de-growth in the sales of all segments of the automobile industry compared to previous years. Sales of Passenger Vehicles declined by 2.24% to 27.11 lakhs units; Two-Wheelers sales fell 13.19% to 151.19 lakhs units; Commercial Vehicle with sales dropped by 20.77% to 5.69 lakhs units and Three-Wheelers sales plummeted 66.06% to 2.16 lakhs units.

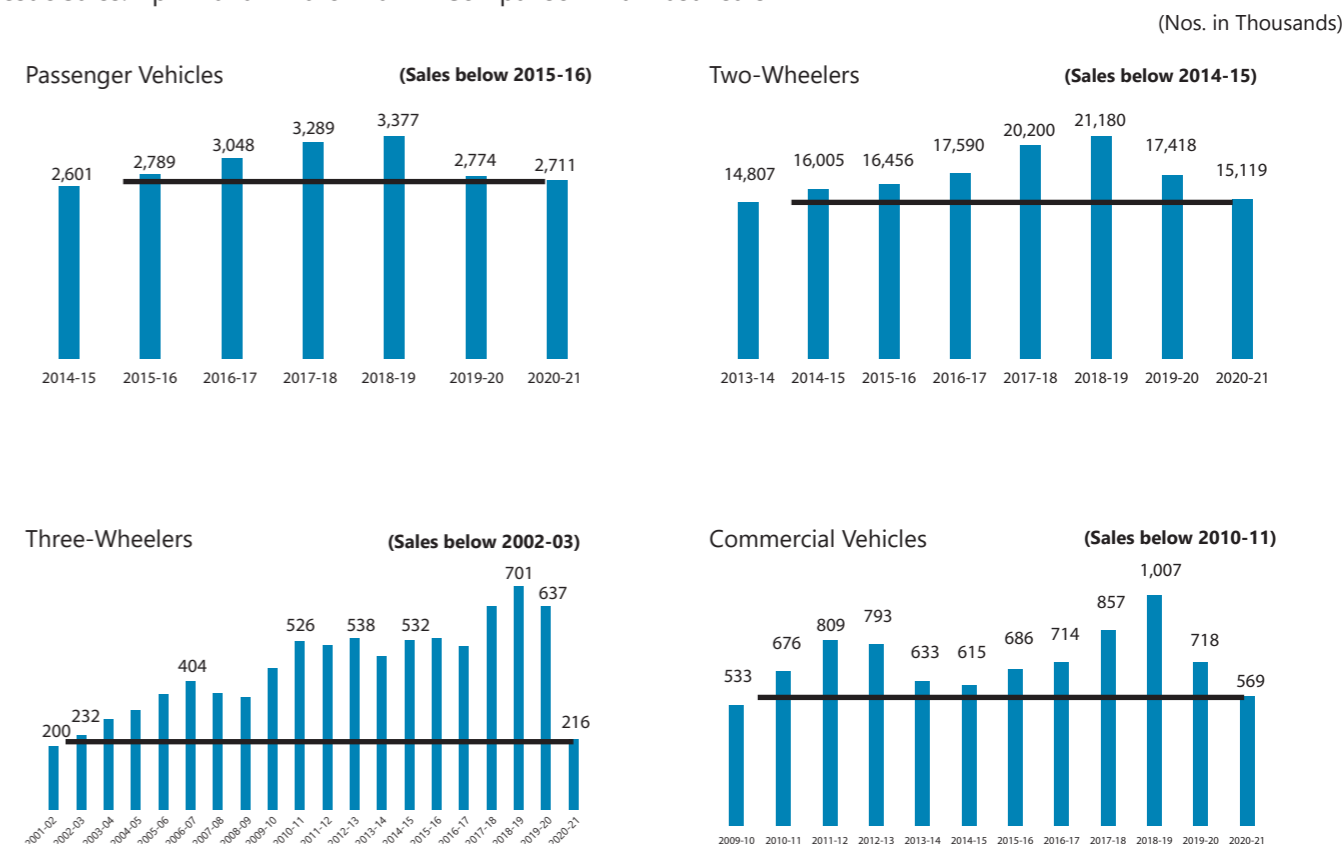
If only the fourth quarter (Jan-March 2021) sales are considered (this might include some deferred sales from previous quarters), the passenger vehicle segment witnessed sales of 9.34 lakh units, which was marginally higher than the previous high of Jan-March 2018, which stood at 8.62 lakh. Commercial vehicles sales at 2.10 lakh in Jan-March 2021 were below 2.82 lakh in Jan-March 2018 while Two-wheeler sales in the same period stood at 43.54 lakh against Jan-March 2018 figures of 51.13 lacs. The three-wheeler segment was the worst-hit with sales of just 0.86 lacs in this quarter compared to 1.97 lacs in Jan-March 2018.

Source: SIAM

Domestic Sales during FY2020-21 in comparison to past years

Amidst the challenges posed by the spread of the COVID19 pandemic, the Indian Automobile industry prioritized the safety of its people, partners and customers. This pushed all vehicle segment sales back by many years. Refer below charts :

Domestic Sales: April 2020 - March 2021 - Comparison with Past Years



Source: SIAM

Outlook

SIAM, stated that recovery from these levels would require time and efforts, by all stakeholders. It further said that there is uncertainty in the value chain owing to semiconductors, lockdowns and raw material and in an environment of uncertainty, instead of trying to predict the future, it would work hard to create it.

C. INDIAN AUTO-COMPONENT INDUSTRY

According to IBEF, the auto components industry accounts for around 2.3% of India's GDP and 25% to its manufacturing and provides employment to 50 lakh people. During the five-year period between FY16 to FY20, the Indian automotive components industry registered a CAGR of 6%, to reach US\$ 49.3 billion by FY20.

During the first half of FY 2020-21 (from April to September 2020), the turnover of the automotive components industry stood at Rs.1.19 lakh crore (US\$ 15.9 billion), registering a decline of 34% over the first half of the previous year.

Exports from this industry grew at a CAGR of 7.6% during the same period to reach US\$ 14.5 billion in FY20. As per the Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026. The Indian auto-components industry can be broadly classified into the organized and unorganized sectors. The organized sector

caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganized sector comprises low-valued products and caters mostly to the aftermarket category. In recent times, frontline players in the organized sector have begun to play a lead role in innovating and have begun to partner with their OEM clients, from the drawing board stage right till the customer product review and feedback stage, to deliver customized solutions with better outcomes.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22 and by FY26, the sector aims to reach US\$ 200 billion.

India is on a national mission of electric mobility and faster adoption and manufacturing of electric vehicles (EVs). India's 2030 EV ambitions, signalled by NITI Aayog, states that 70 per cent of all commercial cars, 30 per cent of private cars, 40 per cent of buses, and 80 per cent of two-wheeler and three-wheeler sales in 2030 would be of EVs. To meet India's electric vehicle (EV) ambitions, a cumulative investment of ~Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030. This is also likely to boost the demand of auto components from local manufacturers.

D. ELECTRIC VEHICLE SCENARIO

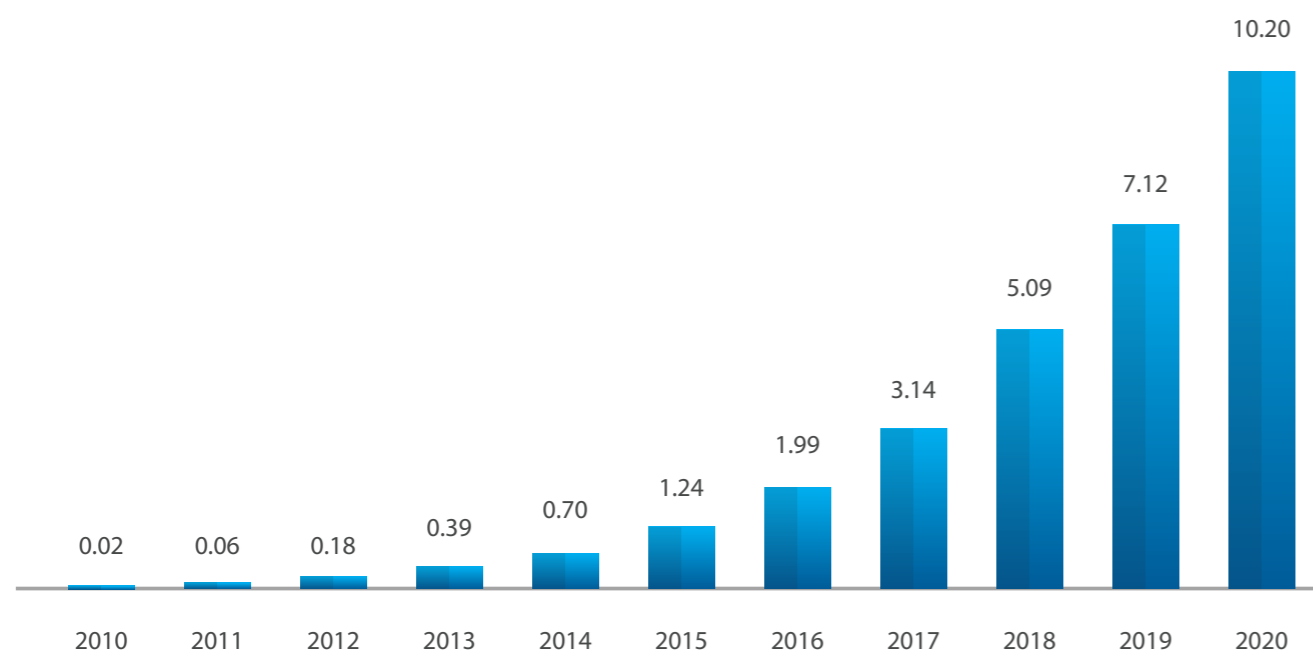
i. Global Electric Vehicle Market Overview:

• Global Electric Car Market

According to the International Energy Agency (IEA) there were 10 million electric cars on the world's roads at the end of 2020, following a decade of rapid growth. Electric car registrations increased by 41% in 2020 representing a 4.6% sales share, despite the pandemic-related worldwide downturn in car sales during which global car sales dropped to 16%. and Europe overtook China as the world's largest electric vehicle (EV) market for the first time.

Global Electric Cars Growth over the years

(Nos. in Millions)



• Global Electric Micro-Mobility (Two Wheeler/Three Wheeler) Market

Electric micro-mobility surged in the second-half of 2020. It was one of the consumer trends that accelerated during the Covid-19 pandemic and was further boosted by the construction of bike lanes and other measures to promote mobility in many countries. The sales of private e-bikes in the United States more than doubled in 2020, outpacing sales of all bikes which were up an already healthy 65%. Many shared micro-mobility operators reduced or suspended services during the height of the second-quarter 2020 Covid-19 lockdowns. But as confinements were eased, services rebounded strongly, with 270 cities worldwide relaunching operations. As of February 2021, around 650 cities have shared micro-mobility services.

In Europe, e-scooter services have increased rapidly, with more than 100 cities adding operations since July 2020. Preliminary data from operators indicate average trip distances on e-scooters have increased by around 25% relative to before the pandemic. Operators are increasingly offering more powerful e-bikes with plans to expand into electric mopeds, which could further displace longer trips currently completed by car or public transit. Several major operators are introducing swappable batteries to improve operational efficiency and reduce emissions.

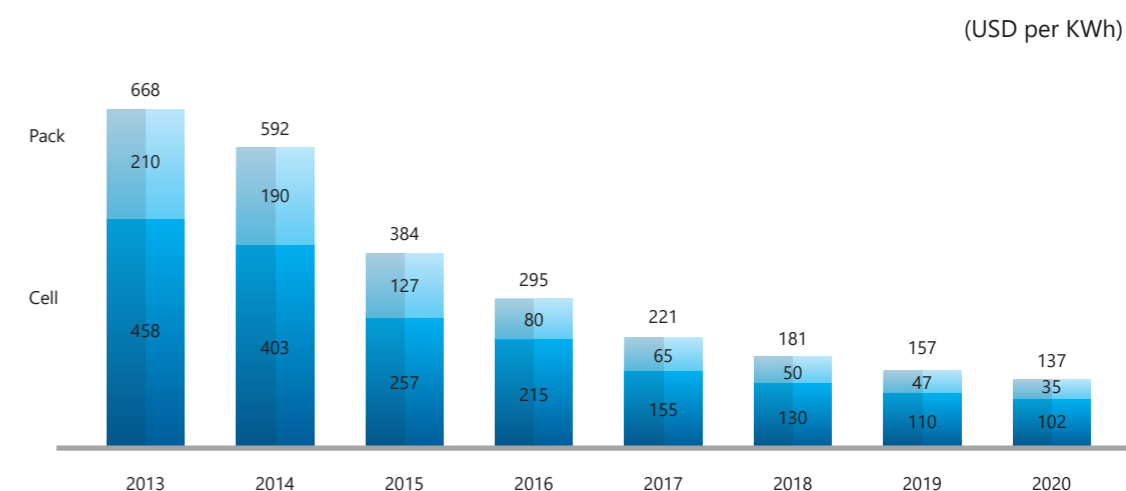
Privately owned electric two/three-wheelers (which include motorised vehicles such as motorcycles and mopeds but exclude micro-mobility solutions) are concentrated in Asia, with China accounting for 99% of registrations. The global stock of electric two/three-wheelers is now around 290 million. Electric two/three-wheelers account for one-third of all two/three-wheeler sales. While current sales are dominated by Asia, the market is growing rapidly in Europe, rising by 30% in 2020, benefitting from wider model availability and continued incentives.

• Battery demand climbed to highest level in Europe

Automotive lithium-ion (Li-Ion) battery production was 160 GigaWatt/hour (GWh) in 2020, up 33% from 2019. The increase reflects a 41% increase in electric car registrations and a constant average battery capacity of 55 kilowatt-hours (kWh) for BEVs. Battery demand for other transport modes increased 10%.

Battery production continues to be dominated by China, which accounts for over 70% of global battery cell production capacity. China accounted for the largest share of battery demand at almost 80GWh in 2020, while Europe had the largest percentage increase at 110% to reach 52GWh. Demand in the United States was stable at 19GWh. Nickel-manganese-cobalt continues to be the dominant chemistry for Li-ion batteries, with around 71% sales share and nickel-cobalt-aluminium accounting for most of the rest.

According to the BNEF's yearly survey of battery prices, the weighted average cost of automotive batteries declined 13% in 2020 from 2019, reaching USD 137/kWh at a pack level. Average lithium-ion (Li-ion) battery cell cost will fall below \$100/kWh in the next three years with improved cheaper technologies and economies of scale.



- **Covid-19 muted the pace of installation of publicly accessible chargers**

While most charging of EVs is done at home and work, roll-out of publicly accessible charging will be critical as countries leading in EV deployment enter a stage where simpler and improved autonomy will be demanded by EV owners. Publicly accessible chargers reached 1.3 million units in 2020, of which 30% are fast chargers. Installation of publicly accessible chargers was 45%, a slower pace than the 85% in 2019, likely because work was interrupted in key markets due to the pandemic. China leads the world in availability of both slow and fast publicly accessible chargers.

Slow chargers

The pace of slow charger (charging power below 22kW) installations in China in 2020 increased by 65% to about 500,000 publicly accessible slow chargers. This represents more than half of the world's stock of slow chargers.

Europe is second with around 250,000 slow chargers, with installations increasing one-third in 2020. The Netherlands leads in Europe with more than 63,000 slow chargers. Sweden, Finland and Iceland doubled their stock of slow chargers in 2020. Installation of slow chargers in the United States increased by 28% in 2020 from the prior year to total 82,000.

Fast chargers

The pace of fast charger (charging power more than 22kW) installations in China in 2020 increased by 44% to almost 310,000 fast chargers, slower than the 93% pace of annual growth in 2019. The relatively high number of publicly available fast chargers in China is to compensate for a paucity of private charging options and to facilitate achievement of goals for rapid EV deployment.

In Europe, fast chargers are being rolled out at a higher rate than slow ones. There are now more than 38,000 public fast chargers, up by 55% in 2020, including nearly 7,500 in Germany, 6,200 in the United Kingdom, 4,000 in France and 2,000 in the Netherlands. The United States counts 17,000 fast chargers, of which nearly 60% are Tesla superchargers. Publicly accessible fast chargers facilitate longer journeys. As they are increasingly deployed, they will enable longer trips and encourage late adopters without access to private charging to purchase an electric vehicle.

- **Global Electric Commercial Vehicle Market**

Electric bus and electric heavy-duty truck (HDT) registrations increased in 2020 in China, Europe and North America. The global electric bus stock was 600,000 in 2020 and the electric HDT stock was 31,000.

Bus registrations

China continues to dominate the electric bus market, with registration of 78,000 new vehicles in 2020, up 9% on the year to reach a sales share of 27%. Local policies to curb air pollution are the driving force.

Electric bus registrations increased in 2020 in China, Europe and North America. Electric bus registrations in Europe were 2,100, an increase of around 7%, well below the doubling in registrations that was seen in 2019. Electric buses now make up 4% of all new bus registrations in Europe. It is too early to see the effect of the non-binding European Clean Bus Deployment Initiative and demand may be still largely driven by municipal level policies.

In North America, there were 580 new electric bus registrations in 2020, down almost 15% from the prior year.

Heavy-duty truck registrations

Global electric HDT registrations were 7,400 in 2020, up by 10% than the previous year. The global stock of electric HDTs numbers 31,000. China continues to dominate the category, with 6,700 new registrations in 2020, up by 10% though much lower than the fourfold increase in 2019. Electric HDT registrations in Europe rose by 23% to about 450 vehicles and in the United States increased to 240 vehicles. Electric trucks are still below 1% of sales.

Global outlook for EVs

Vehicle manufacturers are very optimistic about the future of EVs. Out of the world's top 20 vehicle manufacturers, which represented around 90% of new car registrations in 2020, 18 have stated plans to widen their portfolio of models and to rapidly scale up the production of light-duty electric vehicles. The model availability of electric heavy-duty vehicles is also broadening, with four major truck manufacturers indicating an all-electric future. Consumer spending on electric car purchases increased to USD 120 billion in 2020. In parallel, governments across the world spent USD 14 billion to support electric car sales, up by 25% from 2019, mostly from stronger incentives in Europe. Nonetheless, the share of government incentives in total spending on electric cars has decreased over the past five years, suggesting that EVs are becoming increasingly attractive to consumers.

The near-term outlook for EV sales is bright. In the first-quarter of 2021, global electric car sales rose by around 140% compared to the same period in 2020, driven by sales in China of around 500,000 vehicles and in Europe of around 450,000. US sales more than doubled relative to the first-quarter of 2020, albeit from a much lower base.

Despite the continuation of the Covid pandemic in 2021, there is a strong momentum in electric vehicle markets.

Existing policies around the world suggest healthy growth over this decade: in the IEA's Stated Policies Scenario, the EV stock across all modes (except two/three-wheelers) will reach 145 million in 2030, accounting for 7% of the road vehicle fleet. EV markets could be significantly larger if governments accelerate efforts to reach climate goals. In the Sustainable Development Scenario, the global EV fleet will reach to 230 million vehicles in 2030 (excluding two/three-wheelers).

Source: IEA Global EV Outlook 2021

ii. India Electric Vehicle Market Overview

With India's focus on the manufacturing of EV batteries for as well as production facilities for the scale-up of EVs, the country is expected to be one of the world's largest exporters in these segments.

Over the last decade, the government has launched several policies, schemes, and initiatives for promoting and adopting electric mobility solutions in India, mostly under the umbrella of the National Mission for Electric Mobility (the EV Mission) led by the DHI. The plans and policies focused mostly on encouraging an increase in manufacturing of affordable, reliable, and efficient EVs which also meet consumer price and performance expectations, through Industry-Government collaborations, providing subsidies to manufacturers, improving the charging infrastructure, and providing incentives to increase the demand of EVs in India, with the aim to make India a market leader in Global EV space.

Despite multiple efforts of the Government, the progress in meeting the policy targets has not been substantial. As per the Bureau of Energy Efficiency (BEE), less than 1% of the vehicles sold in India are electrical vehicles. However, the Government seems to have recognised the hurdles and is taking active steps to revamp the EV policies, recover from the crisis and attain its targets over the next 5-10 years.

In recent times, the entire EV ecosystem in India seems to have gained momentum and is ready to be a noteworthy contender in the global EV race. EV manufacturers have announced a significant increase in production. Large companies from other industries are choosing EVs for their last-mile delivery fleets, consumers are slowly adopting and preferring electric and hybrid variants evidenced by the rise in demand, and the State and Central Governments are taking steps to improve the charging infrastructure, provide subsidies and convert public transportation to all-EV.

Performance of Indian EV sector in FY2020-21

Like most other sectors of the economy, the sunrise EV sector was impacted by lockdowns and social distancing mandates necessitated by the pandemic. It saw a drop in overall sales of EVs by 19.9%, from 295,683 units in FY20 to 236,802 units in the FY21. While the sales of e-2W dropped by 6% and the e-4W segment witnessed an increase of 53% growth was a reflection of a lower base, it also indicated a budding trend of preference for EVs.

However, on the longer-term horizon, the EV market is expected to grow at CAGR of 44% between 2020-2027 and reach annual sales of 6.34 million units by 2027. This industry is expected to create 5 crores direct and indirect jobs by 2030. Financing of EVs is also expected to burgeon to a market size of US\$50 bn by 2030, representing about 80% of the current size of India's retail vehicle finance industry, which currently stands at US\$60 bn today. In the run-up to 2030, it is expected that there will be more than 100GWh of batteries to be retired and recycled thus prompting companies in battery recycling are already preparing to scale up to handle the rush.

Foreign players are also likely to enter this segment with investments. To charge-up, there will be support required from the 'Grid' and India is already racing towards installing a renewable energy capacity of 175GW by 2022 and 450GW by 2030 with multiple domestic and international players investing in India's renewable energy sector.

Benefits of the transition to EV

According to an ASSOCHAM Report (August 2021), the world is witnessing challenges arising from climate change, CO2 emissions and dependence on fossil fuels. With the increasing need to improve quality of life, various countries have taken innovative measures to harness natural and renewable resources and explore alternate technologies to address these challenges. India is actively seeking innovative, cost-effective, and viable solutions to address its imminent environmental concerns in general and the poor air quality in particular. The setting up of an e-vehicle ecosystem, coupled with the development of new and smart cities across the country, would address the dual challenges of connectivity and urban transportation. The transition to Electric Vehicles would present challenges for the incumbents while at the same time offering a tremendous opportunity for those who undertake the requisite investments and

start planning for the shift. Given the scale of the Indian automotive market, any significant proportion of vehicle electrification by 2030 is likely to present a multi-billion-dollar opportunity. The transition to e-vehicles is necessary for the Indian automotive industry to maintain its foothold and gain additional ground as the world shifts towards e-vehicles. The government's policy FAME- Faster Adoption and Manufacture of Hybrid and Electric Vehicles incentivizes e-vehicle production and the creation of electric mobility transportation, focusing on technology development, demand creation, pilot projects charging infrastructure. This would facilitate the creation of an ecosystem synergizing energy players, entrepreneurs, and tech companies.

Further, the Total Cost of Ownership (TCO) of EVs has been found to be less than its ICE counterparts and the cost price of electric vehicles which was higher has also been subsidised substantially for the e-2W after the re-modelling of FAME-II. India also has its climate change commitments which it must fulfill, and the government is working towards meeting these commitments with fervour. With air pollution becoming one of the major causes of death in large cities in India, the government is promoting the adoption of EVs.

Challenges in Adoption of EVs

Demand-side

Awareness: While a particular segment of users is aware environmentally conscious, another significant chunk is not.

Lack of effectiveness of government schemes: FAME scheme aimed to create demand for EV adoption however it has failed to utilise the allocated budget, indicating the low demand from the user

Supply-side

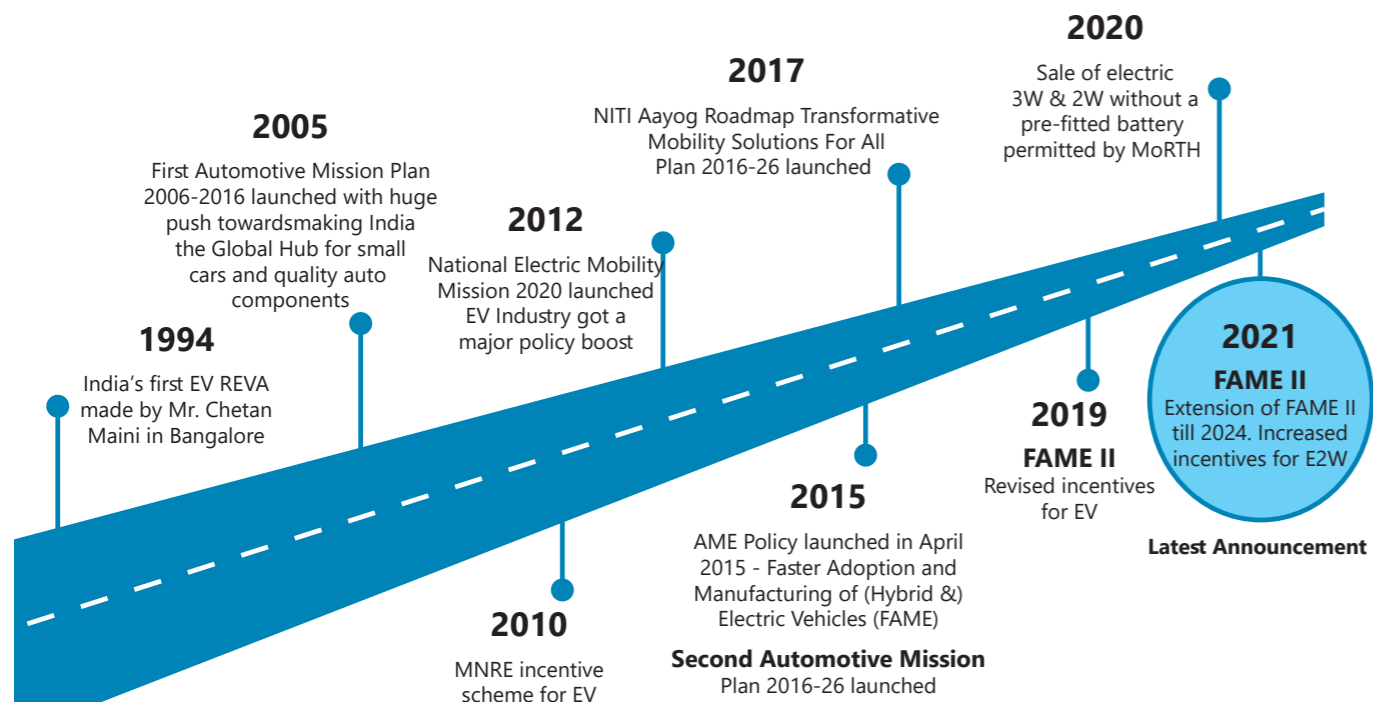
Charging Infrastructure: The total number of charging stations in India are estimated at ~1500, which is significantly low for a country of the size of India. Unavailability of charging infrastructure induces range anxiety to the end user.

Lack of manufacturing capacity: Conventional OEMs that command the highest production capacity continue to focus on ICE vehicles production. The EV production plants are expected to take time to be up and running.

Lack of bank finance: EVs being a new product in the market, financiers are hesitant in offering loans for the same. In India, majority of the vehicles are bought through vehicle financing and hence this lack of bank finance is a detriment to adoption.

Policies to promote the EV industry

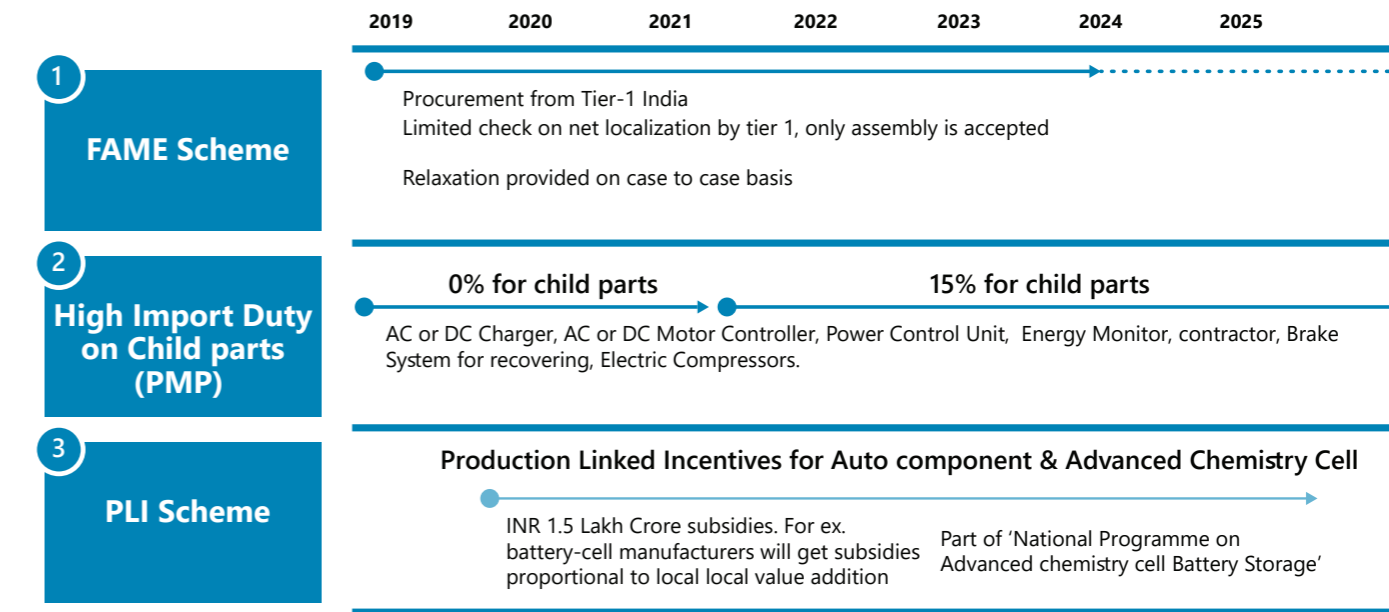
The Government of India has introduced a set of fiscal and non-fiscal incentives to support the adoption of electric mobility.



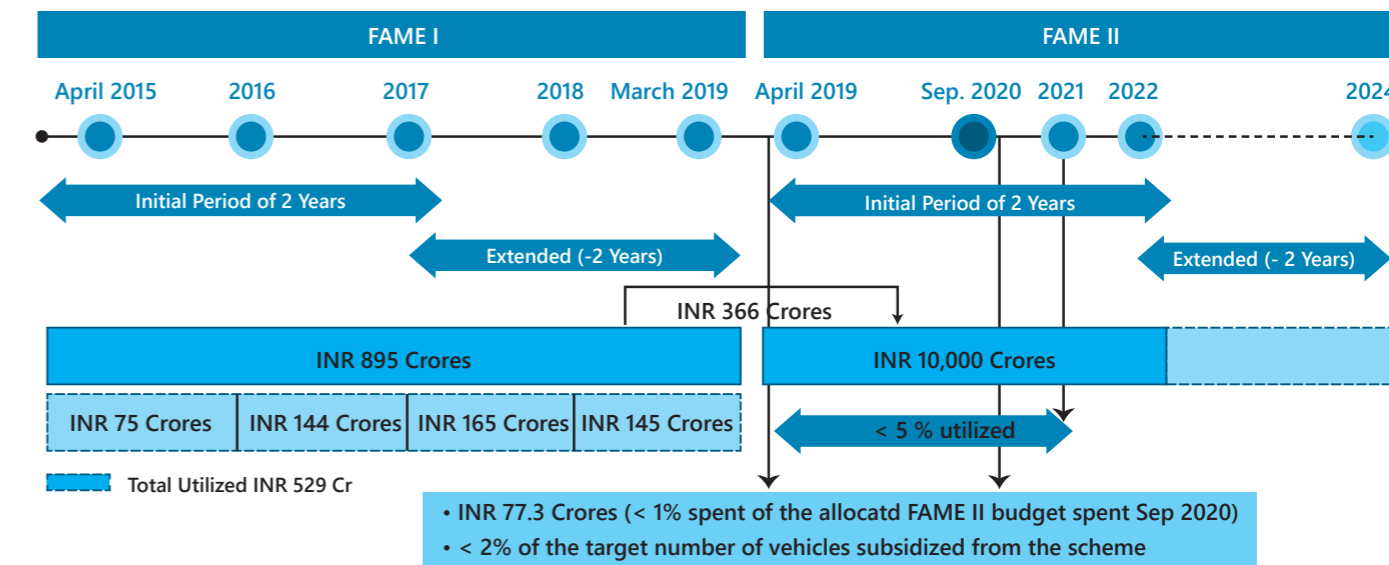
Source: Assocham Study (August 2021)

India has devised a 3 pillar strategy to promote local manufacturing ecosystem development for EVs – FAME-II restrictions, Import Restrictions (PMP) & Fiscal Incentives or PLI to address import dependency issues and support local manufacturers to develop the capacity to make and scale the EV components. The overall idea is to achieve maximum localization of components for which India has or can develop the capability with the Government's support and OEMs investment in EV.

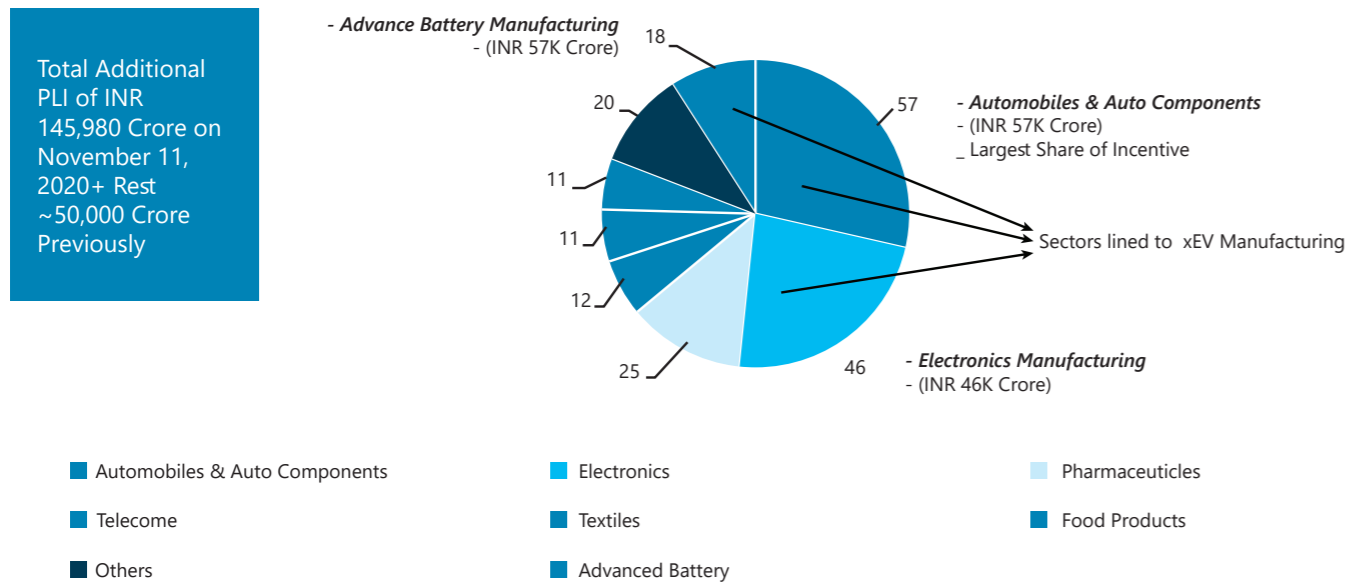
Three Strategies to Promote Localization



Allocation of Fame I and Fame II Scheme



Break of Total Production Linked Incentive Scheme to Boost Local Manufacturing

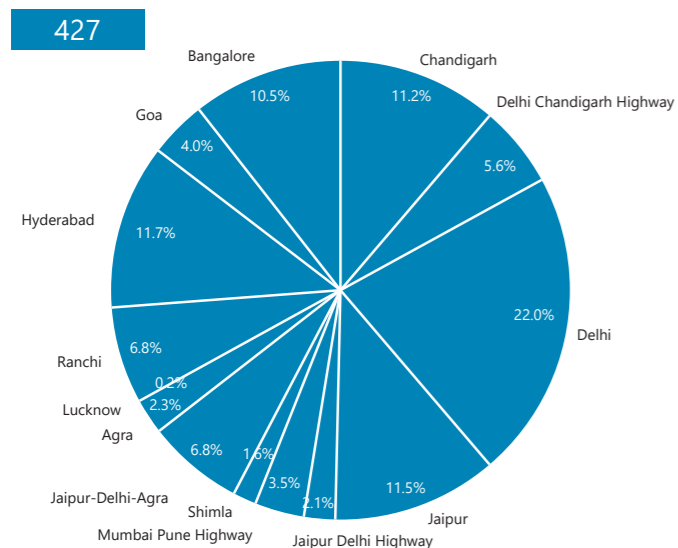


Steps for meeting requirement of EV Charging Infra

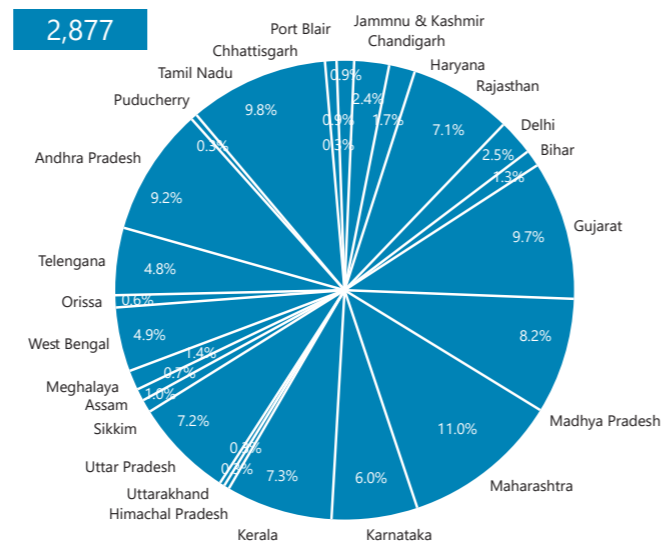
Abundant availability of EV charging infrastructure is one of the major drivers for enabling higher adoption of electric mobility. A robust and well developed EV charging infrastructure alleviates the charge anxiety of users and increases offtake.

Availability of charging infrastructure is essential to increase the acceptance of electric vehicles amongst consumers. Keeping this in mind DHI has sanctioned 3,397 stations under FAME-I & FAME-II. Under FAME-I, 427 charging stations were established in different cities of India. This also includes charging stations established of some well-known highways connecting major cities from Delhi and Mumbai (Source: ASSOCHAM Study – August 2021)

FAME-I Charging Stations



FAME-II Charging Stations



Under FAME-II, 2,877 stations have been sanctioned with the target of PAN India coverage. Top 5 states (Maharashtra, Tamil Nadu, Gujrat, Andhra Pradesh and Madhya Pradesh) have been allocated with ~48% of total charging stations under FAME-II. Effective implementation of these charging stations is likely to positively impact the consumer sentiments towards apprehensions about charging vehicles and range anxiety. As per the data published by Central Electricity Authority, there are 927 public charging stations in India, as on 30th June 2020. Furthermore, the Government has de-licensed setting-up a PCS (public charging station) and allowed private charging at residence and offices. These changes were brought in effect by the Ministry of Power in Dec 2018. A big push to the public charging infrastructure has been provided by Public Sector Undertakings (PSU) who are leveraging their existing infrastructure to build PCS and capitalize on the growing demand of EV charging stations. In addition to fixing charging stations, several players are active in battery swapping services for the 2W and 3W segment. This will further boost the availability of vehicle charging facilities and in turn consumer confidence for adoption of electric vehicles.

The Government of India has also earmarked Rs. 1,000 crore (~ USD 137 Million) for subsidizing development of public charging infrastructure. Further, with a view to ease out implementation, the government also provisioned to have State Nodal Agency in each State, nominated by State Government to facilitate rolling out of charging infrastructure in respective State, with the help of implementing agency.

Charging station aggregator, EESL, has been the leading charging point operator in the country. It has installed about 92 public charging stations across India along with 308 AC and 180 DC captive chargers. Tendering process for installing about 600 PCUI across 60+ cities in the country is underway. EESL intends to install 10,000 EV charging stations in India by FY22-23. At present, EESL owns close to 20% of country's total charging stations. In July 2020, EESL has launched the first EV charging plaza in the country.

Steps for increasing EV Battery Manufacturing Capacity

India has limited battery manufacturing capacity to cater to the EV market. Therefore, the Government is weighing up plans to incentivize local battery manufacturing. NITI Aayog sought Cabinet approval in January 2020 to provide subsidies to investors upon setting up of giga-scale battery manufacturing facilities for Li-ion batteries compatible to EVs in India. However, success of this program lies on the access of raw material from the countries that have its major reserve. Strength of inter-government bilateral ties and geopolitical situation would govern the India's ambition to become a major hub for battery production.

The India Energy Storage Alliance (IESA) forecasts that the EV battery market in India will grow at a CAGR of 32% over 2020-2027 to reach a demand of 50 GWh. 80% of demand is expected be for superior quality lithium-ion batteries. According to the study, the estimated battery market potential shall grow to \$14.9 billion by 2027.

Currently lead acid-based batteries account for over 75% of EV battery sales for two and three-wheelers. However, OEMs have started shifting towards lithium-ion batteries in part to meet Government's 'advanced battery' criteria to access FAME-II incentives. Li-ion batteries exhibit better performance than lead-acid batteries and are becoming more price-competitive. As per ICAT & ARAI, 50%-70% of the newer models tested and certified are based on Li-ion batteries.

In terms of battery size, the Indian market is dominated by small batteries in the range of 1-10 kWh which are suitable for the two and three-wheelers. Furthermore, even locally manufactured passenger vehicles operate with very small batteries of <30 kWh (globally, the average battery pack energy is 60 kWh).

| | 2025 | 2030 |
|-----------------------|--------|---------|
| Conservative Scenario | 50 GWh | 110 GWh |
| Base Scenario | 80 GWh | 230 GWh |

EV Battery demand in India (source : Bloomberg NEF, RMI Analysis)

EV Components

In comparison to conventional vehicles, the EV auto-component industry is at a very nascent stage. In contrast to more than 10,000 auto component manufacturers in conventional vehicle segment, there are very few players in EV auto-ancillary manufacturing space currently. With the transition towards EVs, the existing auto component manufacturers would have to realign their product portfolio to suitably match the requirements of upcoming EV market. This would not only help in reducing the cost of EV (reduced existing import dependency) but also minimize the risk of unemployment in the conventional segment.

The localization of the supply chain, being promoted through the Phased Manufacturing Program (PMP), has already surpassed its previous deadline of achieving the targets. Yet the extent of localization achieved is very low. In September 2020, the Government had pushed the effective date of indigenization of xEV parts for PMP under FAME-II to April 2021.

As the domestic market is tuning to the transition, there has been limited capacity for production of localized components for electric vehicle. At this stage, the industry needs assistance from the Government in realization of localization targets with support in implementation. A focused effort is essential for the development of localized market for EV component manufacturing to support the EV industry.

Localization potential of EV components

| Component (% cost contribution) | Current localization | Localization potential by 2030 | Rationale |
|---|----------------------|--------------------------------|---|
| Battery Cell (30-35%) | Very Low | Low | <ul style="list-style-type: none"> Unavailability of core raw materials like lithium Battery R&D is capital intensive Rapid evolving or battery technology Cost competitiveness of Chinese Li-ion batteries |
| Chassis and Body (10-15%) | High | Very High | <ul style="list-style-type: none"> No requirement of special raw materials or technology Manufacturing know-how already exist locally |
| BMS and TMS (10-12%) | Moderate | Very High | <ul style="list-style-type: none"> Primarily require software India is known for development and export of software |
| Motor (10-12%) | Very Low | Moderate | <ul style="list-style-type: none"> Unavailability of rare earth magnets such as the Neodymium magnet China is the leading producer of rare earth magnets accounting for over 90% production and over 40% reserves. Geopolitical risk involved in sourcing raw material. |
| Power Electronics (8-10%) | Very Low | Very High | <ul style="list-style-type: none"> No major challenge exists except requirement for capital for doing R&D and setting-up of infrastructure |
| Other (HVAC, Control units etc.) | Moderate | Very High | <ul style="list-style-type: none"> Indian manufacturers have experience and know-how Already manufacturing such system, minor adaptation is required for EVs |

Source: 49 Analyst reports, Sector outlook reports, Deloitte analysis

Outlook

Electric Vehicles (EVs) account for less than 1% of total vehicle sales in India. However, as many as 90% of current four-wheeler owners would be willing to switch to an EV provided that the right infrastructure is in place, while 75% of the population believe EVs could replace ICE vehicles by 2030.

On the policy front, India's efforts to control pollutant emissions from vehicles moved into high gear in April 2020 when it imposed Bharat Stage VI (BS-VI) standards, (which are largely aligned with Euro 6 standards), on new sales of motorcycles, scooters, passenger vehicles, light-duty and heavy-duty commercial vehicles. The jump directly from BS-IV to BS-VI forced manufacturers to make significant changes to vehicle designs in a short period. Investment made by some Indian OEMs on ICE models meeting BS-VI standards, thereby delaying investment in BEV deployment. These OEMs have indicated that they are facing losses due to slumps in auto sales from reduced demand during the pandemic.

Faster Adoption and Manufacturing of Electric Vehicles (FAME I& II) scheme is India's key national policy relevant for EVs. It allocates USD 1.4 billion over three years from 2019 for 1.6 million hybrid and electric vehicles (including two/three-wheelers, buses and cars) and includes measures to promote domestic manufacturing of EVs and their parts.

FAME – II scheme earmarked Rs. 3545 Cr. (~USD 486 millions) to provide demand incentive to a maximum of 7090 E-Buses during the scheme period which has been recently extended to FY 2023-24. Department of Heavy Industry had invited the Expression of Interest (EoI) from million plus cities, smart cities, State/ UT capitals and cities from special category states for submission of proposal for deployment of Electric Buses on operational cost basis. In response thereof, 86 proposals from 26 States/ UTs for the deployment of 14988 E-Buses were received. The Government sanctioned total 5,595 e-buses which included 5095 electric buses to 64 Cities / State Transport Corporations for intra-city operations; 400 electric buses for intercity operation and 100 electric buses for last mile connectivity to Delhi Metro Rail Corporation (DMRC).

Further, the Government's PLI Scheme will boost manufacturing and start showing results in a couple of years. Charging stations and charging points are being installed all over India.

Number of states like Haryana, Delhi, Karnataka, Kerala, Maharashtra, UP, Tamil Nadu, MP, etc. have also introduced their own state policies and regulations on EVs aimed at growing the manufacture and sale of electric vehicles in their respective states which is now being supported and encouraged by the central government.

Haryana targets converting 100% of their bus fleet to Electric in Gurugram & Faridabad also targeting to convert all government vehicles to EV by 2024. Punjab targets at least 25% of the state's bus fleet to be electric by 2022. Madhya Pradesh aims to convert 25% of all new public transport vehicles to electric by 2026. Bihar aims at converting manual paddling rikshaws to e3Ws by 2022

Source: Business Today

E. HUGE OPPORTUNITY FOR JBMA

The future of mobility in India and the world is rapidly evolving towards becoming more electrified and environment friendly, while delighting end users with superior experiences. The pace of progress is especially rapid and exciting in the EV space with special focus on public transportation contributing the highest percentage in the FAME II policy as well.

Your Company is a complete end-to-end well to wheel solution-based enterprise in the mobility space, with a presence across auto-components, tooling, and the complete ecosystem for Buses. Our enterprise moat springs from our ability to manage modular platforms for meeting customer requirements and reducing time to market.

Your company not only drives business across our various verticals on one hand, but also propels our initiatives towards sustainability and green manufacturing. Moreover, now in many of our plants we are using solar power for captive energy requirements. In our business, we define and strive for sustainability in different ways. These include energy conservation, people skill enhancement, societal development and other forms of sustainability, which lead to scalability for us.

This opens up plethora of opportunities for us to contribute significantly to the evolution and contours of mobility. We have harnessed these competitive advantages to secure a leadership position, which we look forward to leveraging within the unfolding policy framework.

Based on these and various other conducive developments, the Company is actively pursuing its mission to become a complete ecosystem provider for electric mobility with vertical integration of electric vehicles, key components and aggregates, along with charging infrastructure.

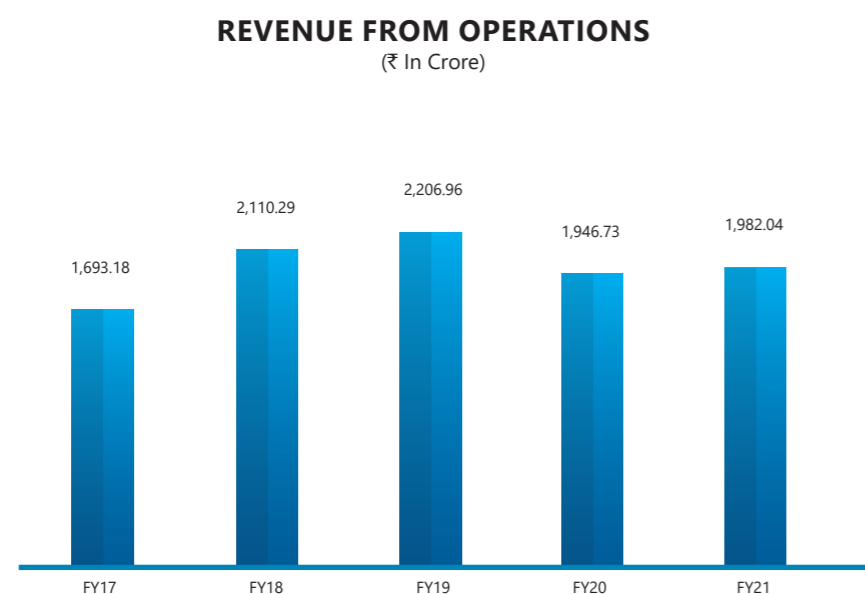
F. YOUR COMPANY'S PERFORMANCE IN FY21

During the year, despite unfavorable conditions and various challenges faced due to COVID 19 pandemic, your Company has delivered a satisfactory performance in all aspects.

Highlights of consolidated results:

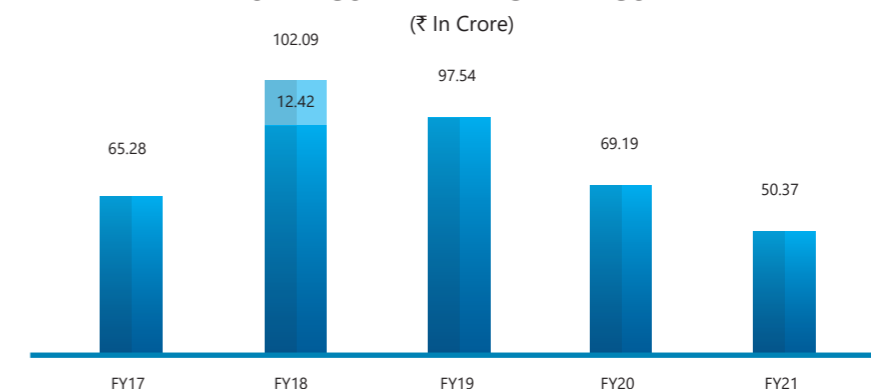
- In FY21, Net Revenue from operations increased by 1.81% to Rs. 1982.04 cr as against Rs. 1946.73 cr in FY20 against auto industry volume of 14.73%
- The OEM division revenues has almost doubled over the last financial year. OEM division revenue increased to Rs. 459.01 cr as against Rs. 238.99 cr in FY20. OEM division performance has enhanced multifold and is expected to set higher benchmark in the coming years with increasing market penetration of our products.
- Tool room division revenue decrease by 9.35% to Rs 228.99 cr in FY21 as against Rs 252.62 cr in FY 20 due to COVID 19 impact in Q1FY21. Your company has a good order book for FY 22
- Component division revenue decreased by 11.01% to Rs. 1295.12 cr as against 1454.52 cr in FY20 due to COVID 19 impact in Q1FY21.
- Total Comprehensive Income attributable to the owners of the Company decreased to Rs. 50.37 cr in FY21 from Rs. 69.19 cr in FY20.
- Net worth of the Company as on 31st March 2021 increased by 5.98 % to Rs 745.62 cr as against Rs. 703.52 cr on 31st March, 2020.
- The Book value per share has increased by 5.98% to Rs. 157.64 per share as against Rs. 148.74 per share.
- The Earnings per share was Rs. 10.42 per share as against 14.63 per share in FY20.
- The Long-Term Debt Equity ratio of the Company was 0.49 times as on 31st March 2021 against 0.40 times as on 31st March 2020.

Consolidated Performance of your Company over the past 5 year.



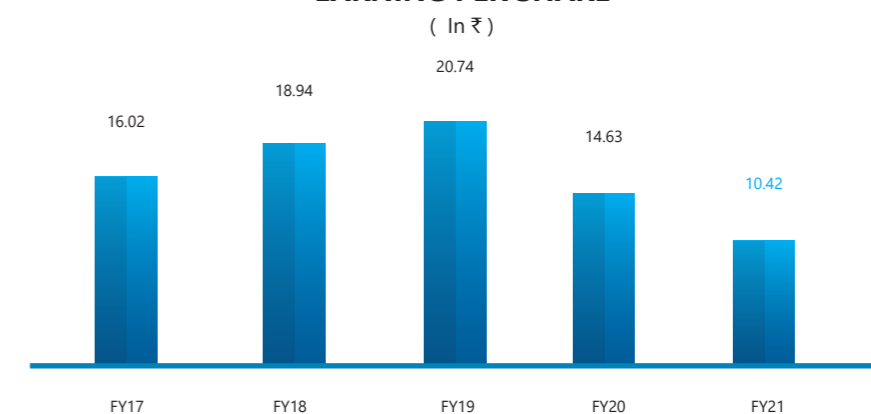
Net Revenue from operations increased by 1.81% to Rs. 1,982.04 cr as against Rs. 1,946.73 cr in FY20. However, Topline in OEM division is almost doubled to Rs. 459.01 cr as against Rs. 238.99 cr in FY20.

TOTAL COMPREHENSIVE INCOME



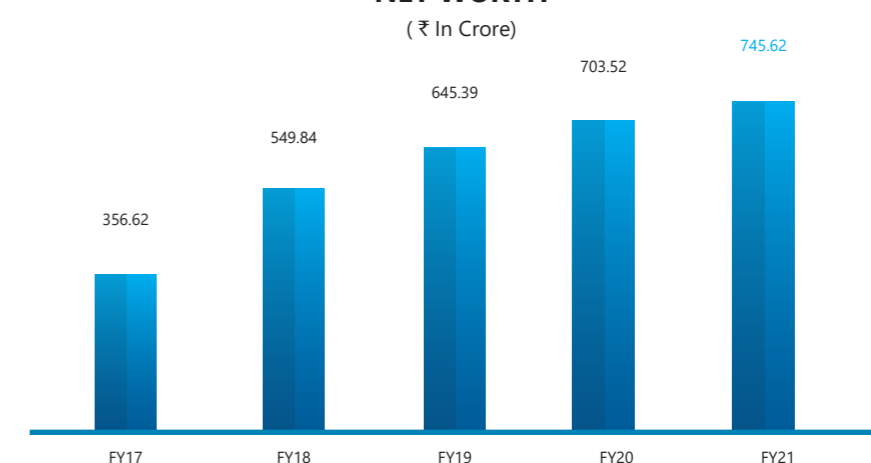
- Pursuant to Business Combination, gain of Rs. 12.42 crores has arisen due to Fair Valuation of previously held interest of the company in JBM MA Automotive Private Limited.
- In FY21 total comprehensive income decreased by 27.20% mainly because of decrease in turnover in component division and subsequent under absorption of fixed cost. However, the company has taken various initiatives to protect EBIT margins in these challenging times.

EARNING PER SHARE



The Earning per share decreased by 28.78 % due to decrease in total comprehensive income.

NET WORTH



Net worth of the company increased to Rs. 745.62 crores consequential to profit earned during the year of Rs. 50.37 crores.

OTHER KEY FINANCIAL RATIOS

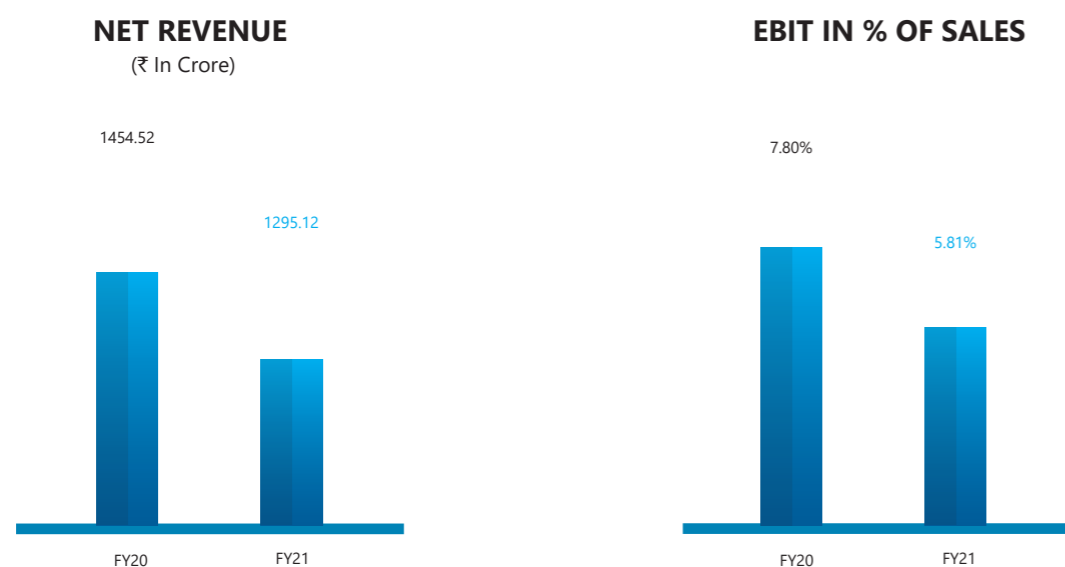
| Particulars | FY21 | FY20 | Change in % Inc/(Dec) |
|-----------------------------|-------|-------|-----------------------|
| Debtors Turnover Ratio | 4.00 | 3.53 | 13.50% |
| Inventory Turnover Ratio | 4.35 | 4.75 | -8.42% |
| Interest Coverage Ratio | 3.90 | 3.82 | 2.11% |
| Current Ratio | 0.91 | 1.05 | -13.39% |
| Long Term Debt Equity Ratio | 0.49 | 0.40 | 23.24% |
| Operating Profit Margin (%) | 6.50% | 8.04% | -19.14% |
| Net Profit Margin (%)* | 2.53% | 3.53% | -28.36% |

The details of Reason for significant changes (25% or more) in the key financial ratios in FY 2020-21 compared to FY 2019-20 is as follows:

- Due to Covid-19 outbreak, the Net Profit Margin has decreased by 28.36%.

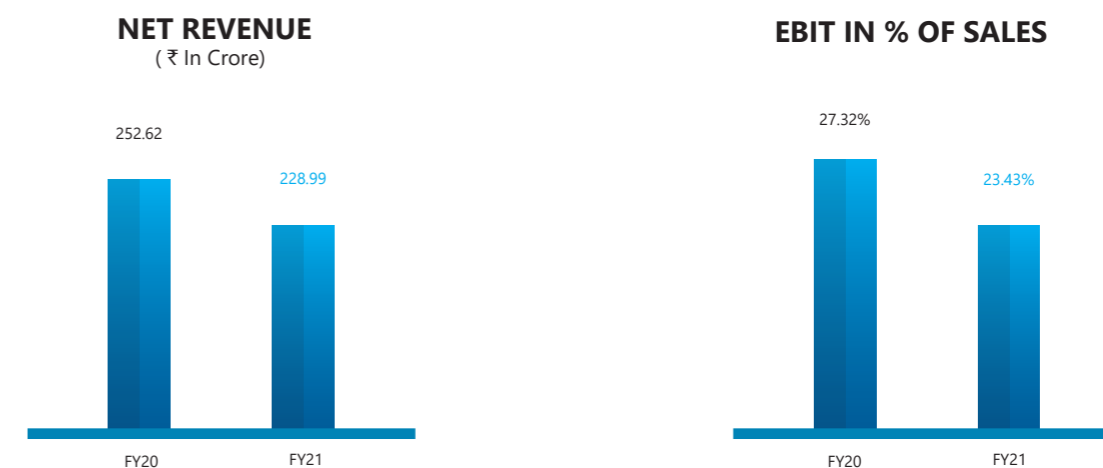
G. SEGMENT WISE PERFORMANCE

COMPONENT DIVISION



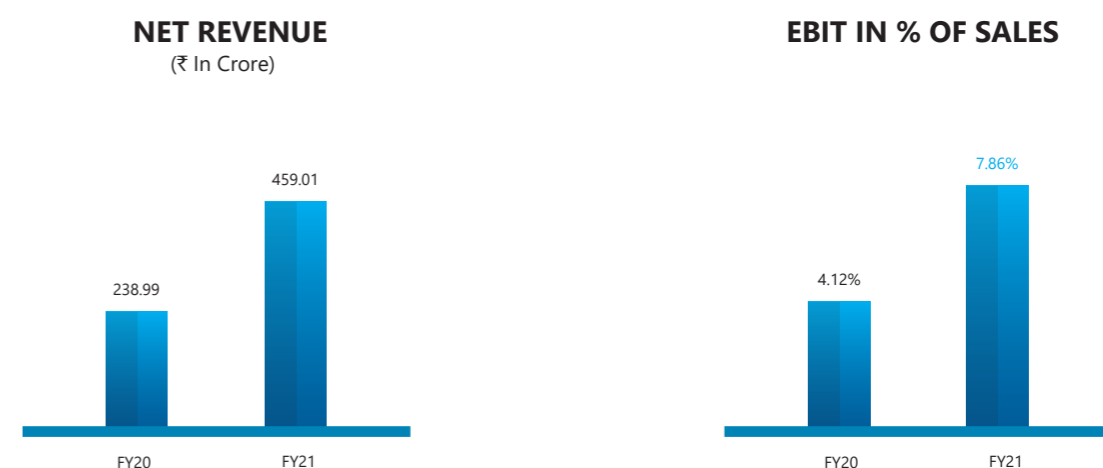
1. Component division revenue decreased by 11.01% to Rs. 1,295.12 cr as against 1,454.52 cr in FY20 due to COVID 19 impact in Q1FY21.
2. EBIT margin is down due to lower sale and subsequent under absorption of fixed cost. Your company has taken various initiatives to protect EBIT margins in these challenging times.

TOOL ROOM DIVISION



1. Tool room division revenue decreased by 9.35% to Rs 228.99 Cr in FY21 as against Rs 252.62 Cr in FY 20 due to COVID 19 impact in Q1FY21. Your company has a good order book for FY 22.
2. EBIT decreased by Rs. 15.36 crores to Rs 53.66 crores in FY21 as against Rs. 69.02 crores in FY20 . We are expecting increase in Tool Room division sale in FY22 due to increasing localization of tooling in India and various new model launches by OEMs.

OEM DIVISION



1. The OEM division revenue has almost doubled over the last financial year. OEM division revenue increased to Rs. 459.01 cr as against Rs. 238.99 cr in FY20.
2. OEM division performance has enhanced multifold and is expected to set higher benchmark in the coming years with increasing market penetration of our products.
3. In FY21, OEM division has achieved 7.86 % EBIT margin due to almost 100% increase in sales.

H. RESEARCH & DEVELOPMENT

1. Component & Toolroom Division:

Your Company's R&D division comprises design, CAE & test teams that are working on chassis, suspension & pedal box development for different customers, deploying the latest design technologies using CAD software, such as NX & Catia and CAE software, such as Hyper works, Nastran & Simulia (Abaqus), which are supported by world class test labs equipped with advanced functionalities.

Your company is actively engaged with prestigious global and local OEMs, right from the early stages of development. We provide complete solutions, enveloping benchmarking and VA/VE proposals. The goal is to go ahead with concurrent engineering in the early development cycle of all programmes for all our product lines which results into faster time to market and first-time-right solutions.

Our engineers have been trained in Europe and Japan, so they are well versed with global benchmarking in design development and technologies. We have also commenced a full circle of technologies for various OEMs across the world with best-in-class testing centers in India and Europe.

Your R&D department has launched many initiatives for the development of its People & Products such as:

- Advanced Benchmarking for identifying the best features w.r.t. each product, process, and durability of the vehicle to be incorporated in upcoming products.
- To address any challenges in the product design prototype itself and for validation & verification of design concepts.
- Stress measurement – to ensure correlation of product integration, virtual and physical testing

Such initiatives will continue to bolster people development, deployment of technologies to boost its market share and business growth. Your R&D has a slew of new products under development, which will be launched in the coming years.

2. OEM Division:

You will be pleased to learn that your company's R&D has developed a slew of products in the last fiscal year. The highlights of this list include the BS VI compliant 12m LF Buses which run on CNG and in the EV space, the 12m LF Electric Buses and 3 variants of the 9m HF.

As you are aware the R&D division is constantly innovating to devise newer designs for Bus models for various applications in the domestic and emerging markets. This has been made possible due to the fully-equipped, world-class R&D centre facilities like the CAD Design Centre, BUS Prototype development facilities, Laboratory/ Vehicle testing and validation facilities and a dedicated test track.

There is a dedicated data acquisition and instrumentation lab also available now which enables us to acquire real time data and RLDA (Road Load Data Acquisition) during various applications. This goes as an input during the initial phase of Product Design.

BS-VI compliant 12m LF CNG bus for public transportation

Your company became the first company in India to be ready with a BS-VI compliant 12m LF CNG bus for public transportation and Delhi became the first city in the country to add the new-age vehicles to its bus fleet. The product has been powered with the new engine which has larger capacity and distinct advantages. For instance, the vehicle can be run at lower RPMs with requisite torque output leading to higher fuel economy.

Your R&D's internal trials have shown an improvement of more than 10% as compared to the BS-IV equivalent product, reduction in noise, vibration and harshness and an improved product performance as well as driving experience.

Electric Buses Variants

A significant development activity also took place in the 9m platform of Electric Buses. 3 variants were developed for city ride applications and orders from 3 different geographies were fulfilled successfully in spite of the worrisome COVID situation in the country. The products have been launched in the states of Maharashtra and Gujarat and the UT of Andaman & Nicobar Islands.

Your R&D added another feather to its cap by developing a completely localized version of 12m LF Electric Buses in record time. With a highly focused approach and keeping the spirit of "Doing Things Right in The First Time" in mind, the design, development, certification and validation were all conducted during a time the country was undergoing a major crisis.

Your Company's R&D team has developed a long-term strategy in line with the Automotive Mission Plan 2026. This Road map is for new products as well as for adoption of newer technologies. With sensitivity towards environmental concerns, your company has taken a resolution to stay with the cleaner and green fuels. Post FY20, your company will only be producing technologies using cleaner fuel like CNG and zero emission technology i.e. 100% Electric Vehicles and other Green technologies for various applications, always focusing upon environment aspect.

Your R&D center will continue to focus on new product development as per forthcoming regulations while delivering value by enhancing product performance, especially Electronics/ ITS, NVH (noise and vibration) reduction and fuel efficiency enhancement. It has continued to focus on producing environment friendly vehicles that will enhance cost efficiency and total cost of ownership in the entire product portfolio. New technology adoption like EV vehicles related technology, Euro VI emission technology etc. has been at the nucleus of all our upcoming products and innovations. As per the latest global trend we have also taken a step towards Virtual Validation to ensure our products are FIRST TIME RIGHT and ALWAYS RIGHT. A comprehensive capability improvement plan has been curated to improve the organizational capability to take on forthcoming challenges.

I. KEY OPERATIONAL ACHIEVEMENTS DURING FY21

Component Division

Plant Operations:

- ▶ Chennai : Flawless launch of phoenix for Ashok Leyland (Dec'20).
- ▶ Indore : Secured fuel tank business from TMTL for tractor (Dec'20)

Quality:

- ▶ Chennai : 0 Customer Complaints from Renault & Nissan
: 0 PPM in weld Shop for last 22 months
- ▶ Faridabad : 0 PPM in CNH since Dec'20.
- ▶ Pathredi : 0 PPM in Honda Cars since Sep'20.

Customer Appreciations:

- ▶ Faridabad : Rated as "Excellent-A" by Escorts
- ▶ Pathredi : Honda cars have rated with zero GQI & GDI since Sept'20
- ▶ Pune : Tata Motors for highest nos of production for Altroz, Nexon.
: M&M for achieving highest body production in a single day.
- ▶ Indore : VECV for new product development – Sheet Metal in Annual Supplier Conclave

External Appreciations:

Chennai

- Ranked 2nd position in National Kaizen Competition.
- Ranked 2nd position in CII National POKA Yoke Competition.
- TPM strong commitment award received from CII.
- Won Silver award in CII National Level 3M Competition in MUDA category.

Toolroom Division

- Successfully started Exports of Dies & Welding Fixtures to Europe. Last year we successfully developed Tooling and Robotic cells for Mercedes Benz and BMW.
- Developed complete Tooling and Welding lines for Stellantis and Skoda-VW for their new cars for India. Tooling for skin parts were developed first time in India for European OEMs.
- Expanded product portfolio with development of dies for Skin Panels of Two Wheelers.
- Focus was sustained on skill enhancement in High-end Simulations & Robotic solutions for Ultra High tensile parts, Transfer dies and Critical weld assemblies for Chassis and Body.

OEM Division

- 3 variants of 9m HF EV buses were developed and order fulfillment for Ahmedabad Janmarg Limited, Gujrat ; Navi Mumbai Municipal Transport & National Thermal Power Corporation, Andaman & Nicobar was done.
- 12m LF AC EV buses developed and supplied to NMMT, Navi Mumbai.
- Bagged its biggest order so far- 700 nos of 12m LF AC CNG BS-VI buses from Delhi Transport Corporation.
- Similarly DTC has also awarded an order for 200 nos of 12m LF EV buses.

J. KEY RECOGNITION & AWARDS DURING THE YEAR

- i). JBM Auto bagged the BEST INNOVATION (EV Category) Award at the 8th World Auto Forum Awards
- ii). Electric Bus Manufacturer of the Year at EV Manufacturing and Design Show India 2021 Awards conducted by E-Mobility+
- iii). Received awards from TAFE motors & Tractor Ltd. for 'Excellence Contribution on Localisation.'
- iv). Received SML Isuzu award for 'performance in cost competitiveness'

K. RISK MANAGEMENT

Company's Risk Management Policy envisages on identification of risks by each product segment and location, together with the impact that these may have on the business objectives. It also provides a mechanism for categorization of risks into Low, Medium and High according to the severity of risks.

- a) **Economic slowdown:** Indian economy is on a revival path backed by many policy initiatives taken by the government. However, any delay in implementation can significantly impact the economy and industry.
Mitigation measure: The management team of your Company monitors the macro-economic situations closely and takes appropriate and timely decisions.
- b) **Safety Risk:** Safety is an ever-evolving journey. Your company strives to be at the forefront of this evolution.
Mitigation measure: The Company follows a multi-pronged strategy, with additional emphasis on establishing a culture that promotes sound safety practices. The Company implements '5S' practice at its manufacturing facilities. Manufacturing facilities have adopted Safety Management practices based on the leading safety standards. Regular audits are conducted to assess the on-ground implementation of various processes. Critical safety incidents are studied by the senior leadership. We have DOJO skill centres in all our plants that take care of all kinds of training requirements. Focus is on measuring and monitoring of unsafe conditions and unsafe act to improve safety culture
- c) **Risk of Quality:** Company's image in competitive market is made by quality of its products. Hence, Company shall maintain quality of its products as per requirements of its customer at all levels.
Mitigation measure: Your Company has standards of techniques for improvement in quality of products manufactured at all levels for its leading customers according to norms and requirements of customer. Company ensures that quality processes are adequately equipped and are in control.
- d) **Pandemic:** Deterioration in supply chain and demand due to pandemic COVID-19 have emerged as a significant business risk.
Mitigation Measure: Strong system with robust digitisation and interlinking of various divisions is the need of the hour to tackle similar situations in future. Company has ensured that employees are timely vaccinated and the focus is on the health and mental well-being of the employees and all the facilities of the company are COVID ready. Company is continuously working to minimize the impact of the unprecedented situation.
- e) **Procurement:** Procurement risks arise mainly due to raw materials price fluctuations, ability of suppliers to deliver quality products in time. Adverse fluctuations in market prices and/or supplier's financial distress could have an impact on the company's financial position and earnings.
Mitigation measure: The Company's sourcing function ensures that there are adequate supplies available at all times, focussing on quality, cost, and delivery performance. As a continuous process, the multi product sourcing options are explored to keep the plants running at all times while negotiating for competitive pricing.
- f) **Production:** As the Company's manufacturing facilities are Capital intensive, large proportion of its cost are fixed. As a result, decrease in utilisation of plant capacity leads to under absorption of costs and thereby impacts its earnings adversely. Moreover, influence of force majeure could result in delays or interruptions of production and supply chain, leading to nonfulfillment of market demand.
Mitigation measure: Market conditions are reviewed regularly and the production plans are aligned accordingly. Regular communication with vendors and suppliers, regular updation of the inventory helps to avoid piling up inventory levels at both sides- procurement and manufacturing. This includes, Value Analysis and Value Engineering (VAVE) process implemented to optimise outputs by crafting a mix of function performance and costs. Initiatives like feature rationalisation, alternate sourcing etc. used to consistently deliver margin improvement, product innovation and optimisation of product mix for increased performance.
- g) **Management of IT Systems and its availability and security issues:** IT systems of any industry are very important and indispensable. All the Plants operations, Business processes are more and more dependent upon the effectiveness of IT operations which are now more and more vulnerable for security and management issues.
Mitigation measure: Your company has a robust IT system with adequate security systems and dedicated team to maintain its overall effectiveness and operational readiness. The IT has adequate security systems to check any unauthorized usage or leakage of confidential information and the infrastructure is regularly updated and upgraded to the latest technologies to meet the latest security requirements.

L. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. The Company has periodic internal audits in collaboration with independent internal auditors to carry out both system and financial audit of its activities. The audit findings are reviewed by the Audit Committee at regular intervals, details of which have been provided in the corporate governance report. Suggestions for improvement are considered and the Audit Committee follows up on corrective action. The Company has also identified various business risks and laid down necessary procedures for mitigation of the same. Given the geographical spread of the operations of the Company, it has devised adequate systems to ensure statutory compliances at each location and these are monitored regularly. Management has assessed the effectiveness of the Company's internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015 applicable on Indian entities) as on March 31, 2021.

M. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your Company values people as its biggest asset. For the all-round development of its employees at all levels, various initiatives are taken at regular intervals.

Automotive is one of the core sectors of the Indian economy and in recent past the pandemic-induced lockdown resulted in the shutting down and led to disruption in economic activity as well as a loss of human lives. The role of Human Resource Function becomes more critical in these challenging times, to hold organization together by providing support to employees and their families during unprecedented challenging times & ensuring smooth functioning of Business operations.

We consolidated our resources, communicated extensively with all stakeholders to face such challenging environment, we equipped ourselves with the power of Technology and Innovation. Effective use of On-line tools, Artificial Intelligence, Machine Learning, Digitization and people empowerment became the key for success. We also adapted and implemented WFH Policy – Work From Home, to ensure safety of employees and continuity of Business wherever possible.

We have engaged our employees through our on-line learning drives conducted by our internal and external subject matter experts focusing on Skill Development. MDP (Management Development Programs), SDP (Supervisory Development Program), & TTT (Train the Trainer) were strengthened, with the commitment of making human capital future ready and keeping them in positive state of mind towards work and environment in general. Web based learning is a spurring trend which helps in covering Population across all locations simultaneously.

The year gone by was a roller coaster ride both at Business front and at Personal level. However, together we have lived through these unprecedented times and come out as a much stronger Individual and the Organisation.

Health and Safety of employees was the major concern. During entire lockdown period morning and evening sessions were conducted on JOYFUL BODY & MIND Program for health, wellbeing & morale of employees and their family members by Acharya Mukesh, a very learned Yogacharya and Happiness & Wellness Coach.

Benevolent Fund Scheme is designed to provide monetary assistance to the next-of-kin deceased employee during service. Vaccination camp has been organized in various plants to facilitate free vaccination to employees.

Our Chairman Mr. Surendra Kumar Arya brought out a unique visionary concept to create possibilities and positivity during the lockdown that was named "Sankalp Siddhi", a program that not only energised all JBMites and their family members but also paved the way to look at one's life more holistically. While Sankalp is a resolve that we decide to take up and Sankalp Siddhi means that 'I will not stop until my resolve is fulfilled'. This unique program was based on making resolution for year 2021 covering Six spheres of life viz "Family & Home, Financial & Career, Mental & Educational, Physical & Health, Social & Cultural and Spiritual & Ethical" & not only the employees but their family members were involved in the programme. The Focus of the "Sankalp Siddhi" program is positivity, discipline & self-accomplishment.



A 14 members core functional team was formed to help Employees and their Family members across the group in taking resolutions encompassing Positivity, discipline and self-accountability and also igniting a passion amongst employees, their family members and Individuals to be more disciplined and responsible towards Self, Family, Society, Company & Nation at large. Employees and their families responded & participated by taking 8000 Sankalps. Sankalp Siddhi Campaign also got awarded by the 'World CSR Congress' under the category "Innovation in Corporate Social Responsibilities Practices.

Our Chairman has also initiated online Special Yoga Sessions twice a day including their family members. These COVID Special sessions in your company is about relevant Yogic Management which includes various disciplines of Yoga along with proper Yogic diet for boosting natural immunity & protection of health and life.

Committed to the Skill India program initiated by Government of India, we are touching significant milestones in Skilling the workforce to be industry ready for future.

As per continuously increasing pace of change in the industry which demands the organizations to be more agile and flexible, we are keeping ourselves & employees abreast of future technologies & management tools accordingly.

N. SKILL DEVELOPMENT

Your Company's Skill Development Centre (SDC) is constantly taking the lead in providing Apprenticeship Trainings to Candidates who have completed their 10th Standard or higher, including those who have secured ITIs, Diplomas or Engineering degrees under NAPS and NATS.

In addition, to we have also signed MOUs with different State Governments to run Skill Development Missions / Corporation, Government Tool Room Training Centres and ITIs to strengthen the overall skilling ecosystem.

We are the industry partner to the Shri Vishwakarma Skill University, Government of Haryana and support the following high-tech training courses through OJT to students on a 'Earn and Learn' basis. So far, 3 batches have been inducted and there has been an annual intake of 30 candidates in each course.

- Bachelor of Vocation in Robotics and Automation
- Bachelor of Vocation in Tool & Die Manufacturing

Presently there are about 1000+ candidates undergoing apprenticeship based trainings.

We also support students of ITIs, Polytechnics and Engineering colleges and provide industry visit and share our knowledge through industry expert lectures. We organized a Convocation Ceremony for successful Apprentices of the All-India Trade Test. The function was attended by 100+ students and concerned authorities.

In last 6 years, we have trained and placed more than 8000 candidates hailing from different parts of the country. As the training courses have been customized on an 'Earn & Learn' principle, it has enabled your company to help under privileged and tribal candidates.



Convocation Ceremony of 100+ AITT NAPS Apprentices

O. ENVIRONMENT, HEALTH, AND SAFETY (EHS)

Your company respects its Non-Negotiable Values and strives hard to maintain Safe and Green Workplace through all its actions. The EHS culture prioritizes the safety of its people, protection of its environment with the able support of its suppliers, customers and stakeholders. The focus of your company hinges around Environmental protection and occupational health and safety, as it strives for continuous improvement in all these parameters.

Your Company takes all adequate actions, whether preventive or corrective, as a part of its system requirement. It conducts periodic Mock drills, safety and health awareness through competitions, campaigns and events to ensure preparedness for emergencies.

Regular training programs are organised to keep the employees updated in their respective spheres of work, further enhancing their skill levels. This initiative ensures improved performance, boosts morale & improves attitude, which culminates into high-quality end-results, which in turn translates into customer delight. To gain an outside in perspective, we nominate employees with potential for exclusive and prestigious programs conducted by external agencies.

As witnessed globally, your company, affected by Covid situation, is following all guidelines for COVID 19 issued by relevant State and Central Govts in this regard. We have initiated several measures including re- layouting of plant to ensure social distancing during work and during breaks including tea & Lunch Time. Also, we are using AI solutions for maintaining social distancing, temperature checking and mask mandate. Frequent sanitization of employees, vehicles and plant premises is conducted to maintain corona- free work environment. Each plant has identified a Covid Manager to address the plant issues and flow of communication to management. Record of Health declaration data on Aarogya Setu App is registered in plant systems as a mandatory requirement for every employee entering in the premises.

Safety Committee meetings are conducted every fortnight in each plant under supervision of Safety officer, chaired by Unit Head. Safety data is closely monitored, which includes cases of Major/Minor accidents, first aid, near-misses, Unsafe acts and conditions monitoring. Frequent reviews for EHS are done at all levels of Management as per Governance structure.

As always, your Company lays emphasis on quality, which is achieved through activities like Kaizen and quality circle. 5S is being done at all level to improve the productivity and efficiency of the employees. The ongoing initiative of TUK (Tayari Udaan Ki) continued with full vigour during this year also. All the plants of your company participated in various TUK projects of improving quality, productivity and reducing costs etc. which are reviewed on quarterly basis and annual rewards are given.

All employees are made aware of and have access to the central database of HR policies covering all aspects of welfare, benefits and administration. With the help of technology, the Company has started automating HR processes and will continue in the next year. These efforts will bring in more efficiency, and a more real-time approach to HR processes.

Lastly, but most importantly, to protect the rights of various stakeholders, your Company has instituted a code of conduct. The policies enshrined in this code include items concerning issues such as working hours, wages, employee relations, prohibition of discrimination, PoSH, Whistle Blower policies, protection of privacy, concern for human rights of foreign nationals, trainees and operators.

P. THE ROAD AHEAD

COVID-19 has disrupted the way business used to be where every individual or company is trying to find a new normal mobility. The global and domestic economic outlook remains uncertain for FY22 which is dependent on management of COVID-19 pandemic along with sustenance in economic activities. Resurgence of another wave of COVID across the country may slowdown the pace of economic recovery and in-turn affect automobile demand environment.

The outlook for FY22 will certainly depend on how fast the vaccination is done throughout the population. Also, for the auto industry, Indian and global OEMs are reeling under the semiconductors supply crisis.

The current recovery in sales cannot be reasoned to arrive at a long-term demand prospect, especially when the industry witnessed a structural slowdown. The industry needs not only sole but sustained double-digit growth for several years to regain the lost ground which appears difficult unless the government takes certain policy initiatives like introduction of new product regulation keeping affordability of Indian consumer in mind, reduction of GST rate and road taxes, among others.

Manufacturing sector cannot grow in double digits unless the growth of the automobile industry steps up to double digit. The government will have to think of policies which enhance competitiveness of industry and affordability of customers. We are cautiously optimistic for FY22 due to higher spend in infrastructure, PLI scheme, scrappage policy and the work done so far within the Company.

***DISCLAIMER**

The information and opinion expressed in this section of the Annual Report consists of 'Outlook' which the management believes are true to the best of its information at the time of preparation. The possibility of any typographical errors and mistakes cannot be ruled out. JBMA makes no representation or warranties of any kind, express or implied about the completeness, accuracy, reliability, suitability or availability with respect to the information, website links, details or related graphics contained in this report. The Company shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

Business Responsibility Report

(Pursuant to Regulation 34(2)(f) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

Introduction

JBM Auto Limited is rapidly evolving with agility, dynamism and rigor as we are vertically integrating and imbibing technology to introduce products and solutions that improve people's lives. Like, in the initial phase of our journey, the focus was towards simpler parts and components which transitioned to complex auto systems, assemblies and solutions i.e. from product based approach to experience & solution based approach. We focus on the TCO (Total Cost of Ownership) principle, wherein, the intent is driving optimum value and cost optimization from our products & solutions while constantly changing and upgrading our benchmarks.

The Company is one amongst the globally leading manufacturers in the automobile segment and continues to be India's one of the best automobile Company with a consolidated revenue of Rs. 1,982.04 crores in FY 2020-21. The Company believes in the core philosophy of 'Good Corporate Citizenship' staying committed to sustainability and the spirit of 'giving back to society'. The Company is present across all segments of the commercial and passenger vehicles, with a widespread through all over India offerings sales and services as well as having established spare parts network touch points.

The Business Responsibility Report highlights the approach of the Company towards creating long-term value for all its stakeholders. The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This Report provides an overview of the activities carried out by the Company under each of the nine principles outlined in NVG.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L74899DL1996PLC083073
2. Name of the Company: JBM Auto Limited
3. Registered address: 601, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110019, India
4. Website: www.jbmgroup.com
5. E-mail id: vivek.gupta@jbmgroup.com
6. Financial Year reported: 2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

| NIC Code | Name and Description of main products/ services |
|----------|---|
| 25910 | Sheet Metal Components for Automobiles |
| 28221 | Tools & Dies for Automobiles |
| 29109 | Passenger Buses |

8. List three key products/ services that the Company manufactures/ provides (as in balance sheet):

- a. CNG & Electric Buses and Services under AMC
- b. Sheet Metal Components
- c. Tools & Dies

Please refer to our website www.jbmgroup.com for complete list of our products

9. Total number of locations where business activity is undertaken by the Company:

| | | |
|----|-----------------------------------|--|
| a. | Number of International Locations | Nil |
| b. | Number of National Locations | The Company manufacturing locations in India are situated at Faridabad (Haryana), Pune & Nasik (Maharashtra), Chengalpattu (Tamilnadu), Indore (Madhya Pradesh), Sanand (Gujarat), Pathredi (Rajasthan), Greater Noida and Kosi (Uttar Pradesh). |

10. Markets served by the Company – Local/ State/ National/ International:

Asia (including all over India), Europe.

Section B: Financial Details of the Company

1. Paid up Capital: Rs. 28.65 Crores.
2. Total Turnover: Rs. 1,965.59 Crores (This is standalone figure)
3. Total profit after taxes: Rs. 52.92 Crores (This is standalone figure)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): Total expenditure reported is Rs. 2.67 Crores, which is more than 2% of average profit of previous three financial years of the Company.
5. Details of activities in which expenditure in 4 above has been incurred: Employment Enhancing Vocational Skill Development in the area of fabrication, production & manufacturing

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

The Company has eight (8) subsidiaries in India as on year ended 31st March, 2021.

2. Do the Subsidiary Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)?

The subsidiary companies are not required to comply with the Business Responsibility in initiatives as per the laws applicable to them.

3. Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

No, BR initiatives of the Company are limited to its own operations. However, stakeholders are encouraged to participate in the Company's BR initiatives being a responsible business.

Section D: BR Information

1. Details of Director/ Directors responsible for BR

a. Details of the Director/ Directors responsible for implementation of the BR policy/ policies.

| Sr. No. | Particulars | Details |
|---------|----------------------------|--------------------|
| 1. | DIN Number (if applicable) | 07186909 |
| 2. | Name | Mr. Sandip Sanyal |
| 3. | Designation | Executive Director |

b. Details of the BR head

| Sr. No. | Particulars | Details |
|---------|----------------------------|---|
| 1. | DIN Number (if applicable) | NA |
| 2. | Name | Mr. Vivek Gupta |
| 3. | Designation | Chief Financial Officer, Company Secretary & Compliance officer |
| 4. | Telephone | +91 129 4090200 |
| 5. | E-mail id | vivek.gupta@jbmgroup.com |

2. Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/ N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

| | |
|------|--|
| P1 - | Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. |
| P2 - | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. |
| P3 - | Businesses should promote the well-being of all employees. |
| P4 - | Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. |
| P5 - | Businesses should respect and promote human rights. |
| P6 - | Businesses should respect, protect and make efforts to restore the environment. |
| P7 - | Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner. |
| P8 - | Businesses should support inclusive growth and equitable development. |
| P9 - | Businesses should engage with and provide value to their customers and consumers in a responsible manner. |

| Sr. No. | Questions | P1 | P2 | P3 | P4 | P5* | P6 | P7** | P8 | P9 |
|---------|--|----|----|----|----|-----|------------------|------|----|----|
| 1. | Do you have policy/ policies for? | | | | | Yes | | | | |
| 2. | Has the policy being formulated in consultation with the relevant stakeholders? | | | | | Yes | | | | |
| 3. | Does the policy conform to any national/ international standards? | | | | | Yes | | | | |
| 4. | Has the policy being approved by the Board? If yes, has it been signed By MD/ owner/ CEO/ appropriate Board Director? | | | | | Yes | | | | |
| 5. | Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | | | | | Yes | | | | |
| 6. | Indicate the link for the policy to be viewed online? | | | | | | www.jbmgroup.com | | | |
| 7. | Has the policy been formally communicated to all relevant internal and external stakeholders? | | | | | Yes | | | | |
| 8. | Does the Company have in-house structure to implement the policy/ policies? | | | | | Yes | | | | |
| 9. | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | | | | | Yes | | | | |
| 10. | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | | | | | Yes | | | | |

*The Company does not have a standalone Human Rights policy. Aspects of human rights, such as child labour, occupational health and safety and non-discrimination are covered in its various Human Resource policies.

**The Company does not have a standalone advocacy policy. For advocacy on policies related to the automobile industry, the Company engages with industry associations in which Company is a member and expert agencies, as required

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options):- Not Applicable

3. Governance related to Business Responsibility

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3 to 6 months, annually, more than 1 year

Regular monitoring is being done of BR initiatives and complete assessment is done on need basis and annually.

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

This report is being published in the Annual Report of FY 2021 and also available on the website of the Company at www.jbmgroupp.com.

Section E: Principle-wise performance

Principle 1: Ethics, Transparency and Accountability

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

No, the Company has articulated a comprehensive code of conduct, which is applicable to the Group, as a whole.

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

No Complaints were received from any stakeholder in the last Financial Year relating to Ethics, Transparency and accountability.

Principle 2: Product Life Cycle Sustainability

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

The Company is engaged in the manufacturing of Sheet Metal Components, Tool Room Components and Passenger Buses. These products have insignificant social or environmental concern or risk.

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

The Company always take efforts for optimum utilization of natural resources.

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

Not Applicable.

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

The Company continuously monitors its process with respect to usage of raw material and other natural resources in terms of sales. The optimized design and technology resulted in saving of natural resources.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes, The Company has an environment policy and safety policy. We encourage our vendors to ensure compliance with these policies. It covers various issues like health of workers and safety measures.

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

The Company keeps on developing local vendors: visit their facilities, analyze quality related aspects, and create action plans jointly with the suppliers, customers and monitored performance.

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

Considering the nature of business there are no significant emissions or process wastes. The Company recycle materials wherever it is usable within the Company which cannot be reused is disposed off in a manner in compliance with applicable statutory provisions.

Principle 3: Employee Wellbeing

| Sr. No. | Particulars | Number of Employees |
|---------|--|-------------------------|
| 1. | Total number of permanent employees. | 1981 |
| 2. | Total number of employees hired on temporary/ contractual/ casual basis. | 5702 + 930 (Apprentice) |
| 3. | Number of permanent women employees. | 34 |
| 4. | Number of permanent employees with disabilities | 0 |
| 5. | Employee association that is recognized by management? (if any) | 3 |
| 6. | Percentage of your permanent employees is members of this recognized employee association? | 18.2% |

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| Sr. No. | Category | No. of complaints filed during the financial year | No. of complaints pending as on end of the financial year |
|---------|---|---|---|
| 1. | Child labour/ forced labour/ involuntary labour | Nil | Nil |
| 2. | Sexual harassment | Nil | Nil |
| 3. | Discriminatory employment | Nil | Nil |

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

| | |
|---|---|
| a. Permanent Employees | Safety is of paramount importance to the Company. All employees in the Company are provided with safety training as part of their induction programme. The safety induction programme is also a compulsory requirement for contract workforce before they are inducted into the system. The Company has a structured safety training agenda on an on-going basis to build a culture of safety across its workforce. |
| b. Permanent Women Employees | |
| c. Casual/ Temporary/ Contractual Employees | |
| d. Employees with Disabilities | |

Principle 4: Stakeholder Engagement

1. Has the Company mapped its internal and external stakeholders?

Yes.

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

Yes

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

The Company carries out various CSR initiatives for the upliftment/ growth & development of people living in the villages around its manufacturing facilities.

Principle 5: Human Rights

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

The Company has adopted Code of Conduct & Ethics and Whistle Blower Policy along with Business Responsibility Policies. These policies are applicable to the Directors and employees of the Company, the underline principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere while dealing with the Company. The Company encourages its suppliers, vendors, contractors and other business partners associated to follow the principles laid out in Code of Conduct.

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

During the FY 2020-21, the Company has not received any complaint from any stakeholders except certain requests for non-receipt of dividend etc. and the same were satisfactorily closed which were provided to the satisfaction of the stakeholders.

However, during the FY21, 16 investor complaints received for non-receipt of dividend, revalidation of dividend warrants and the same were satisfactorily closed.

Principle 6: Environmental

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

The Company continuously makes efforts to safeguard the environment. Steps are taken for optimal utilization of our resources. The Company's environmental policy extend to its suppliers and all other stakeholders.

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

Over the years there have been various initiatives undertaken to address global environmental issues. The emissions or waste generated by the Company are within the permissible limits specified by the Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB). The Business responsibility policy of the Company specifies its approach towards protection of environment, the policy is applicable for all employees of the Company and its subsidiaries.

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

Yes, environmental risk is covered and in the Company principles that are based on ISO 14001 standards.

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

The Company continues to work towards development and implementation of climate change mitigation project mainly through energy saving projects across the Company. However, we do not have any registration of CDM projects. All the Units of the Company have filed environmental compliance reports as per the requirement of applicable environmental laws.

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

Covered under Board Report which forms part of this Annual Report.

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

Yes

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

During the FY 2020-21, no show cause/ legal notices was received from CPCB/ SPCB .

Principle 7: Policy Advocacy

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

The Company is member of:

- a. Automotive Component Manufactures Association (ACMA)
- b. Society of Indian Automobile Manufacturers (SIAM)
- c. Associated Chamber of Commerce & Industry of India (ASSOCHAM)
- d. India Energy Storage Alliance (IESA)

2. **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

No

Principle 8: Inclusive Growth

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

Yes, Company has a Corporate Social Responsibility Policy which derived its core value on various aspects as per the requirement of the Companies Act, 2013. The policy has been developed considering the requirement of the Companies Act 2013. The Company is engaged in the Vocational Skill Development in the area of fabrications, production & manufacturing through Skill Development Centres situated at Plot No. 16, Sector 20B, Faridabad, Haryana – 121007 and No. 1, Ford Suppliers Park, S.P. Koil Post, Chengalpattu (TK), Kancheepuram Dist. Tamil Nadu – 603204 and Plot No AV 13, BOL Industrial Estate, Sanand – II, Dist- Ahmedabad, Gujarat.

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

The Company has established Skill Development Centre, SDC on hub & spoke model to train and place the candidates from under privileged category and weaker section of society including candidates from North-East and other tribal areas. Training is provided on Earn & Learn concept under the flagship program i.e. National Apprenticeship Promotion Scheme of Ministry of Skill Development & Entrepreneurship, Government of India. Candidates admitted for training in 1-2 year courses are fresher and ITI pass. On completion of training duration, Apprentices have to appear in All India Trade Test conducted by Directorate General of Training for designated trades and by Sector Skill Council for optional trades. Successful candidates are awarded National Apprenticeship Certificate. We also provide training opportunity to Polytechnic Diploma and Engineering Students under National Apprenticeship Training Scheme implemented through Board of Apprenticeship Training, Ministry of Education.

During the year we have trained and placed more than 1500 candidates and in last 6 years more than 8000. Your Company has received Saksham Sathi Award from Government of Haryana for Training and Placement of ITI candidates under Dual System. We have adopted Government ITI Sonipat under Strive Project and also signed MoUs with different Government ITIs and other Technical Training Centre to support OJT through Apprenticeship and Dual System Training.

Company is supporting Shri Vishwakarma Skill University as an Industry Partner to offer B.Voc. and M.Voc courses in Tool & Die Manufacturing and Robotics & Automation. 33 candidates in first batch have completed B.Voc. out of which 07 candidates have been provided employment in the company. We have also signed an MoU with Andhra Pradesh State Skill Development Corporation to provide Skill Development trainings to the candidates from AP through training and hands on exposure in our plants.

A convocation ceremony was organized at SDC, Faridabad for awarding National Apprenticeship Certificates to successful candidates. It was attended by more than 100 candidates along with officials from Central & State Government, Sector Skill Council and JBM Group.

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

The CSR Programms and their impacts/ outcomes are monitored and reviewed by the CSR Committee.

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

The Company during the FY21 spent Rs. 2.67 crore towards CSR activities i.e. Vocational Skills Promoting education, including special education and vocational skills.

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

Yes, the Company regularly monitors the projects to ensure that they are adopted and continued and sustain within communities beyond our interactions.

Principle 9: Customer Value

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

Not Applicable

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

Not Applicable

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

No

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

Yes, our Company carry-out the customer/ consumer survey and also have direct interaction with the mechanics and retailers for aftermarket division. It enables the Company to meet the expectations of its customers in the market and also create awareness about the product range of the Company for prospective customers and retailers. The Company obtains the customer feedback directly on regular basis to identify the areas of concerns. Accordingly, corrective measures have been planned and implemented. The Company is also planning for a cross functional survey for business partners in the aftermarket to take feedback regarding quality of products, quality of services and timely supplies.

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE

Corporate governance essentially is the system of structures, rights, duties and obligations by which a Company is effectively directed. In your Company, 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.

As a part of growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. Our Company believes that the governance process should ensure that these resources are utilized in a manner that meets stakeholders' aspirations and societal expectations. Our corporate governance practices are a reflection of our strong value system encompassing ethical and transparent business operations. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

The Company not only adheres to the prescribed Corporate Governance practices as per the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") but is also committed to adopt emerging best practices being followed worldwide. These governance processes and systems guide the Company on its journey towards continued success. We endeavor to achieve higher standards of corporate governance thereby providing guidance to the management in strategy implementation, risk management and fulfilment of strategic goals and objectives.

We believe that our vision can only be achieved if we appreciate and discharge our responsibilities towards our various stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

- (i) Responsibility to our customers and business partners
 - follow proper business practices and engage in fair, transparent and free competition based on a respect for the law.
 - derive concepts from the market, provide the best in quality, technology and service, and obtain the satisfaction and trust of customers.
- (ii) Responsibility to our shareholders
 - maintain close communication with shareholders and disclose corporate information properly, while at the same time working to improve our corporate value on a continuous basis.
- (iii) Responsibility to our employees
 - respect the individuality of employees, create workplaces that are motivating to employees and enable them to fulfill their potential, and strive to provide each with abundant living circumstances.
- (iv) Contributing to regional societies and to global society
 - as a good corporate citizen, we aggressively pursue activities that contribute to society.
 - follow rules, observe the laws, cultures and customs of society and regions where we have operations, and seek to contribute to their growth.
 - carry out global environmental improvement activities proactively and aggressively with deep awareness of their being an important corporate mission.

2. GOVERNANCE STRUCTURE

Our Company's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. Our Company believes that governance should create a mechanism of checks and balances to ensure that the decision-making powers are used with care and responsibility to meet stakeholders' aspirations and societal expectations. This layered structure brings about harmonious blending of governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

For the purpose of maintaining an ample level of Company's Corporate Governance, all statutory and other significant information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The Board effectively separates the functions of governance and management and balances deliverables.

The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets. The Company has a three-tier governance structure:

(i) Strategic Supervision

The Board of Directors occupies the top most tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations.

(ii) Strategic Management

The Strategic Management is composed of senior management of the Company and operates upon the directions of the Board.

(iii) Executive Management

The function of Executive Management is to execute and realize the goals that are laid down by the Board and the Senior Management.

3. BOARD OF DIRECTORS

Composition of Board

Our Company's Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals. As on 31st March, 2021, our Company's Board comprised of 6 (six) members out of which 3 (three) are Independent Directors constituting half of the Board strength which include a Women Independent Director, 2 (two) are Non-Executive/ Promoter Directors and 1 (one) is Whole-time Director.

As on 31st March, 2021, the composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the Rules issued thereunder.

Changes in the Board

On the recommendation of the Nomination & Remuneration Committee and as approved by Board of Directors, Members of the Company at Annual General Meeting held on 12th December, 2020 have re-appointed Mr. Sandip Sanyal (DIN: 07186909) as Whole-time Director and designated as an "Executive Director" of the Company for a period of 1 (One) year w.e.f. 18th May, 2020.

Mr. Sandip Sanyal was re-appointed as Whole-time Director and designated as the 'Executive Director' under the category of Key Managerial Personnel of the Company from 18th May, 2021. The appointment of Mr. Sandip Sanyal as Whole-time Director and designated as the 'Executive Director' under the category of Key Managerial Personnel is subject to the shareholders' approval in the 25th Annual General Meeting.

Mr. Nishant Arya was appointed as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company from 18th May, 2021. The appointment of Mr. Nishant Arya as Managing Director (Key Managerial Personnel) designated as Vice-Chairman and Managing Director of the Company is also subject to the shareholders' approval in the 25th Annual General Meeting.

Mr. Jagdish Saksena Deepak was appointed as Additional Director (in the category of Independent Director) on 23rd June, 2021. The appointment of Mr. Jagdish Saksena Deepak as Independent Director is also subject to the shareholders' approval in the 25th Annual General Meeting.

Board Procedures and flow of information

The Board meets at least once in a quarter to, *inter-alia*, review quarterly standalone and consolidated financial results, compliance report(s) of all laws applicable to the Company, regulatory developments, minutes of the Board Meetings of subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, risk management, details of joint ventures or collaborations, any other proposal from the management, etc. In case of matters requiring urgent approval of the Board, resolutions are passed through circulation. The Company also provides video conferencing facility to its Directors to enable them to participate in the discussions held at the meetings.

Availability of information to the Board

The Board has unrestricted access to all Company related information, including that of our employees. At the Board Meetings, managers and representatives who can provide additional insights into the items being discussed are invited.

Information is provided to the Board Members on a continuous basis for their review, inputs and approval. Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial results. Specific cases of acquisitions, important managerial decisions, material developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the committees, to the Board for its approval. As a process, information to directors is submitted along with the agenda well in advance of Board Meetings. Inputs and feedback of Board Members are taken and considered while preparing the agenda and documents for the Board Meetings. At these meetings, directors can provide their inputs and suggestions on various strategic and operational matters.

Meeting of Independent Directors'

Schedule IV of the Companies Act, 2013, Secretarial Standard-1 on Meetings of the Board of Directors and Regulation 25(3) of the Listing Regulations mandates that the Independent Directors of the Company hold at least one meeting in a financial year, without the attendance of Non-Independent Directors and members of the management.

At such meetings, the Independent Directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board, including the Chairman. During the financial year, the Independent Directors met on 23rd March, 2021 without the presence of the Management of the Company.

Induction and Familiarization of Board Members

The Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance, technology, industry and commerce. Their presence on the Board has been advantageous and fruitful in taking business decisions.

The Company conducts Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. All new non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive directors and senior management provide an overview of operations and familiarize the new non-executive directors on matters related to our values and commitments.

Moreover, when new directors are inducted on the Board, an information pack is handed over to them which includes Company profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand the Company and its business(es) in a better way.

The familiarization programme of directors forms part of Company's Nomination and Remuneration Policy and can be viewed on the Company's website at www.jbmgroup.com/investor.

Other Relevant Details of Directors as on 31st March, 2021:

| Sr. No. | Name of Directors | Category | Inter-se relationship | Shareholding in the Company * | No. of Director-ship(s)** | No. of Committee(s)*** | | Directorship in other Listed Entities |
|---------|----------------------------|------------------------------------|--------------------------------|-------------------------------|---------------------------|------------------------|----------|--|
| | | | | | | Member | Chairman | |
| 1 | Mr. Surendra Kumar Arya | Non-Executive Chairman, Promoter | Father of Mr. Nishant Arya | 1,19,342 | 6 | 4 | 1 | Jay Bharat Maruti Limited (Chairman and Managing Director) |
| 2 | Mr. Sandip Sanyal | Executive Director | - | - | 1 | - | - | NA |
| 3 | Mr. Nishant Arya | Non-Executive Director, Promoter # | Son of Mr. Surendra Kumar Arya | 3,39,400 | 4 | 3 | 1 | Jay Bharat Maruti Limited (Non Executive -Non Independent Director) |
| 4 | Mr. Mahesh Kumar Aggarwal | Independent Director | - | - | 1 | 1 | 1 | NA |
| 5 | Mrs. Pravin Tripathi | Independent & Woman Director | - | - | 6 | 7 | 2 | 1. Minda Industries Limited (Non Executive-Independent Director) 2. Jay Bharat Maruti Limited (Non Executive-Independent Director) 3. PTC India Financial Services Limited (Non Executive-Independent Director) 4. Multi Commodity Exchange of India Limited (Non Executive-Independent Director) |
| 6 | Mr. Praveen Kumar Tripathi | Independent Director | - | - | 5 | 3 | 2 | 1. Indiabulls Real Estate Limited (Non Executive-Independent Director) 2. Yaarii Digital Integrated Services Limited (Non Executive-Independent Director) 3. Dhani Services Limited (Non Executive-Independent Director) |

Note:

- * Shareholding of Surendra Kumar Arya (HUF) holding 2,88,856 shares of the Company has not been added in the shareholding of Surendra Kumar Arya as Director. Also, none of the director holds any convertible instrument(s) in the Company.
- ** Excludes Directorship of Private Companies, Foreign Companies and Section 8 Company.
- *** Committee means Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, whether listed or not, including membership held in said committees of the Company.
- # Designation of Mr. Nishant Arya was changed to Executive Director designated as Vice Chairman and Managing Director pursuant to the approval of the Board dated 18.05.2021.

Board Meetings held during the Year

The Board met 4 (four) times during FY 2020-21 on 30th June, 2020, 12th September, 2020, 12th November, 2020 and 09th February, 2021. All such meetings were held through video conferencing only.

The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The attendance record of the Directors at the Board Meeting as well as the last Annual General Meeting (AGM) is as under:

| Sr. No. | Name of Directors | No. of Board Meetings attended | | | | Attendance at last AGM held on 12.12.2020 |
|---------|----------------------------|--------------------------------|------------|------------|------------|---|
| | | 30.06.2020 | 12.09.2020 | 12.11.2020 | 09.02.2021 | |
| 1. | Mr. Surendra Kumar Arya | √ | √ | √ | √ | Yes |
| 2. | Mr. Nishant Arya | √ | √ | √ | √ | Yes |
| 3. | Mr. Sandip Sanyal | √ | √ | √ | √ | Yes |
| 4. | Mr. Mahesh Kumar Aggarwal | √ | √ | √ | √ | Yes |
| 5. | Mrs. Pravin Tripathi | √ | √ | √ | √ | Yes |
| 6. | Mr. Praveen Kumar Tripathi | √ | √ | √ | √ | Yes |

Selection of new Directors

The Board is responsible for the election of new Directors. The Board delegates the screening and selection process to the Nomination and Remuneration Committee, which consists majority of Independent Directors. The Committee, based on defined criteria, makes recommendations to the Board on the induction of new Directors.

Succession Planning

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met. As on 31st March, 2021, our Board includes 6 (Six) Directors with broad and diverse skills and view points to aid the Company in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

Declarations

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

Based on intimations/ disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/ chairmanships more than the prescribed limits.

Key Board Qualifications, Expertise and Attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board.

| | |
|----------------------------------|---|
| Leadership (L) | Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth. |
| Communication (C) | Facilitate group discussions strategically (including focusing on the agenda and working for practical consensus). Promote transparency, communicating developments to members, affiliates etc. and invite input. |
| Experience (E) | Have various leadership experiences within the profession. Have thorough knowledge of organization's policies/ procedures / vision/ mission. |
| Global Business (GB) | Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities. |
| Financial (F) | Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions. |
| Technology (T) | A significant background in technology, resulting in knowledge of how to anticipate chronological trends, generated is ruptive innovation, and extends or creates new business models. |
| Enterprise Risk Management (ERM) | Ability to think critically about operational and governance issues to ensure the effective management of potential opportunities and adverse effects. |
| Human Resources Strategy (HRS) | Ability for planning and implementing human resource strategies |
| Sales and Marketing (SM) | Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation. |
| Governance (G) | Experience of governance principles and practices. |

In the table below the specific areas of focus or expertise of individual Board Member have been highlighted:

| Name of Director | L | C | E | GB | F | T | ERM | HRS | SM | G |
|----------------------------|---|---|---|----|---|---|-----|-----|----|---|
| Mr. Surendra Kumar Arya | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Nishant Arya | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Mahesh Kumar Aggarwal | √ | √ | √ | √ | √ | √ | √ | | √ | √ |
| Mr. Sandip Sanyal | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Mrs. Pravin Tripathi | √ | √ | √ | | √ | | √ | | | √ |
| Mr. Praveen Kumar Tripathi | √ | √ | √ | | √ | | √ | | | √ |

Information supplied to the Board

Among other information, this includes:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions.
- Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale, of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of any non-compliances.

Certificate from Practicing Company Secretary

The Company has received a certificate from Mr. Dhananjay Shukla, Practicing Company Secretary, to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report.

4. COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference in line with the provisions of Listing Regulations, the Companies Act, 2013 and rules issued thereunder. The Board periodically reviews the composition and terms of reference of its Committees in order to comply with any amendments/ modifications under the provision of Listing Regulations, the Companies Act, 2013 and the rules issued thereunder.

As on 31st March, 2021, the Company has 4 (four) statutory mandatory Committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and 1 (one) non-mandatory/ internal committee viz. Finance Committee with specific terms of reference/ scope to focus on the issue and ensure expedient resolution of diverse matters. In compliance with Regulation 21 of Listing Regulations and amendments thereof, the Board of Directors at its meeting held on 18th May, 2021 has also constituted Risk Management Committee. The Committees operate as empowered agents of Board as per their charter/ terms of reference.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are placed before the Board for discussion/ noting.

The resolutions passed by all Committees are placed before the Board and noted by the Directors at the Board Meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee including the number of meetings held during the year ended 31st March, 2021 and the related attendance are as follows:

A. Audit Committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The primary objective of the Audit Committee of the Board is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as audit activities.

The terms of reference of the Audit Committee include:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure the financial statement is correct, sufficient and credible.
2. To oversee the adequacy of internal audit function, the structure of the internal audit department, reporting structure coverage and frequency of internal audit.
3. To oversee the Statutory and Internal Auditor's independence and performance and scrutinizing the effectiveness of the entire audit process.
4. To oversee 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.
5. To oversee 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.
6. Reviewing with the management, the quarterly and annual financial statements/ results and the Auditors' Report/ Limited Review Report before submission to the Board for approval, focusing primarily on:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report.
 - b. Compliance with accounting standards and changes in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on exercise of judgment by Management.
 - d. Audit qualifications and significant adjustments arising out of audit.
 - e. Significant adjustments made in the financial statements arising out of Audit findings.
 - f. Compliance with listing and other legal requirements relating to financial statements.
 - g. Disclosure of any related party transactions.

7. 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 utilised for purposes if any, 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.
8. Reviewing with the management, external and internal auditors, the adequacy of internal financial control systems, frequency of internal audit, significant findings by internal auditors and follow up thereon.
9. Discussing with external auditors, nature and scope of audit as well as having post-audit discussions.
10. Reviewing the Company's financial and risk management policies.
11. Reviewing Whistle Blower Mechanism (vigil mechanism as per of the Companies Act, 2013).
12. Reviewing Management Discussion and Analysis Report, Management letters/ letters of internal control weaknesses issued by the statutory auditors, if any, internal audit reports relating to internal control weaknesses.
13. Approving any transactions or subsequent modifications of transactions with related parties; Provided that the Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company subject to the conditions prescribed under the Act and the Listing Regulations.
14. Do scrutiny of inter-corporate loans and investments, whenever it is necessary.
15. Do valuation of undertakings or assets of the listed entity, wherever it is necessary.
16. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
17. To discuss with Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. To review 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.
19. To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
20. To discharge any other duties or responsibilities as may be prescribed by law and/ or as may be delegated by the Board of Directors from time to time.

The Audit Committee is also empowered with the following powers to:

- investigate any activity within its terms of reference.
- seek information from any employee.
- obtain outside legal or other professional advice.
- secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee is also apprised on information with regard to related party transactions, by being presented:

- a statement in summary form of transactions with related parties in the ordinary course of business.
- details of material individual transactions, if any, with related parties which are not in the normal course of business.
- details of material individual transactions, if any, with related parties or others, which are not on an arm's length basis together with management's justification for the same.

Composition and Meetings:

The Audit Committee met 4 (four) times during FY 2020-21 on 30th June, 2020, 12th September, 2020, 12th November, 2020 and 09th February, 2021. All such meetings were held through video conferencing only. Our Audit Committee comprised of 4 (four) members as on 31st March, 2021.

| Sr. No. | Name of Members | Designation | Category | No. of Meetings attended | | | |
|---------|----------------------------|-------------|-----------------|--------------------------|------------|------------|------------|
| | | | | 30.06.2020 | 12.09.2020 | 12.11.2020 | 09.02.2021 |
| 1. | Mr. Mahesh Kumar Aggarwal | Chairman | Independent | √ | √ | √ | √ |
| 2. | Mr. Surendra Kumar Arya | Member | Non-Independent | √ | √ | √ | √ |
| 3. | Mrs. Pravin Tripathi | Member | Independent | √ | √ | √ | √ |
| 4. | Mr. Praveen Kumar Tripathi | Member | Independent | √ | √ | √ | √ |

All the Members of the Audit Committee have requisite financial and management expertise/ knowledge and have rich experience of the industry. The terms of reference of the Audit Committee are in consistent with the provisions of Listing Regulations and the Companies Act, 2013, including rules made thereunder.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board *inter-alia*, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Directors, the Board and its Committee. The Committee's role includes recommending to the Board the appointment, remuneration and removal of the Directors and senior management.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as provided under Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations besides other terms as referred by the Board. The terms of reference of the Nomination and Remuneration Committee include:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To review and recommend all remuneration, in whatever form, payable to directors and senior management.
- 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.
- Such other matters as may be prescribed under the Companies Act, 2013, Listing Regulations and as may be decided by the Board of Directors of the Company from time to time.

Composition and Meetings

Our Nomination and Remuneration Committee comprised 3 (three) members as on 31st March, 2021:

| Sr. No. | Name of Members | Designation | Category |
|---------|---------------------------|-------------|-----------------|
| 1. | Mr. Mahesh Kumar Aggarwal | Chairman | Independent |
| 2. | Mr. Surendra Kumar Arya | Member | Non-Independent |
| 3. | Mrs. Pravin Tripathi | Member | Independent |

Remuneration payable to the Directors, Key Managerial Personnel etc. of the Company are being considered/ discussed/ finalized after considering various factors such as financial position of the Company, trend in industry, appointee's qualification and past remuneration etc., which is onward submitted to Board for respective approval(s). Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company.

During the year, the Committee met once on 09th February, 2021 through video conferencing and all the members were present in the meeting.

Remuneration to Executive/ Non-Executive Directors

The Non-Executive/ Independent Directors are paid a sitting fee for attending the Board and its various Committee meetings within the limit prescribed under the applicable laws as determined by the Board from time to time. The remuneration to be paid to the Executive Director are governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the members of the Company.

A. Executive Director

The details of remuneration paid to Mr. Sandip Sanyal, Whole-time Director, for the financial year ended 31st March, 2021 is as follows

| Sr. No. | Particulars of Remuneration | Amount (In Lakhs) |
|---------|---|-------------------|
| 1. | Gross Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 including value of any perquisites, if any, | 71.71 |
| 2. | Stock Options (in Nos.) | Nil |
| 3. | Sweat Equity, Commission and Others | Nil |
| | Total | 71.71 |

B. Non-Executive Directors

During the financial year ended 31st March, 2021, sitting fees paid to Non-Executive Directors for the financial year ended 31st March, 2021 is as follows-

| Name of Directors | Board Meetings | Audit Committee Meetings | Corporate Social Responsibility Committee Meetings | In Rupees |
|----------------------------|----------------|--------------------------|--|---------------------------------------|
| | | | | Nomination and Remuneration Committee |
| Mr. Surendra Kumar Arya | 1,40,000 | 1,00,000 | 25,000 | 25,000 |
| Mr. Nishant Arya | 1,40,000 | - | 25,000 | - |
| Mr. Mahesh Kumar Aggarwal | 1,40,000 | 1,00,000 | - | 25,000 |
| Mrs. Pravin Tripathi | 1,40,000 | 1,00,000 | - | 25,000 |
| Mr. Praveen Kumar Tripathi | 1,40,000 | 1,00,000 | - | - |

The Company has not granted any stock options to any of its Directors. Except as stated above and as disclosed elsewhere in this Annual Report including notes to Financial Statements, there was no other pecuniary relationship or transaction of the Non-Executive Director(s) vis-à-vis the Company, during the year under review.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Board which is headed by Mr. Surendra Kumar Arya, Non-Executive Director of the Company, oversees redressal of shareholder and investor grievances and *inter-alia*, approves transfer/ transmission of shares, sub-division/ consolidation/ renewal of share certificates, issue of new/ duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends and other related matters.

The composition our Stakeholders' Relationship Committee is in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of Listing Regulations.

Our Stakeholders' Relationship Committee comprised of 3 (three) Non-Executive Directors as on 31st March, 2021. The Committee consists of the following Members:

| Sr. No. | Name of Members | Designation | Category |
|---------|-------------------------|-------------|-----------------|
| 1. | Mr. Surendra Kumar Arya | Chairman | Non-Independent |
| 2. | Mr. Nishant Arya | Member | Non-Independent |
| 3. | Mrs. Pravin Tripathi | Member | Independent |

Mr. Vivek Gupta, Chief Financial Officer and Company Secretary, is designated as Compliance Officer of the company as per the provisions of Listing Regulations. The terms of reference of the Committee includes enquiring into and redressing the complaints of the shareholders and the investors and to resolve the grievance of the shareholders of your Company.

The Committee meets on need basis for above issues and details of correspondence of Shareholders/ SEBI/ Stock Exchange or any other authority is provided to the Committee.

During the year, the Committee met once on 25th March, 2021 through video conferencing and all the members were present in the meeting. The Company has received 16 complaints, which were properly attended and resolved to the satisfaction of the shareholders by the Company/ Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, and there is no complaints pending at the end of 31st March, 2021.

D. Corporate Social Responsibility (CSR) Committee

The role of the CSR Committee of the Board is *inter-alia* to review, monitor and provide strategic direction to the Company's CSR and sustainability practices towards fulfilling its social objectives. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable livelihoods. The Committee formulates & monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company.

The Committee's constitution and terms of reference meet with the requirements of the Act and Rules made thereunder its terms of reference include:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy or its modification which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013.
2. To recommend the amount of expenditure to be incurred on the activities as prescribed under CSR Policy.
3. To monitor the CSR Policy of the Company from time to time.
4. To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities.
5. To formulate and recommend to the Board - policies, principles and practices to foster the sustainable growth of the Company and to respond to evolving public sentiment and government regulations.
6. To aid management in setting strategy, establishing goals and integrating sustainability into daily business activities across the Company.
7. To review and advise the Board on Company's sustainability reporting and sustainability targets.
8. To review management's risk assessment and risk management policies and procedures with respect to sustainability impact and consideration.

The Committee met once on 30th June, 2020 through video conferencing and majority of the members were present in the meeting.

The Composition of committee is as follows:

| Sr. No. | Name of Members | Designation | Category |
|---------|---------------------------|-------------|-----------------|
| 1. | Mr. Surendra Kumar Arya | Chairman | Non-Independent |
| 2. | Mr. Nishant Arya | Member | Non-Independent |
| 3. | Mr. Mahesh Kumar Aggarwal | Member | Independent |

The CSR Committee has adopted a Corporate Social Responsibility Policy, which is available on the website of the Company. The same may be assessed at the web link www.jbmgroup.com/investor.

E. Risk Management Committee

In compliance with Regulation 21 of Listing Regulations and amendments thereof, the Board of Directors at their meeting held on 18th May, 2021 constituted Risk Management Committee. The Committee's constitution and terms of reference meet with the requirements of the Companies Act 2013, Rules made thereunder and Listing Regulations and its terms of reference include:

1. To formulate a detailed risk management policy which shall include-
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. To appoint, remove and to fix terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Our Risk Management Committee comprised of 3 (three) Members which comprises of the following-

| Sr. No. | Name of Members | Designation | Category |
|---------|---------------------------|-------------|---|
| 1. | Mr. Surendra Kumar Arya | Chairman | Non-Independent |
| 2. | Mr. Mahesh Kumar Aggarwal | Member | Independent |
| 3. | Mr. Vivek Gupta | Member | Chief Financial Officer and Company Secretary |

Since, the Committee was constituted on 18th May, 2021, no meeting took place in the Financial Year 2020-21.

5. BOARD EVALUATION

The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as to fulfill expectations of other stakeholders through strategic supervision of the Company.

During the year under review, a structured evaluation were undertaken for evaluation of performance of Directors, Board as a whole and Committees of the Board based on various parameters such as skills and experience to perform the role, level of participation, contribution to strategy, degree of oversight, professional conduct and independence.

6. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

a. Appointment criteria and qualification

The Nomination & Remuneration Committee shall identify and ascertain the integrity, qualification, expert and experience of the person for appointment as Director of the Board and recommend to the Board his/ her appointment. For the appointment of KMP (other than Managing/ Whole-time Director or Manager) or Senior Management, a person should possess adequate qualification, expertise and experience for the position for which he/ she is considered for the appointment.

b. Term

The term of the Directors including Executive Director/ Independent Director shall be governed as per the provisions of the Companies Act, 2013 and Rules made thereunder and the Listing Regulations, as amended from time to time, whereas the term of the KMP (other than the Executive Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

c. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations there under and/ or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Nomination and Remuneration Committee may recommend to the Board along with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

d. Remuneration of Executive Director, KMP and Senior Management

The remuneration/ compensation, etc., as the case may be, to the Executive Director will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration, etc., as the case may be, shall be subject to the prior/ post approval of the shareholders of the Company, wherever required, and shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder and the Listing Regulations.

e. Remuneration to Non-Executive/ Independent Director

The remuneration/ commission/ sitting fees, as the case may be, to the Non-Executive/ Independent Director, shall be in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force or as may be decided by the Committee/ Board/ shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulations, as amended from time to time.

7. ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with the applicable statutory requirements and Secretarial Standards, to provide guidance to Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

8. GENERAL SHAREHOLDER INFORMATION

a. Forthcoming Annual General Meeting (AGM): Day, Date, Time and venue

The 25th Annual General Meeting of the Company is scheduled on Thursday, 30th September, 2021 through video conferencing or other audio visual means at 11:30 A.M.

b. Financial year

1st April, 2020 – 31st March, 2021

c. Listing on Stock Exchanges

The Company's equity shares are actively traded on the following stock exchanges:

| Stock Exchanges | Address |
|---|---|
| BSE Limited (BSE) | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 |
| National Stock Exchange of India Ltd. (NSE) | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 |

Stock Codes

The Stock Codes of the Company's securities are as follows:

| Stock Exchanges | Security Code | Type of Security |
|---|---------------|------------------|
| BSE Limited (BSE) | 532605 | Equity Shares |
| National Stock Exchange of India Ltd. (NSE) | JBMA | Equity Shares |

Listing Fees for FY 2020-21 has been paid to BSE Limited and National Stock Exchange of India Ltd. Annual custodian charges of Depository have also been paid to NSDL and CDSL for the same period.

d. Book Closure Date

The register of members and share transfer books of the Company will remain closed from Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive), for the purpose of Annual General Meeting and payment of dividend.

e. Dividend Payment Date

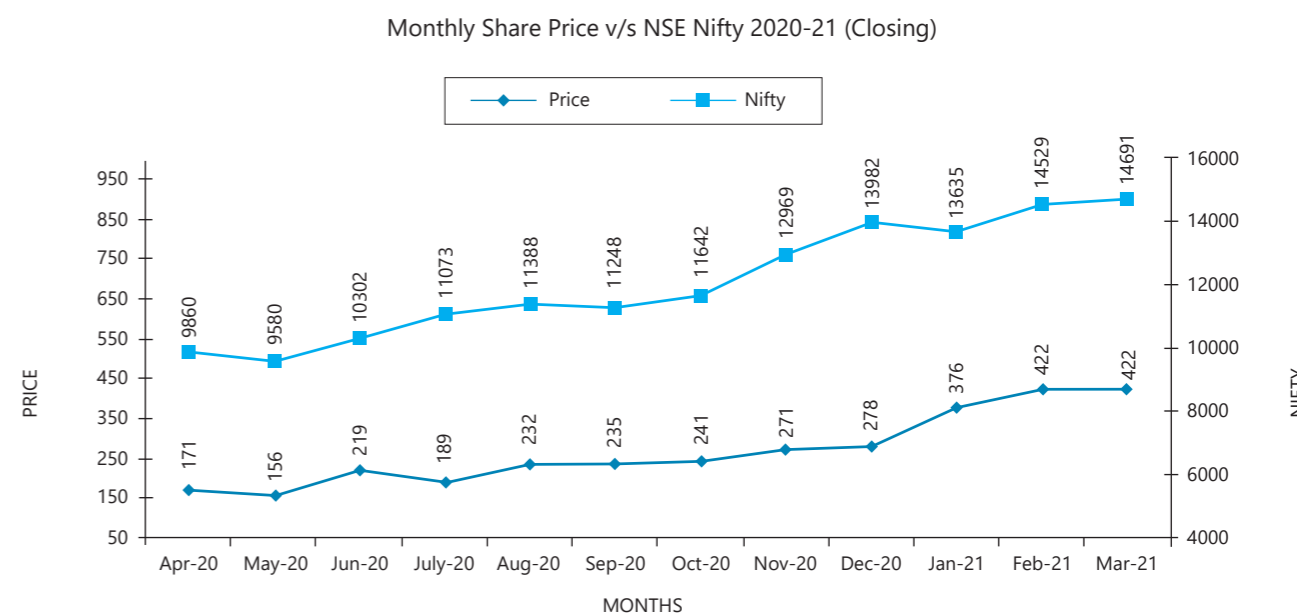
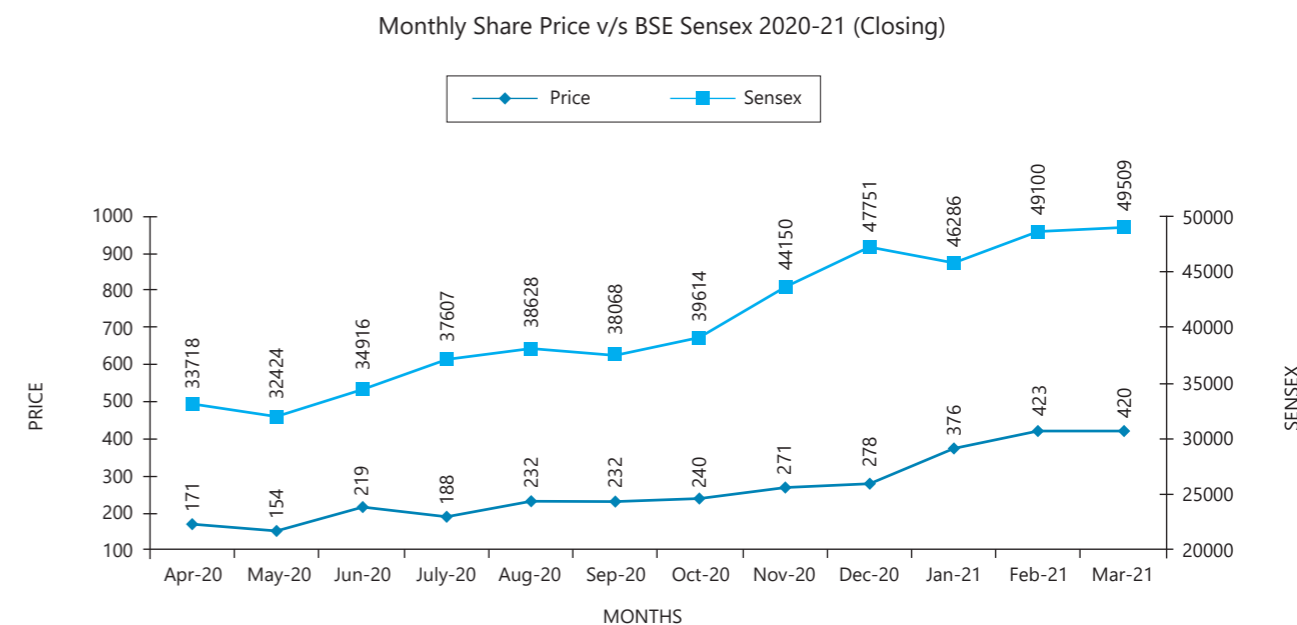
The dividend, if declared, shall be paid to all the members within the statutory limit of 30 days from the date of declaration.

f. Market Price Data – the monthly high and low prices of the Company's shares at NSE and BSE for the financial year ended 31st March, 2021 are as follows:

| MONTH(S) 2020-21 | NSE | | BSE | |
|------------------|---------------|--------------|---------------|--------------|
| | High (In Rs.) | Low (In Rs.) | High (In Rs.) | Low (In Rs.) |
| April, 2020 | 175 | 131 | 177 | 130 |
| May, 2020 | 173 | 146 | 176 | 144 |
| June, 2020 | 246 | 154 | 245 | 150 |
| July, 2020 | 222 | 183 | 225 | 180 |
| August, 2020 | 275 | 189 | 275 | 191 |
| September, 2020 | 258 | 205 | 253 | 205 |
| October, 2020 | 251 | 218 | 252 | 229 |
| November, 2020 | 272 | 231 | 272 | 230 |
| December, 2020 | 297 | 224 | 296 | 225 |
| January, 2021 | 398 | 272 | 396 | 275 |
| February, 2021 | 450 | 368 | 449 | 331 |
| March, 2021 | 475 | 405 | 470 | 390 |

g. Stock Performance in comparison to broad based Indices:

The Chart below shows the comparison of the Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended 31st March, 2021 (based on month end closing):



h. Suspension from trading

No Securities of the Company has been suspended from trading on any of the stock exchanges where they are listed.

i. Share Transfer System

Application for transmission and transposition are received by the Company at its Registered Office or Corporate Office or at the office of its Registrar and Transfer Agent. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019 except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Stakeholders' Relationship Committee of the Company is empowered to approve transposition, demat request on case to case basis and transmission etc. Such approvals are accorded in due course of time when request is made and, thereafter are registered and duly endorsed certificates are sent to the shareholders.

j. Registrar and Share Transfer Agent MCS Share Transfer Agent Limited
F - 65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020
Tel No. 011 - 41406149,
Fax No. 011 - 41709881,
E-mail: admin@mcsregistrars.com

k. Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants by writing to the Company's Registrar and Transfer Agents, MCS Share Transfer Agent Limited or Company, immediately without any further delay.

Information w.r.t unclaimed dividends due for transfer to the Investor Education and Protection Fund is as follows:

| Sr. No. | Financial Year | Date of AGM in which Dividend declared | Proposed date of transfer to IEPF |
|---------|----------------|--|-----------------------------------|
| 1. | 2013-14 | 24th September, 2014 | 29th October, 2021 |
| 2. | 2014-15 | 22nd September, 2015 | 27th October, 2022 |
| 3. | 2015-16 | 3rd September, 2016 | 8th October, 2023 |
| 4. | 2016-17 | 18th August, 2017 | 23rd September, 2024 |
| 5. | 2017-18 | 4th September, 2018 | 9th October, 2025 |
| 6. | 2018-19 | 14th September, 2019 | 19th October, 2026 |
| 7. | 2019-20 | 12th December, 2020 | 16th January, 2028 |

l. Distribution of Shareholding as on 31st March, 2021 (On the basis of Ownership)

| Category Code | Category of Shareholders | No. of Shareholders | No. of shares held | Percentage (%) |
|---------------|---|---------------------|--------------------|----------------|
| A | Shareholding of Promoter and Promoting Group | | | |
| 1 | Indian | 15 | 3,19,43,754 | 67.54 |
| 2 | Foreign | - | - | - |
| | Sub Total(A) | 15 | 3,19,43,754 | 67.54 |
| B | Public Shareholding | | | |
| 1 | Institutions | | | |
| a | Mutual Funds/ UTI | - | - | - |
| b | Financial institutions/ Banks | - | - | - |
| c | Central Government/ State Government(s) (IEPF) | 1 | 86,172 | 0.18 |
| d | Insurance Companies | 1 | 4,320 | 0.01 |

| | | | | |
|----------|---|---------------|--------------------|---------------|
| e | Foreign institutional Investors | - | - | - |
| f | Foreign Portfolio Investors | 2 | 4,21,610 | 0.89 |
| | Sub-Total (B)(1) | 4 | 5,12,102 | 1.08 |
| 2 | Non-Institutions | | | |
| a | Bodies Corporate | 176 | 83,31,629 | 17.61 |
| b | Individual shareholders holding nominal share capital up to Rs. 2 Lacs | 18,482 | 43,41,163 | 9.18 |
| c | Individual shareholders holding nominal share capital in excess of Rs. 2 Lacs | 15 | 16,13,248 | 3.41 |
| d | Trust | - | - | - |
| e | NRI | 400 | 5,56,957 | 1.18 |
| F | NBFC | - | - | - |
| | Sub-Total (B)(2) | 19,073 | 1,48,42,997 | 31.38 |
| | Total Public Shareholding (B) (1)+(B)(2) | 19,077 | 1,53,55,099 | 32.46 |
| | Grand Total (A+B)* | 19,092 | 4,72,98,853 | 100.00 |

Note:

Pursuant to amendment in Regulation 31 of Listing Regulations, a public shareholder and a non-public non-promoter shareholder has to provide the details of their shareholding along with their PAN number. Earlier the details of the shareholding had to be given by the promoters and promoter groups only. In addition to the above, the shareholding of the public shareholder and non-public non-promoter shareholder has to be consolidated on the basis of PAN and folio number in order to avoid multiple disclosures of shareholding of the same person.

In compliance with the above amendment, shareholding shown on the basis of PAN and folio number in order to avoid multiple disclosures of shareholding of the same person. As on 31st March, 2021, the total number of folios as per register of members is 20,724.

m. Shareholding Pattern by Size as on 31st March, 2021 (On the basis of Shares held)

| Sr. No. | Category | Shares | % of shares | No. of Shareholders | % of Total Shareholders dues |
|---------|------------------|-----------------|-------------|---------------------|------------------------------|
| 1. | 1 - 500 | 1345792 | 2.85 | 19138 | 92.35 |
| 2. | 501 - 1000 | 587766 | 1.24 | 756 | 3.65 |
| 3. | 1001 - 2000 | 626066 | 1.32 | 425 | 2.05 |
| 4. | 2001 - 3000 | 308473 | 0.65 | 123 | 0.59 |
| 5. | 3001 - 4000 | 226928 | 0.48 | 64 | 0.31 |
| 6. | 4001 - 5000 | 211364 | 0.45 | 46 | 0.22 |
| 7. | 5001 - 10000 | 491230 | 1.04 | 69 | 0.33 |
| 8. | 10001 - 50000 | 1410451 | 2.98 | 71 | 0.34 |
| 9. | 50001 - 100000 | 670757 | 1.42 | 8 | 0.04 |
| 10. | 100001 and Above | 41420026 | 87.57 | 24 | 0.12 |
| | Total | 47298853 | 100 | 20724 | 100 |

n. Dematerialization of Shares and Liquidity

As on 31st March, 2021, Shareholding is held in dematerialized form as per details mentioned below: Trading in equity shares of the Company is permitted only in dematerialized form.

| Sr. No. | Mode of holding | No of Holders | Shares | % To Total Issued Equity |
|---------|-----------------|---------------|-----------------|--------------------------|
| 1. | Physical | 515 | 108282 | 0.23 |
| 2. | NSDL | 9822 | 11875870 | 25.11 |
| 3. | CDSL | 10387 | 35314701 | 74.66 |
| | Total: | 20724 | 47298853 | 100.00 |

o. International Securities Identification Number (ISIN) for equity shares of the Company

The ISIN of the Company's equity shares is INE927D01028.

p. Commodity price risk or foreign exchange risk and hedging activities

The Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the Company. In respect of price risk of raw materials used for manufacturing purpose the same is taken care of as per industry requirement.

q. Outstanding ADR or GDR or warrants or any convertible instruments

There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments as on 31st March, 2021.

r. Plants Locations (JBM Auto Limited)

| | | |
|-------------------|---|--|
| Plant I | - | Plot No. 133, Sector-24, Faridabad-121005, Haryana Ph: +91-129-4090200 Fax: +91-129-2234230. |
| Plant II | - | Plot No. 5, Sector-31, Kasna Industrial Area, Greater Noida-201306, Uttar Pradesh Ph.: +91-120-4522500, 2341417, 2341429, Fax: +91-120-2341423. |
| Plant III | - | 71-72, MIDC, Satpur, Nashik – 422007, Maharashtra Ph: +91-253-2360548, Fax: +91-253-2360558. |
| Plant IV | - | Plot No. B-2, Survey No.1, Tata Motors Vendor Park, Sanand-382170, Ahmedabad, Gujarat Ph:+91-2717-645180 |
| Plant V | - | Plot No. 118, Sector-59, HSIDC, Industrial Estate, Ballabgarh-121004, Faridabad, Haryana |
| Plant VI | - | A-4, Industrial Estate, Kosi Kotwan-281403, Dist. Mathura, Uttar Pradesh |
| Plant VII | - | Plot No. 157-E, Sector-3, Pithampur Industrial Area-454775, Dist. Dhar, Indore (MP) |
| Plant VIII | - | Plot No. SP-891, Pathredi Industrial Area, Bhiwadi-301707, Dist. Alwar, Rajasthan |
| Plant IX | - | Plot No. 80, Sector-3, Pithampur Industrial Area-454775, Dist. Dhar, Indore, M.P. |
| Plant X | - | C-1/2, MIDC, Chakan Telegaon Road, Chakan, Pune-410501, Maharashtra |
| Plant XI | - | A-1/6, MVML Vendor Park, Chakan, Pune-410501, Maharashtra |
| Plant XII | - | Plot-11, Ford's Suppliers Park, S.P. Koil Post, Chengalpattu Taluk, M.M. Nagar, Kancheepuram-603204, Tamil Nadu |
| Plant XIII | - | Plot-2, RNS 1, Renault- Nissan Park, Orgadam, Sriperumpudur Taluk, Kancheepuram-603109, Tamil Nadu |
| Plant XIV | - | Plot No. 3 AV-13, Ford Supplier Park, BOL, Industrial Estate, GIDC, Sanand-II-382170, Gujarat |
| Plant XV | - | Plot No. SP-1-888, RIICO Industrial Area Pathredi, Bhiwadi-301018, Alwar, Rajasthan |

Skill Development Centre (SDC)

- (i) Plot No. 16, Sector-20B, Faridabad-121007, Haryana
- (ii) No. 1, Ford Suppliers Park, S.P. Koil Post, Chengalpattu (TK), Kancheepuram Dist. Tamil Nadu – 603204.
- (iii) Plot No AV 13, BOL Industrial Estate, Sanand – II, Dist- Ahmedabad, Gujarat.

s. Address for Correspondence:

Registered Office:

601, Hemkunt Chambers, 89,
Nehru Place, New Delhi - 110019
Tel.: 011-26427101-06, 41709881
Fax: 011-26511512,
E-mail: vivek.gupta@jbmgroup.com

Corporate Office:

Plot No. 9, Institutional Area,
Sector-44, Gurugram - 122002, Haryana
Tel: 91-124-4674500
Fax: 91-124-4674599

Investor Correspondence:

Investors/ Shareholders correspondence may be addressed either to the Company at its registered office or to its share transfer agent at the following respective address(s):

Mr. Vivek Gupta

Chief Financial Officer & Company Secretary
JBM Auto Limited
601, Hemkunt Chambers, 89, Nehru Place,
New Delhi – 110019
Tel.: 011-26427101-06
Fax: 011-26511512
E-mail: vivek.gupta@jbmgroup.com
jbma.investor@jbmgroup.com

MCS Share Transfer Agent Limited

(Unit: JBM Auto Ltd.)
F - 65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110020
Tel No. 011-41406149
Fax No. 011-41709881
E-mail: admin@mcsregistrars.com
helpdeskdelhi@mcsregistrars.com

t. For Shares held in Physical form

Members who hold shares in physical form should address their queries to the RTA/ Company. Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, sub-division of shares, renewals/ split/ consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/ or address etc.

u. For Shares held in Demat form

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

9. OTHER DISCLOSURES

a. Related Party Transactions

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. All such contracts or arrangements have been approved by the Audit Committee, as applicable. No material contracts or arrangements with related parties as per Listing Regulations, were entered into during the year under review.

The Audit Committee, during FY 2020-21, has approved related party transactions along with granting omnibus approval in line with the Policy of dealing with and materiality of related party transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations including any statutory modification(s) or re-enactment(s) thereof for the time being in force. The related party transactions entered into by the Company pursuant to the omnibus approval granted by the Audit Committee is reviewed at least on a quarterly basis by the said Committee.

The policy on dealing with and materiality of related party transactions has been placed on the Company's website at www.jbmgroup.com/investor.

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

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

The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets. There were no penalties imposed or strictures passed against the Company by SEBI, stock exchange(s) on which the shares of the Company are listed or any statutory authority in this regard, during the last 3 (three) years.

c. Vigil Mechanism/ Whistle Blower Policy

In accordance with the requirements of Section 177(9) and (10) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of the Listing Regulations, the Company has adopted a Whistle Blower Policy and an effective Vigil Mechanism system to provide a formal mechanism to its Directors, Employees and Business Associates to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrong doing within the organization and also safeguards against victimization of Directors/ Employees and Business Associates who avail of the mechanism.

No personnel were denied access to the Audit Committee of the Company with regards to the above. The Policy has been placed on the website of your Company at www.jbmgroupp.com/investor. If anyone suspects any inappropriate activity such as loss to the Company's property, corruption, fraud or violation of the Company's Code of Conduct, they can inform their suspicions or concerns by promptly informing us at the following address:

E-mail : vigilance.jbma@jbmgroupp.com; or
Letter : The Vigilance Officer,
JBM Auto Limited,
601, Hemkunt Chambers, 89,
Nehru Place, New Delhi – 110019

d. Details of Compliance with mandatory requirements

The Company has fully complied with all applicable mandatory requirements of Listing Regulations.

e. Details of Adoption of Discretionary requirements

- Chairman's Office: The Company has separate positions for Chairman and Managing Director.
- Shareholders' Rights: Quarterly, half-yearly and annual financial results of the Company are generally published in leading newspapers in Economic Times, Business Standard (any one) in English Editions; and in Business Standard, Navbharat Times (anyone) New Delhi in Hindi Edition. Significant events of the Company are being disclosed to the Stock Exchanges from time to time. The Company's financial results, shareholding pattern and other corporate announcements are also displayed in the Company's website: www.jbmgroupp.com/investor and are also notified to the Stock Exchanges as per the provisions of Listing Regulations.

f. Policy for Determining Material Subsidiaries of the Company

The Company, on the recommendation of the Audit Committee, has formulated a 'Policy on Material Subsidiaries' to determine the material subsidiaries of the Company and to provide governance framework for such subsidiaries. The said policy is disclosed on the Company's website at www.jbmgroupp.com/investor.

g. Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of insider trading ("the code") with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the trading in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for the implementation of the Code.

h. Compliance with the Accounting Standards

In the preparation of the financial statements for the financial ended 31st March, 2021, the Company has followed the Accounting Standards notified pursuant Companies (Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Companies Act, 2013.

i. Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances. The Company's business processes are on SAP platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

All the legal compliances under the Companies Act, 2013 and Listing Regulations in this regard had been completed.

j. Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel in compliance with Regulation 17(5) of Listing Regulations. The Code of Conduct has been displayed on the Company's website at www.jbmgroupp.com/investor.

The Code of Conduct lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code of Conduct. A declaration to that effect duly signed by Mr. Sandip Sanyal, Executive Director of the Company is annexed and forms part of this report.

k. Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/ guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report and is required to be submitted to the Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of Mr. Dhananjay Shukla, Practicing Company Secretary Company for providing this report and the report has already been submitted to the stock exchanges.

l. Recommendations of Committees of the Board

There were no instances during FY 2020-21 wherein the Board had not accepted recommendations made by any committee of the Board.

m. Total Fees paid to the Statutory Auditors

Information about details of total fees for all services paid by the Company and its subsidiaries during the FY 2020-21, on a consolidated basis, to M/s Sahnii Natarajan and Bahl, Chartered Accountants, the Statutory Auditors of the Company and to all entities in the network firm/ network entity of which the Statutory Auditors is a part be referred in Note No. 37 to standalone financial statements and Note No. 38 to consolidated financial statements of the Company.

n. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has placed adequate mechanism to provide safe and congenial working environment to all the employees including visitors and employees of the group companies and also constituted Internal Committee which is responsible for redressal of complaints related to sexual harassment.

During the FY 2020-21, the Company has not received any complaint pertaining to sexual harassment.

o. Credit Ratings:

| Credit Rating Agency | Type of Rating | Rating as on 31st March, 2020 | Rating as on 31st March, 2021 |
|----------------------|-------------------|-------------------------------|-------------------------------|
| CRISIL | Long Term Rating | A | A (Reaffirmed) |
| CRISIL | Short Term Rating | A1 | A1 (Reaffirmed) |

p. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

Not Applicable

10. GENERAL BODY MEETINGS

a. The location and time of last three Annual General Meetings (AGM) are as follows:

| For the Year | 2017-18 | 2018-19 | 2019-20 |
|--------------|---|---|--|
| | 22nd AGM | 23rd AGM | 24th AGM |
| Date & Time | 4th September, 2018 at 12:30 P.M. | 14th September, 2019 at 12:00 Noon. | 12th December, 2020 at 10:30 A.M. |
| Location | Air force Auditorium, Subroto Park, New Delhi -110010 | Air force Auditorium, Subroto Park, New Delhi -110010 | Through video conferencing/ other audio visual means |

b. Special Resolutions passed in the previous three Annual General Meetings:

| Year | Special Resolution passed |
|-----------|---|
| 2017-2018 | 1. Approval for the issue of Securities. |
| 2018-2019 | 1. Re-appoint Mr. Mahesh Kumar Aggarwal (DIN:00004982), as an independent director for a second term of 5 consecutive years. 2. Approval for the issue of Securities. 3. Approval of the Alteration in 'The Seal Clause' of the Articles of Association of the Company. |
| 2019-2020 | 1. Re-appoint Mr. Sandip Sanyal (DIN: 07186909), as Whole-time Director and to be designated as an "Executive Director" for a period of 1 (One) year w.e.f. 18th May, 2020. 2. Approval for the issue of Securities. |

c. Special Resolution(s) passed last year through Postal Ballot – detail of voting pattern and the procedure thereof:

None of the businesses proposed in last year required passing a resolution through Postal Ballot.

d. Person who conducted the postal ballot exercise

Not applicable

e. Special resolution(s) proposed to be conducted through postal ballot

There is no immediate proposal for passing any resolution through postal ballot as on the date of this report.

f. Procedure for Postal Ballot

The procedure for Postal Ballot(s) is prescribed under the provisions of Section 110 of the Companies Act, 2013 read with the relevant provisions of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Listing Regulations and Secretarial Standard – 2 issued by the Institute of the Company Secretaries of India.

11. MEANS OF COMMUNICATION

a. Publication of financial results:

Quarterly, half-yearly and annual financial results of the Company are generally published in leading newspapers in Economic Times, Business Standard (any one) in English Editions; and in Business Standard, Navbharat Times (any one) New Delhi in Hindi Edition.

b. Website:

In compliance with the Regulation 46 of the Listing Regulations, a separate dedicated section under Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/ Annual financial results along with the applicable policies of the Company etc.

The Company has created an email ID exclusively for redressal of investor's grievances. The investors may post their grievances to the specific email ID i.e. jbma.investor@jbmgroup.com. All official news releases and presentation made to the Institutional Investors, if any, are also made available on the Company's website at www.jbmgroup.com.

c. Stock Exchanges

Your Company makes timely disclosures of necessary information to the BSE Limited and the National Stock Exchange of India Ltd. in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

d. NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & the Listing Centre:

NEAPS is a web-based application e signed by NSE for Corporates. BSE Listing is a web-based application designed by BSE for Corporates.

All periodical compliance filing viz. Shareholding Pattern, Corporate Governance Report, Corporate Announcements, Financial Results, etc. are made electronically through using NEAPS and Corp-filing portal of NSE & BSE respectively.

e. SCORES (SEBI Complaints Redressal System)

SEBI commenced processing of investor complaints in a centralized web based complaints redressal system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

f. Disclosures with respect to demat suspense account/ unclaimed suspense account

Not Applicable

12. DETAIL OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSE (B) TO (I) OF SUB – REGULATION (2) OF REGULATION 46 OF THE LISTING REGULATIONS

The Company is in compliance with the corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of Listing Regulations.

13. CORPORATE GOVERNANCE CERTIFICATE

A Certificate obtained Mr. Dhananjay Shukla, Practicing Company Secretary, regarding compliance with Corporate Governance conditions as stipulated under the relevant provisions of the Listing Regulations is annexed and forms part of this report.

14. CEO/ CFO CERTIFICATION

The Executive Director and the Chief Financial Officer have issued certificate pursuant to the provisions of Regulation 17 of Listing Regulations, certifying that the financial statements do not contain any untrue statement and the statements represents a true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Report.

15. GREEN INITIATIVE IN CORPORATE GOVERNANCE

In Compliance with MCA Circular No. 20/2020 dated January 13, 2021 read with circular dated May 5, 2020, April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.jbmgroup.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively.

NOTE:

The details are given purely by way of Information. Members may make their own Judgement and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.

COMPLIANCE WITH CODE OF CONDUCT AND ETHICS

As provided under Regulation 17 and 26 of Listing Regulations, the Board Members and the Senior Management Personnel of the Company have confirmed the compliance with the Code of Conduct and Ethics for the financial year ended 31st March, 2021.

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and a copy of the same have been disclosed on the website of the Company at www.jbmgroup.com.

Place: Gurugram (Haryana)

Date: 18th May, 2021

For JBM Auto Limited

Sd/-

Sandip Sanyal

(Executive Director)

CEO/ CFO CERTIFICATION

We the undersigned, in our respective capacities as Executive Director and Chief Financial Officer of JBM Auto Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility of establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiency in the design or operations of such internal control, if any, of which we are aware and the steps we have taken to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in such internal control during the year, if any;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any;
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system for financial reporting.

Yours faithfully
Sd/-
(Sandip Sanyal)
Executive Director

Place: Gurugram (Haryana)
Date: 18th May, 2021

Sd/-
(Vivek Gupta)
Chief Financial Officer
& Company Secretary

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
JBM Auto Limited
Regd. Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110019

We have examined the compliance of conditions of Corporate Governance by **JBM Auto Limited** ('the Company') for the year ended 31st March 2021 as per Regulations 17 to 27, Clauses (b) to (i) of sub-regulations (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 specified in the Regulations 17 to 27, Clauses (b) to (i) of sub-regulations (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the of the Listing Regulations, as applicable.

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

**For Dhananjay Shukla & Associate
Company Secretaries**

Sd/-
**Dhananjay Shukla
Proprietor**

**FCS-5886, CP No. 8271
UDIN: F005886C000764083**

**Place: Gurugram (Haryana)
Date: 11th August, 2021**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
JBM Auto Limited
Regd. Office: 601, Hemkunt Chambers, 89,
Nehru Place, New Delhi -110019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the JBM Auto Limited having CIN: L74899DL1996PLC083073 having Registered Office at 601, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019 (hereinafter referred as the "company") as produced before us by the company for the purpose of issuing this certificate, in accordance with sub clause (i) of clause 10 of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the primary responsibility of the Management of the company. Our responsibility is to express an opinion on the disqualification of the Directors of the company as mentioned hereunder. This certificate is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company

In our opinion and to the best of our information and according to the verification, including Director Identification Number (DIN) status at the portal of the www.mca.gov.in, as considered necessary and explanations furnished to us by the Company, its officers and Authorized Representatives, 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, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Details of Directors as on 31st March, 2021

| S. No. | Name of the Director | DIN | Date of appointment in the Company * |
|--------|----------------------------|----------|--------------------------------------|
| 1. | Mr. Surendra Kumar Arya | 00004626 | 1st August 2000 |
| 2. | Mr. Nishant Arya | 00004954 | 30th July 2009 |
| 3. | Mr. Mahesh Kumar Aggarwal | 00004982 | 7th June 2002 |
| 4. | Mr. Praveen Kumar Tripathi | 02167497 | 11th July 2019 |
| 5. | Mrs. Pravin Tripathi | 06913463 | 4th September 2017 |
| 6. | Mr. Sandip Sanyal | 07186909 | 18th May 2015 |

*The date of appointment is as per the date of appointment data available on the website of MCA under the Authorized Signatory details of the company.

For Dhananjay Shukla & Associate
Company Secretaries

Sd/-

Dhananjay Shukla
Proprietor

FCS-5886, CP No. 8271

UDIN:F005886C000763830

Place: Gurugram (Haryana)

Date: 11th August, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of JBM AUTO LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and the notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information (here in after referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (the Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | Auditor's Response |
|--|---|
| Revenue Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions. Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognised to the extent that is highly probable a significant reversal will not occur. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. Refer Note No. 2.4 and 27 of the Standalone Financial Statements. | Our procedure included: - Assessed the appropriateness of the accounting policy for revenue recognition as per the Ind AS 115 "Revenue from Contracts with Customers" - Performed reconciliation of revenue with GST returns filed with the Government. - Performed cut off testing for sales made near the reporting date and tested whether the revenue was recognised in the appropriate period by testing sales invoices and customer acknowledgement for sample transactions. - Performed analytical procedures to identify any unusual trends and identify unusual items. - Tested internal controls in the revenue over the accuracy and timing of revenue accounted in the Standalone Financial Statements. - Tested the related disclosures made in notes to the Standalone Financial Statements in respect of the revenue from operations. |

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Standalone Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements- Refer Note No. 36 of the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACJ8034

Place: New Delhi
Date: May 18, 2021

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 1 of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- (i) In respect of the Fixed Assets:
- (a) The Company has maintained proper records showing the full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets covering significant value were physically verified during the year by the management at such intervals which in our opinion, provides for the physical verification of all the Fixed Assets at reasonable interval having regard to the size of the Company and nature of its business. In our opinion and according to the information and explanations given to us by the management, no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of examination of records of the Company, the title deeds of immovable properties are held in the name of the Company except as given below:

| S.No. | Nature | Gross Block (Rs. in Lakhs) | Net Block (Rs. in Lakhs) | Land situated at: |
|-------|-----------------|----------------------------|--------------------------|---|
| 1 | Leasehold land | 10.18 | 5.76 | Sector 24 Faridabad, Haryana |
| 2 | Leasehold land* | 828.96 | 728.41 | No. 1, Ford Suppliers Park, S. P. Koil Post, Chengalpattu - 603204 - Tamilnadu |
| 3 | Leasehold land* | 1,880.34 | 1,799.09 | Plot No RNS-1, Renault Nissan Supplier's Park, SIPCOT Industrial Growth Centre, Sinnakuppam Village, Sriperumbudur Taluk, Oragadam, Kanchipuram District - 605102 - Tamilnadu |
| 4 | Leasehold land* | 1,711.49 | 1,621.49 | Plot No. AV-13, Sanand-II GIDC Industrial Estate, BOL Goan, Sanand, Ahmedabad, Gujarat- 382170. |
| 5 | Leasehold land# | 2,794.52 | 2,663.94 | C1/2, Chakan, MIDC Plant, Pune |

* These leasehold lands have been acquired in Business Combination which are in the name of Acquiree Company JBM Auto System Private Limited

The leasehold land has been acquired in Business Combination which are in the name of Acquiree Company JBM MA Automotive Private Limited

- (ii) Inventories, except goods-in-transit and stock lying with the third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) In respect of loans, secured or unsecured, granted by the Company to the companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"):
- (a) In our opinion and according to the information and explanations given to us, the terms and conditions of grant of such loans are not prejudicial to the Company's interest.
- (b) The schedule for repayment of principal and payment of interest has been stipulated and repayments of principal amounts and/or receipts of interest have been regular as per stipulations.
- (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as defined under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, maintenance of the cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account relating to materials, labour and other items of costs, maintained by the Company pursuant to the Companies

(Cost Records and Audit) Rules, 2014, made by the Central Government for the maintenance of the cost records, to the extent applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(vii) In respect of the statutory and other dues:

- (a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and any other material statutory dues as applicable with the appropriate authorities. In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, disputed demand for Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax which have not been deposited with relevant authorities as on March 31, 2021 are given as under:

| S.No. | Name of Statute | Nature of Dues | Net Amount in Lakhs * | Year to which demand pertains | Forum where dispute is pending |
|-------|--|---|-----------------------|-------------------------------|---|
| 1 | The Income Tax Act, 1961 | Income Tax | 1.42 | AY 2008-09 | Income Tax Appellate Tribunal |
| | | Income Tax | 3.48 | AY 2009-10 | Income Tax Appellate Tribunal |
| | | Income Tax | 202.85 | AY 2013-14 | Income Tax Appellate Tribunal |
| | | Income Tax | 176.29 | AY 2014-15 | Income Tax Appellate Tribunal |
| | | Income Tax | 69.92 | AY 2015-16 | CIT (Appeals) |
| | | Income Tax | 94.76 | AY 2008-09 to AY 2018-19 | Income Tax Appellate Tribunal |
| 2 | The Central Excise Act, 1944 and The Finance Act, 1994 (Service Tax) | Service Tax, Penalty/Interest | 8.30 | 2001-02 | CCE- Delhi-IV, Faridabad |
| | | Excise duty demand | 28.60 | 2015-16 | AC, CE, D-111, Bhiwadi |
| | | Excise duty & Penalty | 66.08 | 2011-12 | Addl. Comm. C.E, Ahmedabad |
| | | Excise Duty | 531.97 | 2008-10 | CESTAT |
| | | Excise duty On Industrial Promotion Subsidy | 9.64 | 2015-19 | DC, Pune |
| | | Excise Duty Transitional Credit availed in Trans-1 of Cess balances | 48.80 | 2017-18 | DC, Pune |
| 3 | Gujarat Value Added Tax Act, 2003 | VAT-Demand | 10.55 | 2015-16 | Deputy Commissioner, State Tax Ahmedabad |
| | | VAT-Demand | 5.67 | 2014-15 | Joint Commissioner, State Tax Ahmedabad |
| 4 | Maharashtra Value Added Tax Act, 2005 | Sales Tax | 104.20 | 2016-17 | Maharashtra VAT- Assessing Officer |
| 5 | GST | GST Demand # | - | 2019-20 | Joint Com.(A) Haldwani |
| | | GST Demand # | - | 2020-21 | Add. Comm.(A) Agra |
| | | GST Demand | 11.38 | 2017-18 | Superintendent, Pithampur |
| | | GST Demand # | - | 2019-20 | Add. Comm.(A) Mathura |
| 6 | Custom Act, 1962 | Custom Demand | 1.15 | 2017-18 | Assistant Commissioner of Customs, Chennai Branch |
| | | Custom Demand | 7.37 | 2011-12 | Commissioner of custom-Mumbai |
| 7 | Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | PF-Demand | 140.33 | 2011-13 | Provident Fund Tribunal |

*Total amount deposited in respect of disputed demands is Rs. 137.69 Lakhs.

These demands have been fully paid.

- (viii) In our opinion and according to the information and explanations given to us, the Company has availed moratorium for some of its loans but the Company has not defaulted in the repayment of dues to financial institutions & banks. The Company has not borrowed from Government or by way of debentures.
- (ix) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which those are raised.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported by the Company during the year.
- (xi) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has paid /provided managerial remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into with the Related Parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No.: 002816N

Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACJ8034

Place: New Delhi
Date: May 18, 2021

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

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

We have audited the internal financial controls over financial reporting of JBM AUTO LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACJ8034

Place: New Delhi
Dated : May 18, 2021

CIN L74899DL1996PLC083073

Standalone Balance Sheet as at 31st March, 2021

₹ In Lakhs

| | Note No. | As at 31st March, 2021 | As at 31st March, 2020 |
|--|----------|---------------------------|---------------------------|
| I. ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3(a) | 75,824.89 | 77,189.18 |
| (b) Capital work in progress | | 8,102.72 | 4,081.44 |
| (c) Intangible assets | 3(b) | 11,245.32 | 8,923.40 |
| (d) Intangible assets under development | | 2,742.22 | 4,917.42 |
| (e) Financial assets | | | |
| (i) Investments | 5 | 7,599.66 | 4,765.56 |
| (ii) Loans | 6 | 5,632.05 | 1,655.00 |
| (iii) Other non-current financial assets | 7 | 951.96 | - |
| (f) Other non-current assets | 8 | 1,840.63 | 2,585.16 |
| | | 1,13,939.45 | 1,04,117.16 |
| Current assets | | | |
| (a) Inventories | 9 | 35,445.39 | 29,554.69 |
| (b) Financial assets | | | |
| (i) Trade receivables | 10 | 71,074.29 | 49,459.38 |
| (ii) Cash and cash equivalents | 11 | 1,486.57 | 2,187.96 |
| (iii) Other bank balances | 12 | 255.83 | 54.67 |
| (iv) Other current financial assets | 13 | 1,589.75 | 1,358.30 |
| (c) Other current assets | 14 | 21,184.92 | 13,585.68 |
| | | 1,31,036.75 | 96,200.68 |
| Total Assets | | 2,44,976.20 | 2,00,317.84 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 15 | 2,364.94 | 2,364.94 |
| (b) Other equity | 16 | 71,823.02 | 67,406.41 |
| | | 74,187.96 | 69,771.35 |
| Liabilities | | | |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 17 | 22,818.84 | 19,671.70 |
| (ii) Other non-current financial liabilities | 18 | 93.28 | 543.46 |
| (b) Provisions | 19 | 1,184.05 | 1,067.90 |
| (c) Deferred tax liability (net) | 20 | 10,228.90 | 8,791.25 |
| (d) Other non-current liabilities | 21 | 291.30 | 517.13 |
| | | 34,616.37 | 30,591.44 |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 22 | 48,166.74 | 34,914.95 |

₹ In Lakhs

| | Note No. | As at 31st March, 2021 | As at 31st March, 2020 |
|--|----------|---------------------------|---------------------------|
| (ii) Trade payables | 23 | | |
| Total Outstanding Dues of Micro and Small Enterprises | | 1,611.62 | 666.25 |
| Total Outstanding Dues of Creditors other than Micro and Small Enterprises | | 56,706.99 | 39,348.96 |
| (iii) Other current financial liabilities | 24 | 16,505.41 | 9,865.93 |
| (b) Other current liabilities | 25 | 12,791.09 | 14,670.01 |
| (c) Provisions | 26 | 390.02 | 317.16 |
| (d) Current tax liabilities (net) | | - | 171.79 |
| | | 1,36,171.87 | 99,955.05 |
| Total Equity and Liabilities | | 2,44,976.20 | 2,00,317.84 |

Significant Accounting Policies

2

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors
JBM Auto Limited

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

CIN L74899DL1996PLC083073

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

₹ In Lakhs

| | Note No. | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|----------|------------------------------------|------------------------------------|
| I. Revenue from operations | 27 | 1,96,558.59 | 1,94,672.97 |
| II. Other income | 28 | 1,302.48 | 1,540.95 |
| III. Total Income (I+II) | | 1,97,861.07 | 1,96,213.92 |
| IV. Expenses | | | |
| Cost of materials consumed | 45 | 1,40,620.56 | 1,39,618.33 |
| Changes in inventories of finished goods & work in progress | 29 | (3,154.85) | (4,050.36) |
| Employee benefits expense | 30 | 20,144.02 | 20,398.64 |
| Finance costs | 31 | 5,663.73 | 6,426.93 |
| Depreciation and amortisation expense | 4 | 7,555.74 | 7,385.05 |
| Other expenses | 32 | 18,826.99 | 15,687.50 |
| Total Expenses | | 1,89,656.19 | 1,85,466.09 |
| V. Profit before tax (III-IV) | | 8,204.88 | 10,747.83 |
| VI. Tax Expense | 33 | | |
| (1) Current tax | | 2,868.81 | 1,921.53 |
| (2) Deferred tax (credit)/charge | | (13.32) | 1,836.58 |
| (3) Earlier years | | 57.13 | 42.29 |
| | | 2,912.62 | 3,800.40 |
| VII. Profit after tax for the year (V-VI) | | 5,292.26 | 6,947.43 |
| VIII. Other Comprehensive Income | 34 | | |
| Items that will not be reclassified to Statement of Profit and loss: | | | |
| (i) Gain/(loss) of defined benefits plans | | (73.66) | 0.10 |
| (ii) Income tax (expense)/income on gain/(loss) on defined benefits plan | | 25.74 | (0.03) |
| Total Other Comprehensive Income | | (47.92) | 0.07 |
| IX. Total Comprehensive Income (VII+VIII) | | 5,244.34 | 6,947.50 |
| X. Earnings per equity share: (Face Value of ₹ 5/-each) | 35 | | |
| (1) Basic | | 11.19 | 14.69 |
| (2) Diluted | | 11.19 | 14.69 |

Significant Accounting Policies

2

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors

As per our report of even date attached

JBM Auto Limited

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Sudhir Chhabra
Partner
M.No. 083762

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

Place : New Delhi
Dated : May 18, 2021

CIN L74899DL1996PLC083073

Standalone Statement of Changes in Equity for the year ended 31st March, 2021

₹ In Lakhs

A Equity Share capital

| | Balance as at 01st April 2019 | Changes in equity share capital during the year * | Balance at the end of 31st March 2020 | Changes in equity share capital during the year | Balance at the end of 31st March 2021 |
|---|-------------------------------|---|---------------------------------------|---|---------------------------------------|
| Equity Share Capital | 2,039.77 | 325.17 | 2,364.94 | - | 2,364.94 |
| Equity share capital to be issued due to merger | 325.17 | (325.17) | - | - | - |
| | 2,364.94 | - | 2,364.94 | - | 2,364.94 |

* Equity share capital issued pursuant to merger

B Other Equity

| | General Reserve | Retained Earnings | Capital Reserve on Merger | Securities Premium | Capital Redemption Reserve | Total |
|---|-----------------|-------------------|---------------------------|--------------------|----------------------------|------------------|
| Balance as at 01.04.2019 | 2,988.31 | 53,961.67 | (14.47) | 4,629.97 | - | 61,565.48 |
| Profit for the year | - | 6,947.43 | - | - | - | 6,947.43 |
| Other comprehensive income/(loss) for the year | - | 0.07 | - | - | - | 0.07 |
| Transfer from retained earnings to Capital Redemption Reserve | - | (500.00) | - | - | 500.00 | - |
| Dividends distributed during the year (including DDT) | - | (1,106.57) | - | - | - | (1,106.57) |
| Balance as at 31.03.2020 | 2,988.31 | 59,302.60 | (14.47) | 4,629.97 | 500.00 | 67,406.41 |
| Profit for the year | - | 5,292.26 | - | - | - | 5,292.26 |
| Other comprehensive income/(loss) for the year | - | (47.92) | - | - | - | (47.92) |
| Dividends distributed during the year | - | (827.73) | - | - | - | (827.73) |
| Balance as at 31.03.2021 | 2,988.31 | 63,719.21 | (14.47) | 4,629.97 | 500.00 | 71,823.02 |

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors

As per our report of even date attached

JBM Auto Limited

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

CIN L74899DL1996PLC083073

Standalone Statement of Cash Flow for the Year Ended 31st March 2021

₹ In Lakhs

| | For the year ended March 2021 | | For the year ended March 2020 | |
|--|-------------------------------|--------------------|-------------------------------|--------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | | | |
| Profit before tax | | 8,204.88 | | 10,747.83 |
| Adjustments for : | | | | |
| Depreciation and amortisation expense | 7,555.74 | | 7,385.05 | |
| Finance costs | 5,663.73 | | 6,426.93 | |
| Unrealised exchange loss/(gain) (net) | 104.05 | | 36.10 | |
| Loss / (Gain) on fair valuation of investment in shares | (0.89) | | - | |
| Grant Income | (81.93) | | (81.93) | |
| Deferred income on deferred component of financial instrument | (196.72) | | (451.12) | |
| Interest income | (264.18) | | (144.07) | |
| Loss/(profit) on sale of property, plant and equipment (net) | 42.06 | | (44.53) | |
| Rental income | (51.00) | | (108.27) | |
| | | 12,770.86 | | 13,018.15 |
| Operating profit before working capital changes | | 20,975.74 | | 23,765.98 |
| Adjustments for : | | | | |
| Trade and other receivables | (29,607.11) | | 7,205.09 | |
| Inventories | (5,890.71) | | (571.36) | |
| Trade and other liabilities | 17,429.09 | (18,068.73) | 8,684.61 | 15,318.34 |
| Cash generated from operations | | 2,907.01 | | 39,084.32 |
| Income tax paid (net) | (1,536.40) | (1,536.40) | (2,101.03) | (2,101.03) |
| Net Cash flow from operating activities | | 1,370.61 | | 36,983.29 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | | | |
| Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development) | (8,664.74) | | (12,623.74) | |
| Proceeds from sale of property, plant and equipment and intangible assets | 331.09 | | 517.34 | |
| Loan given | (4,892.22) | | (50.00) | |
| Loan received Back | 776.89 | | 300.00 | |
| Interest received | 264.18 | | 144.07 | |
| Rental Income | 51.00 | | 108.27 | |
| Purchase of non current investments | (3,785.17) | | (701.59) | |
| Net Cash used in Investing Activities | | (15,918.97) | | (12,305.65) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |

₹ In Lakhs

| | For the year ended March 2021 | For the year ended March 2020 |
|---|-------------------------------|-------------------------------|
| Repayment of Financial Liability (Preference Share) | - | (3,000.00) |
| Repayment of non current borrowings | (5,488.39) | (13,439.17) |
| Proceeds from non current borrowings | 12,398.30 | 7,869.00 |
| Increase/(Decrease) in current borrowings(net) | 13,251.80 | (7,790.67) |
| Finance cost paid | (5,487.01) | (6,100.57) |
| Dividend/dividend tax paid | (827.73) | (1,106.57) |
| Net Cash flow from/(used in) Financing Activities | 13,846.97 | (23,567.98) |
| Net Increase/(Decrease) in Cash and Cash equivalents | (701.39) | 1,109.66 |
| Cash and cash equivalents at the beginning of the year (Refer Note No. 11) | 2,187.96 | 1,078.30 |
| Cash and cash equivalents at the end of the year (Refer Note No. 11) | 1,486.57 | 2,187.96 |

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on "Statement of Cash Flows"
- The amendments to the IND AS 7 "Statement of Cash Flows" requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The required disclosure is made below.

| | As at 01st April 2020 | Finance lease obligations recognised during the year | Cash flows | Acquisition/Foreign exchange movement/ Fair value changes | As at 31st March 2021 |
|-------------------------|-----------------------|--|------------------|---|-----------------------|
| Borrowings- Non Current | 27,820.37 | 1,127.66 | 6,909.91 | 133.88 | 35,991.82 |
| Borrowings- Current | 34,914.95 | - | 13,251.80 | - | 48,166.74 |
| | 62,735.33 | 1,127.66 | 20,161.71 | 133.88 | 84,158.56 |

- Figures in bracket represents cash outflow

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors
JBM Auto Limited

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

1. General Information

JBM Auto Limited ("the Company") is a public limited company incorporated under the Companies Act 1956 having its registered office at 601, Hemkunt chambers, 89, Nehru place, New Delhi. The Company is engaged in the automotive business that manufactures and sell sheet metal components, tools, dies & moulds and buses including sale of spare parts, accessories & maintenance contract of Buses. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorize for issue on May 18, 2021.

2. Significant Accounting Policies

2.1 Statement of Compliance

The financial statements have been prepared on a going concern basis in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The principal accounting policies are set out below.

2.3 Use of Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Sale of Products

Revenue from contracts with customers is recognized on transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Sale of Services

Revenue from services are recognized as related services are performed.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. For all financial instruments measured either at amortised or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

Royalty Income

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.5 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on the date of initial application, using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability.

The Company as lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company did not make any adjustments to the accounting for assets held as a lessor as a result of adopting the new lease standard.

The Company as lessee

The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognises a 'right-of-use' asset and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use asset are measured at cost comprising the following:

- the amount of initial measurement of liability
- any lease payments made at or before the commencement date less the incentives received

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- any initial direct costs, and
- restoration costs

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use asset are depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities measured at amortised cost include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the rate of interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in the similar economic environment with similar terms, security and conditions.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets. Variable lease payments are recognised in the Statement of Profit and Loss in the period in which the condition that triggers those payments that occur.

Lease liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

2.6 Foreign Currencies

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Employee Benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The Company has defined benefit plans namely Gratuity Fund for employees. The Gratuity Fund is recognised by the Income Tax Authorities and is administered through Trust set up by the Company. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the Balance Sheet in respect of 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 Actuary 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 profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 recognised immediately in profit or loss as past service cost.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Defined contribution plans

The Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner. The Company's contribution is charged to revenue every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund Scheme, Employees' Pension Scheme and Labour welfare fund are charged to the Statement of Profit and Loss every year.

Termination Benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Freehold land is measured at cost and is not depreciated.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset where the funds used to finance a qualifying asset form part of general borrowings.

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. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Transition to IND AS

On transition to Ind AS, the Company had elected to continue with the carrying value of its property, plant and equipment recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of the following assets where estimated useful life is determined as per management's estimate based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear:

| Property, plant and equipment | Useful lives based on technical evaluation |
|-------------------------------------|--|
| Plant & equipment | 15 - 20 years |
| Pallets, tools & dies | 8 - 15 years |
| Furniture and fixtures | 3 - 10 years |
| Vehicles | 3 - 8 years |
| Office equipment | 3 - 5 years |
| Leasehold land (Right of use Asset) | Over the period of lease |

The asset's residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

2.11 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Internally generated intangible assets

Research costs are charged to the Statement of Profit and Loss in the year in which they are incurred. Product development costs incurred on new vehicle platform and new products are recognized as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset where the funds used to finance a qualifying asset form part of general borrowings.

Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment, if any.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Transition to IND AS

On transition to Ind AS, the Company had elected to continue with the carrying value of its intangible asset recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Amortisation methods and useful lives

The Cost of Intangible assets are amortised on a straight-line basis over their estimated useful life. Technical know-how/license fee/product development relating to process design/plants/facilities are capitalized at the time of capitalization of the said plants/facilities and amortised as follows:

Residual Value is considered as Nil for intangible assets.

| Nature of Assets | Useful lives |
|--|--------------|
| Technical knowhow | 5 years |
| License fees, Design, Technical know-how & Prototype related to OEM Division | 10 years |
| Computer software | 3 years |

The amortisation period and method are reviewed at least at each financial year 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 derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.12 Inventories

Inventories are valued at the lower of cost or net realizable value.

Cost is determined on the following basis:

Raw Material is recorded at cost on a weighted average cost formula

Stores & spares are recorded at cost on a weighted average cost formula

Finished goods and work-in-process are valued at raw material cost plus cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.13 Provisions and contingencies

Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, 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, is not recognized but disclosed in the financial statements.

2.14 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (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 financial liabilities, as appropriate, 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. Subsequently, financial instruments are measured according to the category in which they are classified.

(i) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

(ii) Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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), and
- those measured at amortised cost

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

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: The contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: The contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

(iii) Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

(iv) Equity investment in Subsidiaries, Associates and Joint Ventures

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

(v) Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instruments is classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

(vi) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost less provision for impairment.

(vii) Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cheques and balances with bank and short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the Statement of Cash Flows. Book overdraft is shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the Statement of Cash Flows.

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(viii) Impairment of financial assets:

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

(ix) Derecognition of financial assets

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
- The right to receive cash flows from the asset has expired.

(x) Foreign Exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

Financial liabilities and equity instruments

(xi) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(xii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(xiii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through Statement of Profit and Loss.

(xiv) Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

(xv) 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 Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

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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 Statement of Profit and Loss.

(xvi) Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

(xvii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(xviii) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

(xix) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. 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 Company or the counterparty.

2.16 Fair Value Measurement

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

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

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

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

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

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

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

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

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

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

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

2.17 Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result is anti-dilutive.

2.18 Government Grants & Subsidies

Government Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Grant relating to assets are netted off against the acquisition cost of the asset.

2.19 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.20 Royalty

The Company pays/accrues for royalty in accordance with the relevant license agreements.

The lump-sum royalty incurred towards obtaining technical assistance/technical know-how and engineering support to manufacture a new model is recognized as an intangible asset. Royalty payable on sale of products i.e. running royalty is charged to Statement of Profit and Loss as and when incurred.

2.21 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II) of the Companies Act 2013, unless otherwise stated.

| Particulars | Freehold Land | Buildings | Plant and Equipment | Furniture and Fixtures | Vehicles | Office Equipment (Including Computer System) | Total (A) | Leasehold land (Right of Use Assets) | Total (B) | TOTAL ASSETS (A+B) |
|---------------------------------|---------------|------------------|---------------------|------------------------|---------------|--|------------------|--------------------------------------|------------------|--------------------|
| Gross Block | | | | | | | | | | |
| As at April 01, 2019 | 373.27 | 19,031.11 | 63,386.84 | 354.63 | 508.78 | 939.08 | 84,593.71 | 9,058.16 | 9,058.16 | 93,651.87 |
| Additions | - | 1,073.20 | 5,775.28 | 21.41 | 383.33 | 57.08 | 7,310.30 | 1,134.86 | 1,134.86 | 8,445.16 |
| Disposals | - | - | (630.71) | (0.40) | (36.66) | (9.60) | (677.37) | - | - | (677.37) |
| As at March 31, 2020 | 373.27 | 20,104.31 | 68,531.41 | 375.64 | 855.44 | 986.57 | 91,226.64 | 10,193.02 | 10,193.02 | 1,01,419.67 |
| Additions | 330.43 | 630.81 | 2,918.36 | 7.21 | 29.20 | 71.98 | 3,987.99 | 1,127.66 | 1,127.66 | 5,115.65 |
| Disposals | - | (39.26) | (568.75) | - | (67.78) | (8.63) | (684.43) | - | - | (684.43) |
| - Other (Refer Note no. 3) | (33.44) | - | - | - | - | - | (33.44) | - | - | (33.44) |
| As at March 31, 2021 | 670.27 | 20,695.85 | 70,881.02 | 382.85 | 816.86 | 1,049.92 | 94,496.76 | 11,320.68 | 11,320.68 | 1,05,817.44 |
| Accumulated Depreciation | | | | | | | | | | |
| As at April 01, 2019 | - | 1,829.46 | 15,290.63 | 124.03 | 127.63 | 637.37 | 18,009.12 | 312.08 | 312.08 | 18,321.20 |
| Charged For the Year | - | 712.75 | 4,975.29 | 34.49 | 88.04 | 146.16 | 5,956.74 | 178.87 | 178.87 | 6,135.59 |
| Adjustment on Disposals | - | - | (206.68) | (0.02) | (10.68) | (8.93) | (226.32) | - | - | (226.32) |
| As at March 31, 2020 | - | 2,542.21 | 20,059.24 | 158.50 | 205.00 | 774.59 | 23,739.54 | 490.95 | 490.95 | 24,230.49 |
| Charged For the year | - | 733.33 | 4,834.79 | 34.08 | 130.22 | 98.58 | 5,831.01 | 238.21 | 238.21 | 6,069.22 |
| Adjustment On disposals | - | (0.77) | (268.40) | - | (30.19) | (7.81) | (307.16) | - | - | (307.16) |
| As at March 31, 2021 | - | 3,274.77 | 24,625.63 | 192.58 | 305.03 | 865.37 | 29,263.39 | 729.16 | 729.16 | 29,992.55 |
| Net Block | | | | | | | | | | |
| As at March 31, 2020 | 373.27 | 17,562.10 | 48,472.18 | 217.14 | 650.44 | 211.97 | 67,487.11 | 9,702.07 | 9,702.07 | 77,189.18 |
| As at March 31, 2021 | 670.27 | 17,421.08 | 46,255.39 | 190.26 | 511.83 | 184.55 | 65,233.37 | 10,591.52 | 10,591.52 | 75,824.89 |

Notes

- The lease hold land at Faridabad, having gross block of ₹ 10.18 and net written down value of ₹ 5.76 lakhs, is yet to be registered in the name of the Company. The Company has obtained "no objection certificate" from the lessor to get registration of the same in the name of Company.
- The lease hold land includes land located at Chennai, Sanand and Pune acquired under Business Combination having Gross Block of ₹ 7,215.31 lakhs and Net written down of ₹ 6,812.93 lakhs which are in the name of acquiree companies i.e. JBM Auto System Private Limited and JBM MA Automotive Private Limited.
- Land at Banchari of Rs. 33.44 Lakhs is donated to Gram Panchayat Banchari for change of land use due to the requirement of local laws.
- Certain borrowings of the Company have been secured against Property, Plant and Equipment. (Refer Note No. 17 & 22)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 3(b) : INTANGIBLE ASSETS

| Particulars | Technical Knowhow | Computer Software | Prototype | License Fees | Total |
|---------------------------------|-------------------|-------------------|------------------|-----------------|------------------|
| Gross Block | | | | | |
| As at April 01, 2019 | 791.42 | 349.01 | 8,403.37 | 1,259.73 | 10,803.53 |
| Additions | 119.71 | 53.82 | 1,950.04 | - | 2,123.57 |
| Disposals | - | - | (59.57) | - | (59.57) |
| As at March 31, 2020 | 911.13 | 402.83 | 10,293.84 | 1,259.73 | 12,867.53 |
| Additions | - | 137.19 | 3,671.24 | - | 3,808.43 |
| Disposals | - | - | - | - | - |
| As at March 31, 2021 | 911.13 | 540.02 | 13,965.08 | 1,259.73 | 16,675.96 |
| Accumulated Amortization | | | | | |
| As at April 01, 2019 | 653.43 | 215.71 | 1,412.18 | 421.17 | 2,702.49 |
| Charged For the year | 66.34 | 90.89 | 951.55 | 140.68 | 1,249.46 |
| On Disposals | - | - | (7.82) | - | (7.82) |
| As at March 31, 2020 | 719.77 | 306.60 | 2,355.92 | 561.85 | 3,944.13 |
| Charged For the year | 70.08 | 74.91 | 1,200.85 | 140.68 | 1,486.52 |
| On Disposals | - | - | - | - | - |
| As at March 31, 2021 | 789.84 | 381.50 | 3,556.77 | 702.53 | 5,430.65 |
| Net Block | | | | | |
| As at March 31, 2020 | 191.36 | 96.24 | 7,937.92 | 697.88 | 8,923.40 |
| As at March 31, 2021 | 121.29 | 158.52 | 10,408.31 | 557.20 | 11,245.32 |

Note 4 : DEPRECIATION AND AMORTIZATION EXPENSE

| Particulars | For the Year Ended 31st March 2021 | For the Year Ended 31st March 2020 |
|--|------------------------------------|------------------------------------|
| Depreciation/Amortization on Property, Plant & Equipment | 6,069.22 | 6,135.59 |
| Amortization on Intangible Assets | 1,486.52 | 1,249.46 |
| | 7,555.74 | 7,385.05 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| NON CURRENT FINANCIAL ASSETS (Carried at amortised cost, unless stated otherwise) | | |
| NOTE 5 : NON CURRENT INVESTMENTS | | |
| Investment in Equity Instruments | | |
| Subsidiaries (At cost) | | |
| 50,010 (PY : 50,010) Equity Shares of ₹ 10/- each fully paid up of MH Ecolife Emobility Private Limited | 5.00 | 5.00 |
| 10,000 (PY : Nil) Equity Shares of ₹ 10/- each fully paid up of JBM Ecolife Mobility Private Limited | 1.00 | - |
| 1,96,44,800 (PY : Nil) Equity Shares of ₹ 10/- each fully paid up of JBM Electric Vehicles Private Limited | 1,964.48 | - |
| 4,00,000 (PY : Nil) Equity Shares of ₹ 10/- each fully paid up of INDO Toolings Private Limited | 49.30 | - |
| Sub Total | 2,019.78 | 5.00 |
| Joint Ventures (At Cost) | | |
| 1,19,84,657 (PY : 1,19,84,657) Equity Shares of ₹ 10/- each fully paid up of JBM Solaris Electric Vehicles Private Limited | 1,198.46 | 1,198.46 |
| 1,12,19,994 (PY : 1,12,19,994) Equity Share of ₹ 10/- each fully paid up of JBM Ogihara Automotive India Limited | 1,122.00 | 1,122.00 |
| 1,11,66,000 (PY : 1,11,66,000), Equity Shares of ₹ 10/- each fully paid up of JBM Ogihara Die Tech Private Limited | 1,116.60 | 1,116.60 |
| 1,55,000 (PY : Nil) Equity Shares of ₹ 10/- each fully paid up of VT Emobility Private Limited | 15.50 | - |
| Nil (PY : 2,00,000) Equity Shares of ₹ 10/- each fully paid up of INDO Toolings Private Limited. | - | 20.00 |
| Sub Total | 3,452.56 | 3,457.06 |
| Associate (At Cost) | | |
| Nil (PY : 26,000) Equity Shares of ₹ 10/- each fully paid up of VT Emobility Private Limited | - | 2.60 |
| Sub Total | - | 2.60 |
| Others (at Fair Value through Profit and Loss) | | |
| 2,123 (PY : 2,123) Equity Shares of ₹ 10/- each fully paid Puvaneswari Enterprises Wind Farms Power Limited | 0.21 | 0.21 |
| 2,230 (PY : 2,230) Equity Shares of ₹ 10/- each fully paid of Premchander Wind Farms Power Limited | 0.22 | 0.22 |
| Nil (PY : 2,260) Equity Shares of ₹ 10/- each fully paid of AFCM Wind Farms Private Limited | - | 0.23 |
| Nil (PY : 1,220) Equity Shares of ₹ 10/- each fully paid of Sarojarajan Green Energy Private Limited | - | 0.12 |
| Nil (PY : 1,220) Equity Shares of ₹ 10/- each fully paid of AJSM Green Energy Private Limited | - | 0.12 |
| 1,00,00,000 (PY : 1,00,00,000) Equity Shares of ₹ 10/- each fully paid of Yorozu JBM Automotive Tamil Nadu Private limited | 1,000.00 | 1,000.00 |
| Sub Total | 1,000.43 | 1,000.90 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| Investment in Preference Shares - Subsidiary (at fair value through Profit and Loss) | | |
| 3,32,500 (PY : Nil) 4% Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid of Indo Toolings Private Limited | 304.04 | - |
| Sub Total | 304.04 | - |
| Joint Venture (at Amortised cost) | | |
| 4,93,498 (PY : Nil) 8% Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid of VT Emobility Private Limited | 493.50 | - |
| Sub Total | 493.50 | - |
| Others (at fair value through Profit and Loss) | | |
| 2,40,000 (PY : 2,40,000) 1% Optionally Convertible Non-Cumulative Redeemable Preference shares of Rs 10 each fully paid at a premium of ₹ 115 per share of Neel Industries Private Limited | 329.35 | 300.00 |
| Sub Total | 329.35 | 300.00 |
| Grand Total | 7,599.66 | 4,765.56 |
| Aggregate amount of unquoted investments | 7,599.66 | 4,765.56 |
| Aggregate amount of impairment in value of investments | - | - |

For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 38

NOTE 6 : LOANS (Unsecured and Considered good)

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| Security deposits | 666.72 | 805.00 |
| Loan to Joint Venture and Subsidiary Company * | 4,765.33 | 850.00 |
| Loan to Others | 200.00 | - |
| Sub Total | 5,632.05 | 1,655.00 |

* For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 38

* Refer Note No. 51

NOTE 7 : OTHER NON CURRENT FINANCIAL ASSETS (Unsecured and Considered good)

| | As at 31st March, 2021 | As at 31st March, 2020 |
|---------------------------------|------------------------|------------------------|
| Share application money given * | 951.96 | - |
| Sub Total | 951.96 | - |

* For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 38

* Refer Note No. 51

NOTE 8 : OTHER NON CURRENT ASSETS (Unsecured, considered good)

| | As at 31st March, 2021 | As at 31st March, 2020 |
|-----------------------|------------------------|------------------------|
| Capital advance | 171.07 | 829.31 |
| Prepaid rent | 27.01 | 28.24 |
| Income tax refundable | 1,486.49 | 1,571.55 |
| Others | 156.06 | 156.06 |
| Sub Total | 1,840.63 | 2,585.16 |

NOTE 9 : INVENTORIES

| | As at 31st March, 2021 | As at 31st March, 2020 |
|------------------------------|------------------------|------------------------|
| Raw materials | 16,817.47 | 15,637.77 |
| Raw materials in transit | 2,006.32 | 660.78 |
| Work in progress (WIP) | 12,678.75 | 10,410.28 |
| Finished goods | 1,548.80 | 662.42 |
| Stores, spares & consumables | 2,153.02 | 2,084.34 |
| Scrap | 241.03 | 99.10 |
| Sub Total | 35,445.39 | 29,554.69 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- The mode of valuation of inventory has been stated in Note No. 2.12
- Certain borrowings of the Company have been secured against inventories (Refer Note No. 17 & 22)
- The cost of inventories recognised as an expense during the year is ₹ 1,42,291.48 lakhs (P.Y ₹ 1,39,034.82 lakhs)

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

CURRENT FINANCIAL ASSETS

(Carried at amortised cost, unless stated otherwise)

NOTE 10 : TRADE RECEIVABLE (Unsecured)

| | | |
|------------------------------------|------------------|-----------|
| - Considered good | 71,074.29 | 49,459.38 |
| - Considered doubtful | 44.67 | 44.96 |
| | 71,118.96 | 49,504.34 |
| Less: Provision for doubtful debts | 44.67 | 44.96 |
| | 71,074.29 | 49,459.38 |

- Certain borrowings of the Company have been secured against Receivables (Refer Note No. 17 & 22)
- Debts amounting to ₹ 0.83 lakhs (PY ₹ 173.73 lakhs) is due by private companies in which director is a director or a member.
- Amount due from related parties ₹ 28,632.75 (PY ₹ 1,294.33 lakhs)

NOTE 11 : CASH AND CASH EQUIVALENTS

| | | |
|----------------------|-----------------|-----------------|
| Cash in hand | 16.77 | 23.50 |
| Balances with banks | | |
| - In Current account | 1,469.80 | 2,164.46 |
| | 1,486.57 | 2,187.96 |

NOTE 12 : OTHER BANK BALANCES

| | | |
|---|---------------|--------------|
| In Fixed Deposit account more than 3 months original maturity but less than 12 month maturity | 232.35 | 31.58 |
| Balances with banks | | |
| - In unpaid dividend account | 23.48 | 23.09 |
| | 255.83 | 54.67 |

NOTE 13 : OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)

| | | |
|------------------------|-----------------|-----------------|
| Claim receivable * | 1,105.00 | 1,105.00 |
| Royalty receivable | 10.24 | 38.95 |
| Interest receivable | 248.77 | 40.36 |
| Other financial assets | 225.74 | 173.98 |
| | 1,589.75 | 1,358.30 |

* Refer Note No. 43

NOTE 14 : OTHER CURRENT ASSETS (Unsecured, considered good)

| | | |
|---|------------------|------------------|
| Subsidy receivable | 2,165.54 | 2,092.57 |
| Balance with statutory/government authorities | 5,160.57 | 1,090.64 |
| Sales tax/VAT recoverable | 4.10 | 4.10 |
| Advance to suppliers | 2,876.22 | 2,826.11 |
| Contract assets | 10,360.95 | 7,265.85 |
| Prepaid expenses | 566.46 | 244.80 |
| Other assets | 51.08 | 61.61 |
| | 21,184.92 | 13,585.68 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| NOTE 15 : EQUITY SHARE CAPITAL | As at 31st March, 2021 | As at 31st March, 2020 |
|--------------------------------|---------------------------|---------------------------|
|--------------------------------|---------------------------|---------------------------|

A. Authorised

| | | |
|---|------------------|------------------|
| 25,20,00,000 (PY : 25,20,00,000) Equity Shares of ₹ 5 /- each | 12,600.00 | 12,600.00 |
| 1,00,00,000 (PY : 1,00,00,000) Preference Shares of ₹ 10/- each | 1,000.00 | 1,000.00 |
| | 13,600.00 | 13,600.00 |

B. Issued, Subscribed and Fully Paid Up

| | | |
|--|-----------------|-----------------|
| 4,72,98,853 (PY : 4,72,98,853) Equity Shares of ₹ 5/- each fully paid up | 2,364.94 | 2,364.94 |
| | 2,364.94 | 2,364.94 |

i) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

| | | |
|--|--------------------|--------------------|
| Number of equity shares outstanding at the beginning of the year | 4,72,98,853 | 4,07,95,364 |
| Add: issued/cancelled during the year * | - | 65,03,489 |
| Number of equity shares outstanding at the end of the year | 4,72,98,853 | 4,72,98,853 |

* Pursuant to merger of JBM Auto System Private Limited ("Subsidiary Company") and JBM MA Automotive Private Limited ("Associate Company") with JBM Auto Limited the Company has issued 65,03,489 equity shares during the financial year 2019-20.

ii) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shareholders holding more than 5% equity shares in the Company. (Refer Note No. 46)

NOTE 16 : OTHER EQUITY

₹ In Lakhs

| | General Reserve | Retained Earnings | Capital Reserve on Merger | Securities Premium | Capital Redemption Reserve | Total |
|---|-----------------|-------------------|---------------------------|--------------------|----------------------------|------------------|
| Balance as at 01.04.2019 | 2,988.31 | 53,961.67 | (14.47) | 4,629.97 | - | 61,565.48 |
| Profit for the year | - | 6,947.43 | - | - | - | 6,947.43 |
| Other comprehensive income/(loss) for the year | - | 0.07 | - | - | - | 0.07 |
| Transfer from retained earnings to Capital Redemption Reserve | - | (500.00) | - | - | 500.00 | - |
| Dividends distributed during the year (including DDT) | - | (1,106.57) | - | - | - | (1,106.57) |
| Balance as at 31.03.2020 | 2,988.31 | 59,302.60 | (14.47) | 4,629.97 | 500.00 | 67,406.41 |
| Profit for the year | - | 5,292.26 | - | - | - | 5,292.26 |
| Other comprehensive income/(loss) for the year | - | (47.92) | - | - | - | (47.92) |
| Dividends distributed during the year* | - | (827.73) | - | - | - | (827.73) |
| Balance as at 31.03.2021 | 2,988.31 | 63,719.21 | (14.47) | 4,629.97 | 500.00 | 71,823.02 |

* During the year 2020-21, the Company has paid dividend of ₹ 1.75 /- per share (PY ₹ 2.25 per share) (on fully paid-up equity share of ₹ 5 each) amounting to ₹ 827.73 lakhs, dividend in PY ₹ 1,106.57 lakhs (including dividend distribution tax thereon of ₹ 188.68 lakhs)

The Board at its meeting held on May 18th, 2021 has recommended a dividend @ 30% i.e. ₹ 1.50 /- per share (on fully paid up equity share of ₹ 5/- each) for the year ended 31st March 2021. This equity dividend is subject to approval by shareholders at the Annual General Meeting. The total estimated equity dividend to be paid is ₹ 709.48 Lakhs.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NON CURRENT FINANCIAL LIABILITIES (Carried at amortised cost, unless stated otherwise)

NOTE 17 : NON CURRENT BORROWINGS

| A. Term Loan from banks (Secured) | | |
|--|------------------|------------------|
| In Rupee* | 25,128.40 | 16,361.47 |
| Vehicle Loans** | 197.74 | 224.65 |
| B. Term loan From Others (Secured)*** | 5,576.24 | 7,968.49 |
| C. Term loan from others (Unsecured) | 562.50 | - |
| | 31,464.88 | 24,554.61 |
| Less: Current Maturities of term loans | 10,194.35 | 8,024.25 |
| | 21,270.53 | 16,530.36 |
| D. Finance lease obligations (unsecured) | 1,699.31 | 668.85 |
| E. Liability component of financial instruments (unsecured) | 2,827.63 | 2,596.91 |
| | 4,526.94 | 3,265.76 |
| Less: | | |
| Current maturities of finance lease obligations | 151.00 | 84.42 |
| Current maturities of liability component of financial instruments | 2,827.63 | 40.00 |
| | 2,978.63 | 124.42 |
| | 1,548.31 | 3,141.34 |
| | 22,818.84 | 19,671.70 |

*Term loan of ₹ 1,445.76 (P.Y ₹ 1,667.00) lakhs is secured by First Pari Passu charge on both moveable and immovable assets at Indore Plant situated at Plot No 157-E, Sec-3, Pithampur Industrial Area, Dhar-454775, Indore, MP. First Pari Passu charge on the property situated at Greater Noida and Faridabad Property. Second Pari Passu charge on all the current assets of the Company both present and future situated at Faridabad, Indore & Greater Noida.

Term loan of ₹ 4,189.57 lakh (P.Y ₹ 4,536.00 lakh) is secured by First Pari Passu charge on moveable fixed assets of the Company both present and future.
Second Pari Passu charge on all the current assets both present & future of the Company.

Term loan of ₹ 1,301.70 lakhs (P.Y ₹ 1,558.25 lakhs) is secured by First Pari Passu charge on the moveable fixed assets of the Chakan, Pune plant of the Company both present & future.
Second Pari Passu charge on the current assets of the Chakan, Pune plant of the Company both present & future.

First Pari Passu charge on the immovable fixed assets of the Company being factory land and building situated at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501

Term loan of ₹ 4,939.03 lakhs (P.Y ₹ 4,968.00 lakhs) is secured by First Pari Passu charge on the moveable fixed assets of the Chakan, Pune plant of the Company both present & future.
Second Pari Passu charge on the current assets of the Chakan, Pune plant of the Company both present & future.

First Pari Passu Charge on the immovable fixed assets of the Company being factory land and building situated at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Term loan of ₹ 715.84 lakhs (P.Y ₹ 1,111.11 Lakhs) is secured by exclusive charge on machinery funded by bank. Asset cover of 1.5x to be maintained.

Term loan of ₹ 3,000.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company both present and future (excluding those exclusively charged to other lenders) with security cover of 1.3x.
Second Pari Passu charge on all the current assets both present & future of the Company (excluding those exclusively charged to other lenders).

Term loan of ₹ 750.00 lakhs (P.Y ₹ 1,000.00 lakhs) is secured by First Pari Passu charge on moveable fixed assets of the Company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.3x.

Term loan of ₹ 5,000.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.5x.
Second pari passu charge on entire current assets (excluding those exclusively charged to other lenders)

Term loan of ₹ 2,500.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.5x.
Second Pari Passu charge on entire current assets (excluding those exclusively charged to other lenders).

Term loan of ₹ 1286.49 lakhs (P.Y ₹ 1,427.62 lakhs) is secured by Primary-First Pari Passu charge on all movable and immovable fixed assets of the Company located at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501 (both present and future) (excluding those exclusively charge to other lenders).
Collateral-Second Pari Passu charge on current assets of the Chakan, Pune plant of the Company (both present and future)

Term loan of ₹ NIL (P.Y ₹ 93.49 lakhs) is secured by First charge on Pari Passu basis on the immovable assets of the Company's plant located at Plot No RNS-1, Renault & Nissan Suppliers Park, SIPCOT Industrial Growth Centre, Oragadam, Tamil Nadu.
First charge on Pari Passu basis on the movable assets (except those exclusively charge to term lenders and Ford India) of the Company's Plant located at Plot No RNS-1, Renault & Nissan Suppliers Park, SIPCOT Industrial Growth Centre, Oragadam, Tamil Nadu.

First charge on the movable assets (except those exclusively charged to Term Lenders and Ford India) of the Company's MM Nagar Plant Located at 1 Ford Suppliers Park, S.P Koil post, Chengalpattu Taluk, Kanchipuram - 603204 (Tamil Nadu).
First charge on the movable assets (except those exclusively charged to Term Lenders and Ford India) of the Company's plant located at Hosur - Plot No. 31, SIPCOT Industrial Complex, Phase - I, Mookandpilli, Hosur - 635126, Tamil Nadu.

** Secured by hypothecation of respective vehicle financed

*** Term loan of ₹ 2,867.39 lakhs (P.Y ₹ 3,750.00 lakhs) has Pari Passu charge on Movable Fixed Assets of the Company with a minimum asset cover of 1.30X.

Term loan of ₹ 2,708.85 lakhs (P.Y ₹ 3,593.49 lakhs) is secured by Pari Passu charge on Movable & immovable Fixed assets of the Company located at MM Nagar, Oragadam units (Tamil Nadu) with Minimum assets cover of 1.3x

Term loan of ₹ Nil (P.Y ₹ 625.00 lakhs) is secured by Exclusive charge on Plant and Machinery of the borrower with a minimum asset cover of 1.50X.
Second Pari Passu charge on all the current assets of the Sanand unit of the borrower, both Present and future.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Maturity Profile

| Term of Repayment of Loan | Balance as at 31.03.2021 (₹ In Lakhs) | No. of yearly/ Quarterly/ Monthly Instalments | Balance Instalment as at 31.03.2021 (Nos.) | Rate of Interest |
|---------------------------|---------------------------------------|---|--|------------------|
| Term Loan from Banks | 1,445.76 | 18 Quarterly | 10 | MCLR Linked Rate |
| Term Loan from Banks | 4,189.57 | 18 Quarterly | 16 | MCLR Linked Rate |
| Term Loan from Banks | 1,301.70 | 16 Quarterly | 8 | MCLR Linked Rate |
| Term Loan from Banks | 4,492.63 | 16 Quarterly | 13 | MCLR Linked Rate |
| Term Loan from Banks | 446.40 | 15 Quarterly | 12 | MCLR Linked Rate |
| Term Loan from Banks | 715.84 | 18 Quarterly | 5 | MCLR Linked Rate |
| Term Loan from Banks | 3,000.00 | 8 Quarterly | 8 | MCLR Linked Rate |
| Term Loan from Banks | 750.00 | 16 Quarterly | 12 | MCLR Linked Rate |
| Term Loan from Banks | 5,000.00 | 14 Quarterly | 14 | MCLR Linked Rate |
| Term Loan from Banks | 2,500.00 | 10 Quarterly | 10 | MCLR Linked Rate |
| Term Loan from Banks | 574.44 | 25 Quarterly | 14 | MCLR Linked Rate |
| Term Loan from Banks | 712.05 | 17 Quarterly | 11 | MCLR Linked Rate |
| Total | 25,128.40 | | | |
| Term Loan from Others | 2,867.39 | 17 Quarterly | 10 | MCLR Linked Rate |
| Term Loan from Others | 1,275.16 | 17 Quarterly | 9 | MCLR Linked Rate |
| Term Loan from Others | 1,433.69 | 17 Quarterly | 10 | MCLR Linked Rate |
| Term Loan from Others | 562.50 | 24 Monthly | 18 | MCLR Linked Rate |
| Total | 6,138.74 | | | |

Vehicle Loan from bank are payable in 60 monthly equal instalments respectively from the date of disbursements carrying interest rate @ 8.55%-8.70% per annum

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| | | |

NOTE 18 : OTHER NON CURRENT FINANCIAL LIABILITIES

| | | |
|---------------------------|--------------|---------------|
| Payable for Capital Goods | 93.28 | 543.46 |
| | 93.28 | 543.46 |

NOTE 19 : PROVISIONS

| | | |
|---------------------------------|-----------------|-----------------|
| Provision for employee benefits | 1,184.05 | 1,067.90 |
| | 1,184.05 | 1,067.90 |

NOTE 20 : DEFERRED TAX LIABILITY (NET)

Deferred tax liability

| | | |
|--|------------------|------------------|
| Related to property, plant and equipment and intangible assets | 11,168.85 | 11,491.17 |
| IND AS 115 application | 849.18 | 478.06 |
| Total (A) | 12,018.03 | 11,969.23 |
| Deferred tax asset | | |
| Provision for doubtful debts | (15.61) | (15.71) |
| Claim under Section 43B of Income Tax Act 1961 | (656.29) | (594.18) |
| Total (B) | (671.90) | (609.89) |
| Total (A+B) | 11,346.13 | 11,359.35 |
| MAT Credit available | (1,117.23) | (2,568.10) |
| Deferred tax liability/(asset) (net) | 10,228.90 | 8,791.25 |

Deferred tax liability & deferred tax assets has been offset as they relate to the same government taxation laws.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Major components of deferred tax liability/(assets) arising on account of temporary difference are as follows:

₹ In Lakhs

| | As at 01.04.2020 | Movement during the year | As at 31.03.2021 |
|--|------------------|--------------------------|------------------|
| Related to property, plant and equipment and intangible assets | 11,491.17 | (322.32) | 11,168.85 |
| IND AS 115 application | 478.06 | 371.12 | 849.18 |
| Provision for doubtful debts | (15.71) | 0.10 | (15.61) |
| Claim under Section 43B of Income Tax Act 1961 | (594.18) | (62.11) | (656.29) |
| MAT Credit available | (2,568.10) | 1,450.87 | (1,117.23) |
| Total | 8,791.25 | 1,437.65 | 10,228.90 |

| | As at 01.04.2019 | Movement during the year | As at 31.03.2020 |
|--|------------------|--------------------------|------------------|
| Related to property, plant and equipment and intangible assets | 9,654.16 | 1,837.01 | 11,491.17 |
| IND AS 115 application | - | 478.06 | 478.06 |
| Provision for Doubtful debts | (15.71) | - | (15.71) |
| Claim under Section 43B of Income tax Act | (490.40) | (103.78) | (594.18) |
| MAT Credit available | (2,193.38) | (374.72) | (2,568.10) |
| Total | 6,954.67 | 1,836.58 | 8,791.25 |

NOTE 21 : OTHER NON CURRENT LIABILITIES

| | As at 31st March, 2021 | As at 31st March, 2020 |
|---|------------------------|------------------------|
| Deferred component of financial instruments | - | 143.91 |
| Deferred Government grant | 291.30 | 373.22 |
| | 291.30 | 517.13 |

CURRENT FINANCIAL LIABILITIES

(Carried at amortised cost)

NOTE 22 : CURRENT BORROWINGS

A. Loan Repayable on Demand from Banks (Secured)*

| | | |
|-------------|-------|----------|
| Cash Credit | 33.77 | 5,289.36 |
|-------------|-------|----------|

B. Others Loans From Banks (Secured)*

| | | |
|---------------------------------|------------------|------------------|
| Working capital demand loans | 32,606.00 | 19,800.00 |
| Bill discounting/PO financing | 1,062.06 | 1,674.25 |
| Suppliers credit/Buyer's credit | 4,607.64 | 2,404.69 |
| | 38,309.47 | 29,168.30 |

C. Loans Repayable on Demand from Banks (Unsecured)

| | | |
|-------------------------------|------------------|------------------|
| MSME discounting | 1,654.24 | - |
| Bill discounting/PO financing | 8,203.03 | 5,746.65 |
| | 9,857.27 | 5,746.65 |
| | 48,166.74 | 34,914.95 |

Secured by hypothecation on Pari Passu interse between banks by way of First Pari Passu Charge on Current Assets of the Company both present and future. Second Pari Passu Charge on Movable Fixed Assets of the Company both present and future. (Excluding those have exclusive charge to the term lenders.)

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE 23 : TRADE PAYABLES*

| | | |
|--|------------------|------------------|
| Total Outstanding Dues of Micro and Small Enterprises | 1,611.62 | 666.25 |
| Total Outstanding Dues of Creditors other than Micro and Small Enterprises | 56,706.99 | 39,348.96 |
| | 58,318.61 | 40,015.21 |

*Refer Note No. 44

NOTE 24 : OTHER CURRENT FINANCIAL LIABILITIES

| | | |
|--|------------------|-----------------|
| Current maturities of liability component of financial instruments | 2,827.63 | 40.00 |
| Current maturities of finance lease obligations | 151.00 | 84.42 |
| Current maturities of term loans | 10,194.35 | 8,024.25 |
| Interest accrued but not due on borrowings | 255.57 | 212.52 |
| Interest accrued and due on borrowings | 0.18 | 0.08 |
| Unpaid/unclaimed dividend | 23.48 | 23.09 |
| Payable for capital goods | 1,234.87 | 499.28 |
| Employee related Liabilities | 1,559.30 | 776.91 |
| Security deposits | 259.03 | 205.38 |
| | 16,505.41 | 9,865.93 |

NOTE 25 : OTHER CURRENT LIABILITIES

| | | |
|--|------------------|------------------|
| Deferred component of financial instruments | 143.91 | 196.72 |
| Statutory dues payable | 2,453.12 | 1,403.32 |
| Advance from customers | 9,786.84 | 12,699.23 |
| Deferred Government grant | 81.93 | 81.93 |
| Others (including advance from employees for vehicles) | 325.29 | 288.81 |
| | 12,791.09 | 14,670.01 |

NOTE 26 : PROVISIONS

| | | |
|---------------------------------|---------------|---------------|
| Provision for employee benefits | 273.20 | 269.82 |
| Provision for warranty * | 116.82 | 47.34 |
| | 390.02 | 317.16 |

* Refer Note No. 49

| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|---|---|
|--|---|---|

NOTE 27 : REVENUE FROM OPERATIONS*

| | | |
|-------------------------|--------------------|--------------------|
| Sale of products | 1,78,552.53 | 1,76,494.31 |
| Sale of services | 4,172.07 | 4,336.78 |
| Other operating revenue | 13,833.99 | 13,841.88 |
| | 1,96,558.59 | 1,94,672.97 |

* Refer Note No. 48

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|---|---|
|--|---|---|

NOTE 28 : OTHER INCOME

| | | |
|---|-----------------|-----------------|
| Rent | 51.00 | 108.27 |
| Interest on security and other deposits * | 264.18 | 144.07 |
| Profit on sale of Property, Plant and Equipment | - | 44.53 |
| Profit on fair valuation of investment in shares | 0.89 | - |
| Royalty | 11.68 | 65.79 |
| Subsidy | 665.84 | 513.00 |
| Deferred Income on deferred component of financial instrument | 196.72 | 369.20 |
| Miscellaneous income | 112.17 | 296.09 |
| | 1,302.48 | 1,540.95 |

| | | |
|--|--------|--------|
| * In relation to financial assets classified at amortised cost | 264.18 | 144.07 |
|--|--------|--------|

NOTE 29 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

| | | |
|---|-------------------|-------------------|
| Opening inventories : | | |
| Work in Progress | 10,410.28 | 6,295.78 |
| Finished goods | 662.42 | 726.56 |
| | 11,072.70 | 7,022.34 |
| Less : Closing inventories : | | |
| Work in Progress | 12,678.75 | 10,410.28 |
| Finished goods | 1,548.80 | 662.42 |
| | 14,227.55 | 11,072.70 |
| (Increase)/Decrease in Finished Goods and Work in Progress | (3,154.85) | (4,050.36) |

NOTE 30 : EMPLOYEE BENEFITS EXPENSE

| | | |
|---|------------------|------------------|
| Salaries & wages | 19,620.45 | 19,534.34 |
| Contribution to provident and other funds | 881.97 | 884.15 |
| Staff welfare expenses | 1,306.53 | 1,237.22 |
| | 21,808.95 | 21,655.71 |
| Less: Transferred to Project Commissioned/under Commissioning | 1,664.93 | 1,257.07 |
| | 20,144.02 | 20,398.64 |

NOTE 31 : FINANCE COSTS

| | | |
|---|-----------------|-----------------|
| Interest on borrowings | 5,628.17 | 6,041.90 |
| Interest on liability component of financial instruments | 270.71 | 538.96 |
| Interest- others | 105.26 | 137.27 |
| Other borrowing costs | 225.24 | 136.61 |
| Exchange difference regarded as an adjustment to borrowings costs | - | 42.61 |
| | 6,229.38 | 6,897.35 |
| Less: Transferred to Project Commissioned/under Commissioning | 565.65 | 470.42 |
| | 5,663.73 | 6,426.93 |
| In relation to financial liabilities classified at amortised cost | 5,898.88 | 6,580.86 |

The weighted average rate for capitalisation of interest relating to general borrowings was approximately 8.48% and 9.85% for the years ended March 31, 2021 and 2020, respectively.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|-------------------------------------|-------------------------------------|
| NOTE 32 : OTHER EXPENSES | | |
| Stores consumed | 1,562.32 | 1,357.24 |
| Manufacturing expenses | 5,365.83 | 4,247.07 |
| Power & fuel | 3,215.34 | 3,353.14 |
| Packing materials consumed | 416.21 | 503.02 |
| Rent | 123.81 | 200.17 |
| Rates & taxes | 351.55 | 332.09 |
| Insurance | 174.13 | 99.41 |
| Repair & Maintenance: | | |
| -Building | 183.80 | 116.35 |
| -Machinery & Others | 2,847.24 | 2,194.49 |
| Loss on sale of property, plant and equipment (net) | 42.06 | - |
| Freight and forwarding charges | 2,252.68 | 1,809.87 |
| Exchange fluctuation (net) | 345.77 | 60.01 |
| Royalty | 48.81 | 53.60 |
| Other administrative expenses | 2,154.96 | 2,219.48 |
| | 19,084.51 | 16,545.94 |
| Less: Transferred to Project Commissioned/under Commissioning | 257.52 | 858.44 |
| | 18,826.99 | 15,687.50 |

NOTE 33 : INCOME TAX EXPENSE

| | | |
|---|-----------------|-----------------|
| (a) Income tax expense recognised in Statement of Profit and Loss | | |
| Current tax expense | 2,868.81 | 1,921.53 |
| Minimum Alternate Tax credit entitlement | - | (374.72) |
| Deferred tax charge/(credit) | (13.32) | 2,211.30 |
| Earlier Years | 57.13 | 42.29 |
| | 2,912.62 | 3,800.40 |
| (b) Income tax expense recognised in Other Comprehensive Income | | |
| Income tax expense/(income) on Remeasurement of Defined Benefit Obligations | (25.74) | 0.03 |
| | (25.74) | 0.03 |
| | 2,886.88 | 3,800.43 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

₹ In Lakhs

| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|-------------------------------------|-------------------------------------|
| Profit before tax | 8,204.88 | 10,747.83 |
| At country's statutory income tax rate (CY : Normal Tax Rate , PY: MAT Rate) | 34.94% | 17.47% |
| Computed tax expense | 2,866.79 | 1,877.86 |
| Tax Effect of : | | |
| Effect of disallowance and allowances | 2.02 | 43.67 |
| Current Tax Provision (A) | 2,868.81 | 1,921.53 |
| MAT Credit entitlement (B) | - | (374.72) |
| Deferred Tax Expense | | |
| Incremental Deferred Tax (Asset)/ Liability on account of Property, Plant and Equipment and Intangible assets | (322.32) | 1,837.01 |
| Incremental Deferred Tax (Assets) / Liability on account of Temporary Allowances/ Disallowances under income Tax Act , 1961 | 309.00 | 374.29 |
| Deferred Tax Expense (c) | (13.32) | 2,211.30 |
| Adjustment in respect to taxes earlier years (D) | 57.13 | 42.29 |
| Total tax expense recognised in Statement of Profit and Loss (A+B+C+D) | 2,912.62 | 3,800.40 |

₹ In Lakhs

| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|-------------------------------------|-------------------------------------|
| | | |

NOTE 34 : OTHER COMPREHENSIVE INCOME

| | | |
|--|----------------|-------------|
| Items that will not be reclassified to profit or loss | | |
| (i) Gains/(losses) on defined benefits plans | (73.66) | 0.10 |
| (ii) Income tax expense on gain/(loss) on defined benefit plan | 25.74 | (0.03) |
| | (47.92) | 0.07 |

NOTE 35: EARNING PER SHARE

Basic earning per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, unless the effect of potential dilutive equity share is antidilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--|----------------------------------|----------------------------------|
| Profit after tax attributable to owners of the Company (₹ in Lakhs) | 5,292.26 | 6,947.43 |
| - Weighted Average Number of Equity Shares (Outstanding during the year)* | 4,72,98,853 | 4,72,98,853 |
| - Face Value of share (₹) | 5.00 | 5.00 |
| | | |
| Basic Earning per share (Amount in ₹) | 11.19 | 14.69 |
| Diluted Earning per share (Amount in ₹) | 11.19 | 14.69 |

* includes 65,03,489 shares issued pursuant to Merger in FY 19-20

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 36 : CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

(Claims against the Company not acknowledged as debts)

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| a Income Tax Matters* | 548.72 | 5,936.61 |
| b Excise and Service Tax Matters** | 714.12 | 845.51 |
| c Sales Tax and VAT Matters | 120.42 | 5.51 |
| d GST Matters*** | 16.28 | - |
| e Custom Matters **** | 27.02 | - |
| f Provident Fund Matters # | 233.89 | 233.89 |
| g Other money for which the Company is contingently liable | 7.96 | 7.65 |
| h MIDC Demand for Delayed Interest & Differential Land Premium^ | 131.65 | 131.65 |

It is not practicable for the Company to estimate the timings and amount of Cash Outflows, if any, in respect of the above pending resolution of the respective proceedings.

*The Company is having pending demand of ₹ 94.76 Lakhs (P.Y ₹ 5,445.64 Lakhs) under the block assessment under section 153A/143(3) of the Income Tax Act for the AY 2008-09 to 2018-19 after the Appellate order by Hon'ble Commissioner of Income Tax (A) An appeal has been filed by the Company before Income Tax Appellate Tribunal, Delhi against the balance demand of ₹ 94.76 Lakhs. The Company has been advised that the said demand is not tenable and likely to be deleted and no liability is envisaged against the Company. Accordingly no provision is considered necessary.

** Against this, an amount of ₹ 20.73 Lakhs (P.Y. ₹ 21.76 Lakhs) has been deposited.

*** Against this, an amount of ₹ 4.90 Lakhs (P.Y. ₹ Nil) has been deposited.

**** Against this, an amount of ₹ 18.50 Lakhs (P.Y. ₹ Nil) has been deposited.

Against this, an amount of ₹ 93.56 lakhs (PY ₹ 93.56 Lakhs) has been deposited.

^ Against this, an amount of ₹ 83.25 Lakhs (PY ₹ 83.25 Lakhs) has been deposited.

B. Commitments

| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Property, Plant and Equipment | 1,650.49 | 2,449.31 |

C. Other Commitments

| Particulars | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Letter of credit issued by bankers and outstanding | 5,397.59 | 2,174.92 |
| Bank Guarantees | 4,161.00 | 30.00 |
| Corporate Bank Guarantee Given | 3,240.00 | - |

D. Other Pending Litigation:

The Company has filed legal suit against one of the customer for recovery of dues amounting to ₹ 340.80 Lakhs (including damage charges). The matter is pending before Hon'ble commercial court at Ahmedabad. The Company expects to recover the same.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 37 : AUDITOR'S REMUNERATION (EXCLUDING GST)

| Statutory Auditors | 31-Mar-21 | 31-Mar-20 |
|------------------------------|-----------|-----------|
| A) Statutory Audit Fees | 38.50 | 38.50 |
| B) Tax Audit Fees | 9.20 | 9.20 |
| C) Taxation Matters | - | 4.77 |
| D) Other Services | 10.80 | 9.45 |
| E) Reimbursement of expenses | - | 1.53 |

NOTE 38 : DISCLOSURE REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follow:

Details of Investment made by the Company are as follows:

| S. No. | Name of Investee Company | Class of Share | No. of Shares | (₹ in Lakhs) | Stake (%) in Investee Company after considering investment made during the year |
|--------|---|----------------|---------------|-----------------|---|
| 1 | JBM Ecolife Mobility Private Limited * | Equity | 10,000 | 1.00 | 100% of Equity Shares |
| 2 | JBM Electric Vehicles Private Limited * | Equity | 1,96,44,800 | 1,964.48 | 100% of Equity Shares |
| 3 | INDO Toolings Private Limited ** | Equity | 2,00,000 | 29.30 | 100% of Equity Shares |
| 4 | VT Emobility Private Limited *** | Equity | 1,29,000 | 12.90 | 62% of Equity Shares |
| 5 | VT Emobility Private Limited | Preference | 4,93,498 | 493.50 | 62% of Preference Shares |
| 6 | INDO Toolings Private Limited | Preference | 3,32,500 | 332.50 | 50 % of Preference Shares |
| | Total | | | 2,833.68 | |

Note : In addition to the above, the Company has given share application money amounting to ₹ 951.96 Lakhs to VT Emobility Private Limited which is pending for allotment as at 31st March 2021.

* During the year, the Company has invested ₹ 1.00 Lakhs in equity shares of JBM Ecolife Mobility Private Limited being 100% stake and ₹ 1,964.48 Lakhs in equity shares of JBM Electric Vehicles Private Limited being 100% stake in the Company.

** During the year, Indo Toolings Private Limited became the subsidiary of the Company w.e.f. 09th October 2020. Upto 08th October 2020, it was a Joint Venture Company.

*** During the year, VT Emobility Private Limited became the Joint Venture of the Company w.e.f. 20th March 2021. Upto 19th March 2021, it was an Associate Company.

ii) Details of loans given by the Company are as follow:

| S No | Name of Party | Amount (₹ in Lakhs) | O/S Balance as on 31.03.2021 (₹ in Lakhs) | Purpose |
|-------------|---|---------------------|---|--------------------|
| i) | Loan to Subsidiaries | | | |
| 1 | JBM Electric Vehicles Private Limited | 4,455.33 | 3,915.33 | Business Expansion |
| 2 | MH Ecolife Emobility Private Limited | 50.00 | - | Business Expansion |
| ii) | Loan to Joint Ventures | | | |
| 1 | VT Emobility Private Limited | 186.89 | - | Business Expansion |
| 2 | JBM Solaris Electric Vehicles Private Limited | - | 850.00 | Business Expansion |
| iii) | Loan to others | | | |
| 1 | JBM Green Energy Systems Private Limited | 200.00 | 200.00 | Business Expansion |
| | Total | 4,892.22 | 4,965.33 | |

iii) Details of guarantees given by the Company are as follow:

| S No | Name of Party | Guarantees Given (₹ in Lakhs) | O/S Balance of Guarantees as on 31.03.2021 (₹ in Lakhs) | Purpose |
|-------------|--|-------------------------------|---|--------------------|
| i) | Bank Guarantee for Subsidiary | | | |
| 1 | MH Ecolife Emobility Private Limited | 2,100.00 | 2,100.00 | Business Expansion |
| ii) | Bank Guarantee for Joint Venture | | | |
| 1 | VT Emobility Private Limited | 2,061.00 | 2,061.00 | Business Expansion |
| iii) | Corporate Guarantee for Joint Venture | | | |
| 1 | VT Emobility Private Limited | 3,240.00 | 3,240.00 | Business Expansion |
| | Total | 7,401.00 | 7,401.00 | |

NOTE 39 : SEGMENT INFORMATION

As per Indian Accounting Standard (Ind AS) 108 on "Operating Segment" segment information has been provided under Notes to Consolidated Financial Statement.

NOTE 40 : EXPENDITURE INCURRED BY IN HOUSE RESEARCH & DEVELOPMENT CENTRE APPROVED BY DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH ON SCIENTIFIC RESEARCH DURING THE YEAR IS AS UNDER:

₹ In Lakhs

| Particulars | Year Ended 31st March 2021 | Year Ended 31st March 2020 |
|---------------------|----------------------------|----------------------------|
| Revenue Expenditure | 2,704.38 | 2,311.58 |
| Capital Expenditure | 125.49 | 117.96 |
| Total | 2,829.87 | 2,429.54 |

NOTE 41 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

₹ In Lakhs

| Particulars | | 31-Mar-21 | 31-Mar-20 |
|--|----------------|-------------------------------|--------------|
| (i) Gross amount required to be spent by the Company during the year | | 263.79 | 224.88 |
| (ii) Amount spent during the year ending on March 31, 2021: | In cash | Yet to be paid in cash | Total |
| 1. Construction/acquisition of any asset | - | - | - |
| 2. On purposes other than (i) above | | | |
| - Others (Skill Development Centre)* | 266.73 | - | 266.73 |
| (ii) Amount spent during the year ending on March 31, 2020: | | | |
| 1. Construction/acquisition of any asset | - | - | - |
| 2. On purposes other than (i) above | | | |
| - Others (Skill Development Centre)* | 228.49 | - | 228.49 |

* The Company has set up Skill Development Centre to enhance employability in society thereby increasing availability of skilled personnel for the Company and society at large.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 42 : DURING THE YEAR, THE FOLLOWING EXPENDITURE HAS BEEN CAPITALIZED IN OEM DIVISION:

₹ In Lakhs

| Nature of expenses | Capitalized from opening CWIP | Capitalized from C Y Expenses | Total Capitalized |
|--------------------|--------------------------------|-------------------------------|--------------------------------|
| Manpower Cost | 884.01 (439.33) | 1,057.24 (431.70) | 1,941.25 (871.02) |
| Finance Cost | 253.41 (157.25) | 236.77 (95.63) | 490.18 (252.87) |
| Other Expenses | 757.38 (438.80) | 411.85 (300.60) | 1,169.23 (739.40) |
| Total | 1,894.80 (1,035.38) | 1,705.86 (827.92) | 3,600.66 (1,863.30) |

Note: Figures in brackets represents previous year's amounts

NOTE 43 : Claim receivable represents ₹ 1,105 lakhs (P.Y. ₹ 1,105 lakhs) receivable from one of the customer against the claim made for compensation, on account of loss for the underutilisation of resources due to less volume purchase by the customer.

NOTE 44 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| (i) the principal amount remaining unpaid to any supplier as at the end of each accounting year | 1,611.62 | 666.25 |
| (ii) the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | Nil | Nil |
| (iii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | Nil | Nil |
| (iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | Nil | Nil |
| (v) the amount of interest accrued and remaining unpaid at the end of each accounting year | Nil | Nil |
| (vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 | Nil | Nil |

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 45 : Cost of materials consumed has been computed by adding purchase to the opening stock and deducting closing stock.

NOTE 46 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARE CAPITAL

₹ In Lakhs

| Name of Shareholders | 31-Mar-21 | | 31-Mar-20 | |
|--|---------------|-----------|---------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| SMC Credit Limited | 77,35,101 | 16.35 | 76,97,299 | 16.27 |
| A to Z Securities Limited | 55,23,160 | 11.68 | 55,23,160 | 11.68 |
| Zeal Impex & Traders Private Limited | 40,18,968 | 8.50 | 40,18,968 | 8.50 |
| Amity Infotech Private Limited | 40,00,000 | 8.46 | 40,00,000 | 8.46 |
| JBM Builders Private Limited | 30,30,832 | 6.41 | 30,30,832 | 6.41 |
| Shuklamber Exports Limited | 34,24,824 | 7.24 | 34,24,824 | 7.24 |
| ANS Holding Private Limited | 41,65,996 | 8.81 | 41,65,996 | 8.81 |

NOTE 47 : LEASES**COMPANY AS LESSEE**

The Company's leases primarily consists of leases for land. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term.

(i) Amounts recognised in the Balance Sheet

₹ In Lakhs

| The balance sheet shows the following amounts relating to the leases: | 31-Mar-21 | 31-Mar-20 |
|---|------------------|-----------------|
| Right-of-use assets: | | |
| Land | 10,591.52 | 9,702.07 |
| Total | 10,591.52 | 9,702.07 |

Additions to the Right-of-use asset during the year were ₹ 1,127.66 Lakhs (PY : ₹ 1,134.86 Lakhs)

(ii) Maturity analysis of lease liabilities:

₹ In Lakhs

| Lease liabilities (Discounted Cash Flows) | 31-Mar-21 | 31-Mar-20 |
|---|-----------------|---------------|
| Current | 151.00 | 84.42 |
| Non-Current | 1,548.31 | 584.42 |
| Total | 1,699.31 | 668.85 |

Maturity analysis-Contractual Undiscounted Cash Flows

₹ In Lakhs

| | 31-Mar-21 | 31-Mar-20 |
|--|-----------------|-----------------|
| Within one year | 152.15 | 84.42 |
| Later than one year but less than five years | 730.94 | 344.24 |
| Later than five years | 5,197.73 | 2,900.41 |
| Total | 6,080.82 | 3,329.07 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iii) Amounts recognised in the statement of profit and loss

The Statement of Profit and Loss shows the following amounts relating to leases:

₹ In Lakhs

| | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| Depreciation charge of right-of use assets (land) | 238.21 | 178.87 |
| Interest expense on lease liabilities (included in finance cost) | 71.00 | 68.10 |
| Expense relating to short term and low value leases (included in other expense) | 123.81 | 200.17 |

The total cash outflow for leases for the year ended 31 March, 2021 were ₹ 292.01 Lakhs (PY : ₹ 283.95 Lakhs)

(iv) Extension and termination option

Extension and termination options are included in some of the leases executed by the Company. These are used to maximise operational flexibility in terms of managing the assets used in Company's operations. Generally, these options are exercisable mutually by both the lessor and the lessee.

(v) There are no restrictions imposed by the lease agreements. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(vi) Incremental borrowing rate of 9.20%-10.50% p.a. has been applied for measuring the lease liability at the date of initial application.

(vii) The Company has sub-leased part of land. Income from sub-leasing right-of-use assets is ₹ 51.00 lakhs (PY ₹ 108.27 lakhs).

NOTE 48 : REVENUE FROM CONTRACTS WITH CUSTOMERS**(a) Revenue from contracts with customers disaggregated based on nature of product or services**

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 |
|--------------------------------------|--------------------|--------------------|
| Revenue from Sale of Products | | |
| Components | 1,12,987.00 | 1,29,060.33 |
| Tool & Dies | 19,909.87 | 24,654.39 |
| Buses | 45,655.65 | 22,779.59 |
| Other | - | - |
| | 1,78,552.53 | 1,76,494.31 |
| Revenue from Sale of Services | | |
| Components | 2,995.94 | 2,701.82 |
| Tool & Dies | 932.03 | 561.99 |
| Buses | 244.10 | 1,072.97 |
| Other | - | - |
| | 4,172.07 | 4,336.78 |
| Other Operating Revenue | | |
| Components | 13,345.84 | 13,689.53 |
| Tool & Dies | 345.25 | 45.56 |
| Buses | 66.61 | 46.84 |
| Others | 76.30 | 59.95 |
| | 13,833.99 | 13,841.88 |
| Total | 1,96,558.59 | 1,94,672.97 |

(b) The table below represents summary of contract assets and liabilities relating to contracts with customers:

| | As at 31 March 2021 | As at 31 March 2020 |
|-----------------------|---------------------|---------------------|
| Receivables | 71,074.29 | 49,459.38 |
| Contract assets | 10,360.95 | 7,265.85 |
| Contract liabilities* | 4,732.62 | 11,965.53 |

* included in Advance from Customers

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Movement of contract liability for the period given below : ₹ In Lakhs

| Particulars | For the year ended 31.03.2021 | For the year ended 31.03.2020 |
|---|-------------------------------|-------------------------------|
| Contract liability at the beginning | 11,965.53 | 2,942.12 |
| Add/(less) | | |
| Consideration received during the year as advance | 4,621.05 | 11,950.53 |
| Revenue recognised from contract liability | (11,853.96) | (2,927.12) |
| Contract liability at the end | 4,732.62 | 11,965.53 |

Payment is received in advance towards contract entered with customers and is recognised as a contract liability. As and when the performance obligation is met, the same is recognised as revenue

c) The amounts receivable from customers become due after expiry of credit period which ranges from 30 to 180 days. There is no significant financing component in any transaction with the customers.

d) Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product in component division is satisfied at a point in time or over the period of time depending upon nature of contract.

Revenue from Tooling Business is recognized over time by measuring progress towards satisfaction of performance obligation and it determined that the input method is the best method for measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Revenue from OEM Division (Sale of Buses) is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of Bus in OEM division is satisfied at a point in time or over the period of time depending upon nature of contract.

e) The Company provides agreed upon performance warranty for selected range of products. The amount of liability towards such warranty is ₹ 116.82 Lakhs (₹ 47.34 Lakhs).

f) The transactions price allocated to the performance obligations relating to tool development (unsatisfied or partially satisfied) is ₹ 50,327.91 lakhs (PY ₹ 19,141.55 lakhs). The Company expects to recognise revenue related to unsatisfied obligation within one year from the reporting period.

g) The Company does not have any significant adjustment between the contract price and the revenue recognized in Statement of Profit and Loss.

NOTE 49 : PROVISIONS FOR WARRANTY

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--------------------------------|---------------------|---------------------|
| Balance at the beginning | 47.34 | 12.09 |
| Provision made during the year | 84.56 | 45.74 |
| Provision used during the year | (15.09) | (10.49) |
| Balance at the end | 116.82 | 47.34 |

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the value of management's best estimate of the future economic benefits. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which range from 12 to 24 months.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 50 : EMPLOYMENT BENEFITS

A. Defined Benefit Plans as per Ind AS 19 Employee Benefits:

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

These Plans typically expose the Company to actuarial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

Investment Risk: The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk: The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk : The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Disclosure of gratuity

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet.

(i) Amount recognised in the Statement of Profit and Loss is as under:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| Current service cost | 189.58 | 166.16 |
| Net interest cost | 45.22 | 42.86 |
| Past service cost | - | - |
| Amount recognised in the Statement of Profit and Loss | 234.80 | 209.02 |

(ii) Amount recognised in Other Comprehensive Income is as under:

| Description | 31 March 2021 | 31 March 2020 |
|---|---------------|---------------|
| Actuarial loss/(gain) recognised during the year | | |
| - Change in demographic assumptions | - | 8.47 |
| - Change in financial assumptions | (65.63) | 51.91 |
| - Experience variance (i.e. actual experience vs assumptions) | 86.80 | (50.15) |
| Return on plan assets, excluding amount recognised in net interest expenses | 52.49 | (10.33) |
| Amount recognised in the Other Comprehensive Income | 73.66 | (0.10) |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iii) Movement in the Present Value of Defined Benefit Obligation recognised in the Balance Sheet is as under:

₹ In Lakhs

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|--|--------------------------------------|--------------------------------------|
| Present value of defined benefit obligation as at the start of the year | 1,285.10 | 1,102.61 |
| Current service cost | 189.58 | 166.16 |
| Interest cost | 81.55 | 83.46 |
| Actuarial loss/(gain) recognised during the year | | |
| - change in demographic assumptions | - | 8.47 |
| - change in financial assumptions | (65.63) | 51.91 |
| - experience variance (i.e. actual experience vs assumptions) | 86.80 | (50.15) |
| Benefits paid | (103.87) | (77.37) |
| Past service cost | - | - |
| Present value of defined benefit obligation as at the end of the year | 1,473.53 | 1,285.10 |

(iv) Movement in the plan assets recognised in the Balance Sheet is as under:

₹ In Lakhs

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|--|--------------------------------------|--------------------------------------|
| Fair Value of plan assets at beginning of the year | 572.52 | 537.55 |
| Interest income plan assets | 36.33 | 40.60 |
| Actual company contributions | 78.69 | 30.12 |
| Return on plan assets, excluding amount recognised in net interest expense | (52.49) | 10.33 |
| Benefits paid | (44.10) | (46.09) |
| Fair Value of plan Assets at the end of the year | 590.95 | 572.52 |

(v) Major categories of plan assets:

| Asset Category | As at 31 st March 2021 | As at 31 st March 2020 |
|-----------------------|--------------------------------------|--------------------------------------|
| Insurer Managed Funds | 100% | 100% |

(vi) Reconciliation of Balance Sheet Amount

₹ In Lakhs

| Description | Year Ended 31 st March 2021 | Year Ended 31 st March 2020 |
|----------------------------------|---|---|
| Present value of obligation | 1473.53 | 1285.10 |
| Fair value of plan assets | 590.95 | 572.52 |
| Surplus/(Deficit) | (882.58) | (712.58) |
| Effect of assets ceiling, if any | - | - |
| Net assets/(liability) | (882.58) | (712.58) |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(vii) Current / Non-Current Bifurcation

₹ In Lakhs

| Particulars | As at 31 st March 2021 | As at 31 st March 2020 |
|--|--------------------------------------|--------------------------------------|
| Current benefit obligation | 190.94 | 173.95 |
| Non - current benefit obligation | 1,282.59 | 1,111.16 |
| (Asset)/liability recognised in the Balance Sheet | 1,473.53 | 1,285.10 |

(ix) Actuarial assumptions

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|---|--|---|
| Discount rate | 6.30% | 6.35% |
| Future basic salary increase | 0% for first year and 5% thereafter | 0% for first year and 5% thereafter |
| Expected rate of return on plant assets | 6.30% | 6.35% |
| Mortality (% of IALM 12-14) | 100.00% | 100.00% |
| Normal retirement age | 58 Years | Vijay Kuamr Bhalla - 65 Years Other Employees - 58 Years |
| Attrition/withdrawal rate (per annum) | 8.00% | 8.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ix) Maturity Profile of Defined Benefit Obligation

₹ In Lakhs

| Expected Cash Flow over the next (Valued on undiscounted basis) | As at 31 st March 2021 | As at 31 st March 2020 |
|---|--------------------------------------|--------------------------------------|
| 1 year | 190.94 | 173.95 |
| 2 year | 143.57 | 112.79 |
| 3 year | 156.49 | 121.47 |
| 4 year | 140.11 | 126.29 |
| 5 year | 154.28 | 126.81 |
| 6 to 10 years | 638.88 | 555.28 |
| More than 10 years | 1,159.51 | 1,083.92 |

(x) Sensitivity analysis for gratuity liability

₹ In Lakhs

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|---|--------------------------------------|--------------------------------------|
| Defined Benefit Obligation (Base) | 1,473.53 | 1,285.10 |
| Description | As at 31, March 2021 | As at 31, March 2020 |
| Defined Benefit Obligation - change in discount rate | | |
| - Discount rate increase by 1.00 % | 1,371.03 | 1,193.68 |
| - Discount rate decrease by 1.00 % | 1,590.20 | 1,389.45 |
| Defined Benefit Obligation - change in salary rate | | |
| - Salary rate increase by 1.00 % | 1,588.49 | 1,388.46 |
| - Salary rate decrease by 1.00 % | 1,370.24 | 1,192.15 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The above sensitivity analysis is 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 which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Company is expected to contribute ₹ 1,069.27 lakhs to Defined Benefit Plan Obligation Funds in next year

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

B. Other Long Term Benefits as per Ind AS 19 Employee Benefits:

Leave Encashment and Compensated absences (Unfunded)

The leave obligations cover the Company liability for sick and earned leaves.

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

| Description | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|---|---|
| Current service cost | 93.04 | 129.12 |
| Past service cost | - | - |
| Interest cost | 39.67 | 43.08 |
| Actuarial loss/(gain) recognised during the year: | | |
| - Change in demographic assumptions | - | (0.64) |
| - Change in financial assumptions | (26.63) | 15.67 |
| - Experience variance (i.e. actual experience vs assumptions) | (63.81) | 24.39 |
| Amount recognised in the Statement of Profit and Loss | 42.27 | 211.62 |

(ii) Movement in the liability recognised in the Balance Sheet is as under:

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|--|--------------------------------------|--------------------------------------|
| Present value of defined benefit obligation as at the start of the year | 625.14 | 569.39 |
| Current service cost | 93.04 | 129.12 |
| Past service cost | - | - |
| Interest cost | 39.67 | 43.09 |
| Actuarial loss/(gain) recognised during the year | - | - |
| - change in demographic assumptions | - | (0.64) |
| - change in financial assumptions | (26.63) | 15.67 |
| - experience variance (i.e. actual experience vs assumptions) | (63.81) | 24.39 |
| Benefits paid | (92.74) | (155.87) |
| Present value of defined benefit obligation as at the end of the year | 574.67 | 625.14 |

(iii) Current / Non-Current Bifurcation

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|--|--------------------------------------|--------------------------------------|
| Current benefit obligation | 82.26 | 95.27 |
| Non - current benefit obligation | 492.41 | 529.87 |
| (Asset)/Liability Recognised in the Balance Sheet | 574.67 | 625.14 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iv) Sensitivity Analysis

₹ In Lakhs

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|--|---|---|
| Present Value of Obligation (Base) | 574.67 | 625.14 |
| Description | As at 31st March 2021 | As at 31st March 2020 |
| Present Value of Obligation - change in discount rate | | |
| - Discount rate increase by 1.00 % | 536.88 | 582.98 |
| - Discount rate decrease by 1.00 % | 617.43 | 673.11 |
| Present Value of Obligation - change in salary rate | | |
| - Salary rate increase by 1.00 % | 617.85 | 673.60 |
| - Salary rate decrease by 1.00 % | 535.84 | 581.81 |

(v) Actuarial assumptions

| Description | As at 31 st March 2021 | As at 31 st March 2020 |
|------------------------------|--|--|
| Discount rate | 6.30% | 6.35% |
| Future basic salary increase | 0% For first year and 5% thereafter | 0% For first year and 5% thereafter |
| Normal retirement Age | 58 Years | For Vijay Kumar Bhalla -65 years For Others - 58 Years |
| Mortality (% of IALM 12-14) | 100.00% | 100.00% |
| Attrition/withdrawal rate | 8.00% | 8.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

C. Defined Contribution and Other Plans

Contributions are made to the Provident Fund, Super Annuation Fund and Other Plans. The contributions are normally based upon a proportion of the employee's salary.

The Company has recognized the following amounts in the Statement of Profit and Loss :

₹ In Lakhs

| Particulars | Year Ended 31/03/2021 | Year Ended 31/03/2020 |
|--|--------------------------|--------------------------|
| Employer's contribution to Provident and Pension fund* | 533.46 | 570.98 |
| Employer's contribution to Employee State insurance* | 37.96 | 46.31 |
| Employer's contribution to Labour Welfare fund* | 2.65 | 2.58 |

* included in contribution to provident & other funds under employee benefit expenses (Refer Note No 30.)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 51 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

| | |
|---|---|
| Subsidiaries | -MH Ecolife Emobility Private Limited -JBM Electric Vehicles Private Limited (w.e.f. 08.04.2020) -Indo Toolings Private Limited (w.e.f. 09.10.2020) -JBM Ecolife Mobility Private Limited (w.e.f. 31.12.2020) |
| Associate | -VT Emobility Private Limited (Upto 19.03.2021) |
| Joint Ventures | -JBM Ogihara Automotive India Limited -JBM Ogihara Die Tech Private Limited -JBM Solaris Electric Vehicles Private Limited -Indo Toolings Private Limited (Upto 08.10.2020) -VT Emobility Private Limited (w.e.f. 20.03.2021) |
| Key Management personnel | -Mr. Sandip Sanyal, Executive Director -Mr. Vivek Gupta, CFO & Company Secretary |
| Post employment benefit plan of the Company | -JBM Auto Group Gratuity Scheme Trust -JBM Auto System Private Limited Group Gratuity Scheme Trust -JBM MA Automotive Private Limited Employees Group Gratuity Trust |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|---|------------------|----------|------------------------------|-----------------|-----------------------------|----------|----------------|----------|
| | Subsidiaries | | Joint Ventures/ Associate | | Key Management personnel | | Gratuity Trust | |
| Sale of Goods and Services | | | | | | | | |
| MH Ecolife Emobility Private Limited | 22,552.16 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 10,714.29 | - | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | - | 413.10 | 3,410.39 | - | - | - | - |
| INDO Toolings Private Limited | 0.36 | - | - | 10.43 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | 50.55 | 128.39 | - | - | - | - |
| Total | 22,552.52 | - | 11,177.93 | 3,549.21 | - | - | - | - |
| Sale of Capital Goods | | | | | | | | |
| JBM Ogihara Die Tech Private Limited | - | - | 188.06 | 4.60 | - | - | - | - |
| Total | - | - | 188.06 | 4.60 | - | - | - | - |
| Other Income | | | | | | | | |
| JBM Ogihara Automotive India Limited | - | - | 11.68 | 65.79 | - | - | - | - |
| VT Emobility Private Limited | - | - | 32.83 | - | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | - | - | 500.75 | - | - | - | - |
| Total | - | - | 44.51 | 566.54 | - | - | - | - |
| Purchase of Goods and Services | | | | | | | | |
| INDO Toolings Private Limited | 298.47 | - | 153.49 | 1,914.41 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | 1,256.14 | 879.56 | - | - | - | - |
| Total | 298.47 | - | 1,409.63 | 2,793.97 | - | - | - | - |
| Others Expenses | | | | | | | | |
| INDO Toolings Private Limited | - | - | - | 24.93 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | - | 51.25 | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | - | - | 88.50 | - | - | - | - |
| Total | - | - | - | 164.69 | - | - | - | - |
| Others Expenses Reimbursed | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | 20.49 | - | - | - | - | - |
| JBM Electric Vehicles Private Limited | 0.59 | - | - | - | - | - | - | - |
| MH Ecolife Emobility Private Limited | 49.22 | - | - | - | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | 265.16 | 33.40 | - | - | - | - |
| Total | 49.81 | - | 285.64 | 33.40 | - | - | - | - |
| Contribution to Gratuity Trust | | | | | | | | |
| JBM Auto Group Gratuity Scheme Trust | - | - | - | - | - | - | 60.00 | 30.00 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|--|--------------|---------|------------------------------|---------|-----------------------------|---------|----------------|---------|
| | Subsidiaries | | Joint Ventures/ Associate | | Key Management personnel | | Gratuity Trust | |
| Total | - | - | - | - | - | - | 78.69 | 30.12 |
| Rent Income | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | - | 27.00 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | 51.00 | 81.27 | - | - | - | - |
| Total | - | - | 51.00 | 108.27 | - | - | - | - |
| Interest Income on Inter Corporate Loan | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | 76.50 | 81.97 | - | - | - | - |
| JBM Electric Vehicles Private Limited | 139.37 | - | - | - | - | - | - | - |
| MH Ecolife Emobility Private Limited | 0.04 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 1.54 | - | - | - | - | - |
| Total | 139.41 | - | 78.04 | 81.97 | - | - | - | - |
| Investment in Equity Shares | | | | | | | | |
| JBM Electric Vehicles Private Limited | 1,964.48 | - | - | - | - | - | - | - |
| JBM Ecolife Mobility Private Limited | 1.00 | - | - | - | - | - | - | - |
| MH Ecolife Emobility Private Limited | - | 5.00 | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 12.90 | 2.60 | - | - | - | - |
| INDO Toolings Private Limited | 29.30 | - | - | - | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | - | 694.11 | - | - | - | - |
| Total | 1,994.78 | 5.00 | 12.90 | 696.71 | - | - | - | - |
| Investment in Preference Shares | | | | | | | | |
| VT Emobility Private Limited | - | - | 493.50 | - | - | - | - | - |
| INDO Toolings Private Limited | 332.50 | - | - | - | - | - | - | - |
| Total | 332.50 | - | 493.50 | - | - | - | - | - |
| Share Application Money Given | | | | | | | | |
| VT Emobility Private Limited | - | - | 951.96 | - | - | - | - | - |
| Total | - | - | 951.96 | - | - | - | - | - |
| Inter Corporate Loan Given | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | - | 50.00 | - | - | - | - |
| MH Ecolife Emobility Private Limited | 50.00 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 186.89 | - | - | - | - | - |
| JBM Electric Vehicles Private Limited | 4,455.33 | - | - | - | - | - | - | - |
| Total | 4,505.33 | - | 186.89 | 50.00 | - | - | - | - |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|--|--------------|---------|------------------------------|----------|-----------------------------|---------|----------------|---------|
| | Subsidiaries | | Joint Ventures/ Associate | | Key Management personnel | | Gratuity Trust | |
| Inter Corporate Loan Received Back | | | | | | | | |
| MH Ecolife Emobility Private Limited | 50.00 | - | - | - | - | - | - | - |
| JBM Electric Vehicles Private Limited | 540.00 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | - | 186.89 | - | - | - | - |
| Total | 590.00 | - | - | 186.89 | - | - | - | - |
| Remuneration paid to KMP's and their relatives | | | | | | | | |
| Mr. Sandip Sanyal | - | - | - | - | 71.71 | 46.83 | - | - |
| Mr. Vivek Gupta | - | - | - | - | 36.10 | 42.08 | - | - |
| Total | - | - | - | - | 107.82 | 88.91 | - | - |
| Dividend Paid | | | | | | | | |
| Mr. Vivek Gupta | - | - | - | - | 0.01 | 0.01 | - | - |
| Total | - | - | - | - | 0.01 | 0.01 | - | - |
| Bank Guarantee Given on Behalf of and Outstanding | | | | | | | | |
| MH Ecolife Emobility Private Limited | 2,100.00 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 2,061.00 | - | - | - | - | - |
| Total | 2,100.00 | - | 2,061.00 | - | - | - | - | - |
| Corporate Bank Guarantee Given on Behalf of and Outstanding | | | | | | | | |
| VT Emobility Private Limited | - | - | 3,240.00 | - | - | - | - | - |
| Total | - | - | 3,240.00 | - | - | - | - | - |
| Receivables (Payables) | | | | | | | | |
| JBM Ogihara Automotive India Limited | - | - | 147.51 | 139.49 | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | - | 1,447.05 | 1,004.28 | - | - | - | - |
| INDO Toolings Private Limited | (226.12) | - | - | (386.82) | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | - | 229.70 | (5.07) | - | - | - | - |
| MH Ecolife Emobility Private Limited | 21,996.76 | - | - | - | - | - | - | - |
| JBM Electric Vehicles Private Limited | 0.59 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 4,803.39 | - | - | - | - | - |
| Mr. Vivek Gupta | - | - | - | - | (2.79) | - | - | - |
| Mr. Sandip Sanyal | - | - | - | - | (7.33) | - | - | - |
| Total | 21,771.22 | - | 6,627.64 | 751.88 | (10.11) | - | - | - |
| Inter Corporate Loan Receivable | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | 850.00 | 850.00 | - | - | - | - |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|---|-----------------|----------|------------------------------|---------------|-----------------------------|----------|----------------|--------------|
| | Subsidiaries | | Joint Ventures/ Associate | | Key Management personnel | | Gratuity Trust | |
| JBM Electric Vehicles Private Limited | 3,915.33 | - | - | - | - | - | - | - |
| Total | 3,915.33 | - | 850.00 | 850.00 | - | - | - | - |
| Interest Accrued on Inter Corporate Loan | | | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | - | 89.36 | 18.60 | - | - | - | - |
| JBM Electric Vehicles Private Limited | 128.92 | - | - | - | - | - | - | - |
| VT Emobility Private Limited | - | - | 1.43 | - | - | - | - | - |
| Total | 128.92 | - | 90.78 | 18.60 | - | - | - | - |
| Advance Recoverable | | | | | | | | |
| JBM Auto Group Gratuity Scheme Trust | - | - | - | - | - | - | 46.57 | 14.51 |
| Total | - | - | - | - | - | - | 46.57 | 14.51 |

₹ In Lakhs

| Remuneration paid to KMP's and their relatives* | Mr. Vivek Gupta | | Mr. Sandip Sanyal | |
|---|-----------------|--------------|-------------------|--------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| (a) short-term employee benefits; | 33.81 | 39.42 | 71.71 | 46.83 |
| (b) other long-term benefits; | 2.29 | 2.66 | - | - |
| Total | 36.10 | 42.08 | 71.71 | 46.83 |

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Terms and conditions of transactions with related parties

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year - end are unsecured and interest free (other than loans) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 52 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of property, plant and equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease-by-lease basis. In evaluating the lease term, the Company consider factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods reassessed to ensure that the lease term reflects the current economic circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

(ii) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 50.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. 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 price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iv) Impairment of financial assets

The impairment provisions for trade receivables 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 past history and other factors at the end of each reporting period.

(v) Estimates related to useful life of property, plant and equipment & intangible assets

Depreciation on property plant and equipment is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has re-estimated useful lives and residual values of its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

(vi) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(vii) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statements.

(viii) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 53: FINANCIAL INSTRUMENTS

A. Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings less cash and cash equivalents.

₹ In Lakhs

| Particulars | As at 31 st March 2021 | As at 31 st March 2020 |
|---|--------------------------------------|--------------------------------------|
| Net debt | 82,671.99 | 60,547.37 |
| Total equity | 74,187.96 | 69,771.35 |
| Net debt to equity ratio (Times) | 1.11 | 0.87 |

B. Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

- Level 1:** This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3:** This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants.

The fair value of investment in unquoted equity/preference shares has been estimated using a Discounted cash flow (DCF)/ Dividend yield/ Yield to Maturity method / NAV method. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of various estimates within the range can be reasonably asserted and are used in management's estimate of fair value for these unquoted equity/preference shares. The assessment of the future risk is done by analysing various financial ratios. The future cash-outflows are projected after applying any probability of non-payment of dividend and principal amount.

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

There are certain Company's financial assets which are measured at fair value at the end of each reporting period. There have been no transfer among level 3 during the period. Following table gives information about how the fair values of these financial assets are determined:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Financial assets at fair value through profit and loss | Fair value as at March 31, 2021 | | |
|---|---------------------------------|---------|----------|
| | Level 1 | Level 2 | Level 3 |
| Investment in Equity Shares of Yorozu JBM Automotive Tamil Nadu Private Limited | - | - | 1,000.00 |
| Investment in Equity Shares in others | - | - | 0.43 |
| Investment in Preference Shares of Indo Toolings Private Limited | - | - | 304.04 |
| Investment in Preference Shares of Neel Industries Private Limited | - | - | 329.35 |
| | | | |
| Financial assets at fair value through profit and loss | Fair value as at March 31, 2020 | | |
| | Level 1 | Level 2 | Level 3 |
| Investment in Equity Shares of Yorozu JBM Automotive Tamil Nadu Private Limited | - | - | 1,000.00 |
| Investment in Equity Shares in others | - | - | 0.90 |
| Investment in Preference Shares of Neel Industries Private Limited | - | - | 300.00 |

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2021, 31 March 2020 are as shown below:

| Description | Valuation technique | Significant unobservable inputs | Sensitivity |
|---|--------------------------------|--|---|
| Investment in Equity shares of Yorozu JBM Automotive Tamil Nadu Private Limited | DCF method | Risk adjusted discount Rate: 31st March 2021: 10.75% 31st March 2020: 11.65% | 1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2021: ₹ (148.00) Lakhs/ ₹ 210.00 Lakhs 31st March 2020: ₹ (132.00) Lakhs/ ₹ 175.00 Lakhs |
| Investment in Preference shares of Neel Industries Private Limited | Yield to Maturity & NAV Method | Discount Rate (G-Sec): 31st March 2021: 6.96% 31st March 2020: 6.64% | 1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2021: ₹ (7.20) Lakhs/ ₹ 8.30 Lakhs 31st March 2020: ₹ (10.75) Lakhs/ ₹ 5.52 Lakhs |
| Investment in Preference shares of Indo Toolings Private Limited | Yield to Maturity Method | Discount Rate (G-Sec): 31st March 2021: 6.96% 31st March 2020: NA | 1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2021: ₹ (11.07) Lakhs/ ₹ 11.65 Lakhs 31st March 2020: ₹ NA |

Reconciliation of movement in fair value of equity and preference shares:

₹ In Lakhs

| Particulars | Investment in Equity shares | Investment in preference shares |
|---|-----------------------------|---------------------------------|
| As at 1 April 2019 | 1,000.42 | 300.00 |
| Investment made during the year | 0.48 | - |
| Investment sold during the year | - | - |
| Gain/(loss) on change in fair value recognised in Profit and Loss | - | - |
| As at 31 March 2020 | 1,000.90 | 300.00 |
| Investment made during the year | - | 332.50 |
| Investment sold during the year | (0.47) | - |
| Gain/(loss) on change in fair value recognised in Profit and Loss | - | 0.89 |
| As at 31 March 2021 | 1,000.43 | 633.39 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

C. Categories of financial instruments

FINANCIAL ASSETS*

Financial assets measured at amortised cost

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|--|-----------------------------------|------------------|-----------------------------------|------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Investment in preference shares | 493.50 | 493.50 | - | - |
| Loans | 5,632.05 | 5,632.05 | 1,655.00 | 1,655.00 |
| Other non-current financial assets | 951.96 | 951.96 | - | - |
| Trade receivables | 71,074.29 | 71,074.29 | 49,459.38 | 49,459.38 |
| Cash and cash equivalents | 1,486.57 | 1,486.57 | 2,187.96 | 2,187.96 |
| Other bank balances | 255.83 | 255.83 | 54.67 | 54.67 |
| Other current financial assets | 1,589.75 | 1,589.75 | 1,358.30 | 1,358.30 |
| Total financial assets measured at amortised cost - (i) | 81,483.95 | 81,483.95 | 54,715.31 | 54,715.31 |

Financial assets measured at FVTPL

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|--|-----------------------------------|------------------|-----------------------------------|------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Investment in equity shares | 1,000.43 | 1,000.43 | 1,000.90 | 1,000.90 |
| Investment in preference shares | 633.39 | 633.39 | 300.00 | 300.00 |
| Total financial assets measured at FVTPL - (ii) | 1,633.82 | 1,633.82 | 1,300.90 | 1,300.90 |
| | | | | |
| Total financial assets (i) + (ii) | 83,117.77 | 83,117.77 | 56,016.21 | 56,016.21 |

* Does not include investments in Subsidiary, Joint ventures and Associate which are measured at cost as per IND AS 27 "Separate Financial Statements".

Financial liabilities measured at amortised cost

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|---|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Non current borrowings* | 35,991.82 | 35,991.82 | 27,820.37 | 27,820.37 |
| Other non-current financial liabilities | 93.28 | 93.28 | 543.46 | 543.46 |
| Current borrowings | 48,166.74 | 48,166.74 | 34,914.95 | 34,914.95 |
| Trade payables | 58,318.61 | 58,318.61 | 40,015.21 | 40,015.21 |
| Other current financial liabilities | 3,332.43 | 3,332.43 | 1,717.25 | 1,717.25 |
| Total financial liabilities measured at amortised cost | 1,45,902.88 | 1,45,902.88 | 1,05,011.24 | 1,05,011.24 |

* including current maturities of non-current borrowings

Carrying value of loan, other financial assets, trade receivables, cash and cash equivalents, other bank balances, borrowings, other financial liabilities, trade payables are considered to be same as their fair value

There have been no transfer among levels during the year

D. Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

D.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency buyer's credit).

Foreign currency exposure that have not been hedged by derivative instrument are given below.

| Liabilities/Assets | Foreign Currency (In Lakhs) | | INR Equivalent (In Lakhs) | |
|--------------------|-----------------------------|------------------|---------------------------|------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| Liabilities | | | | |
| USD | 79.36 | 16.10 | 5,833.50 | 1,213.60 |
| JPY | - | 111.82 | - | 77.88 |
| SEK | 0.28 | 1.56 | 2.36 | 11.90 |
| EURO | 3.32 | 2.39 | 285.54 | 198.41 |
| CNY | 118.06 | 25.23 | 1,318.94 | 268.49 |
| Assets | | | | |
| USD | 8.70 | 21.89 | 639.16 | 1,650.35 |
| EURO | 15.05 | 13.00 | 1,296.22 | 1,079.51 |
| CNY | - | 0.46 | - | 4.86 |

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, SEK, CNY and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Impact on Profit/(loss) for the year for a 5% change:

₹ In Lakhs

| Particulars | Depreciation in INR | | Appreciation in INR | |
|-----------------|---------------------|------------------|---------------------|------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| Payables | | | | |
| USD/INR | (291.68) | (60.68) | 291.68 | 60.68 |
| JPY/INR | - | (3.89) | - | 3.89 |
| SEK/INR | (0.12) | (0.59) | 0.12 | 0.59 |
| EURO/INR | (14.28) | (9.92) | 14.28 | 9.92 |
| CNY/INR | (65.95) | (13.42) | 65.95 | 13.42 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Depreciation in INR | | Appreciation in INR | |
|--------------------|---------------------|------------------|---------------------|------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| Receivables | | | | |
| USD /INR | 31.96 | 82.52 | (31.96) | (82.52) |
| EURO/INR | 64.81 | 53.98 | (64.81) | (53.98) |
| CNY/INR | - | 0.24 | - | (0.24) |

b) Interest rate risk management

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

₹ In Lakhs

| | Increase/decrease in basis points | Effect on profit before tax |
|-----------------------------|-----------------------------------|-----------------------------|
| As at 31, March 2021 | | |
| Borrowings | +50 | (398.72) |
| Borrowings | -50 | 398.72 |
| As at 31, March 2020 | | |
| Borrowings | +50 | (296.22) |
| Borrowings | -50 | 296.22 |

D.2 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end

D.3 Liquidity risk management

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term borrowings, short term borrowings and trade payables etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ In Lakhs

| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|--------------------|------------------|-------------------|--------------------|
| Year ended 31-Mar-2021 | | | | |
| Non-current borrowings* | 10,194.35 | 21,270.53 | - | 31,464.88 |
| Preference shares (Undiscounted)* | 3,040.00 | - | - | 3,040.00 |
| Finance lease obligations (Undiscounted) * | 152.15 | 730.94 | 5,197.73 | 6,080.82 |
| Other non current financial liabilities | - | 93.28 | - | 93.28 |
| Current borrowings | 48,166.74 | - | - | 48,166.74 |
| Trade payables | 58,318.61 | - | - | 58,318.61 |
| Other financial liabilities | 3,332.43 | - | - | 3,332.43 |
| | 1,23,204.28 | 22,094.75 | 5,197.73 | 1,50,496.76 |
| Year ended 31-Mar-2020 | | | | |
| Non-current borrowings * | 8,024.25 | 16,530.36 | - | 24,554.61 |
| Preference shares (Undiscounted)* | 40.00 | 3,040.00 | - | 3,080.00 |
| Finance lease obligations (Undiscounted) * | 84.42 | 344.24 | 2,900.41 | 3,329.07 |
| Other non current financial liabilities | - | 543.46 | - | 543.46 |
| Current borrowings | 34,914.95 | - | - | 34,914.95 |
| Trade payables | 40,015.21 | - | - | 40,015.21 |
| Other current financial liabilities | 1,717.25 | - | - | 1,717.25 |
| | 84,796.09 | 20,458.05 | 2,900.41 | 1,08,154.55 |

* including current maturities of non current borrowings, preference shares and finance lease obligations.

NOTE 54 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

NOTE 55 : AMENDMENTS TO STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE COMPANY

There is no such notification which would have been applicable from April 1, 2021.

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

For and on behalf of Board of Directors
JBM Auto Limited

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of JBM AUTO LIMITED ("the Parent Company") and its Subsidiaries (the Parent and its Subsidiaries together referred to as "the Group") and its Joint Ventures which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information in (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the Subsidiary referred to below in Other Matters Paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (the Ind AS) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint Ventures as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | Auditor's Response |
|---|---|
| <p>Revenue</p> <p>Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions. Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognised to the extent that is highly probable a significant reversal will not occur. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>Refer Note No. 2.2 and 27 of the Consolidated Financial Statements.</p> | <p>Our procedure included:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the accounting policy for revenue recognition as per the Ind AS 115 "Revenue from Contracts with Customers" - Performed reconciliation of revenue with GST returns filed with the Government. - Performed cut off testing for sales made near the reporting date and tested whether the revenue was recognised in the appropriate period by testing sales invoices and customer acknowledgement for sample transactions. - Performed analytical procedures to identify any unusual trends and identify unusual items. - Tested internal controls in the revenue over the accuracy and timing of revenue accounted in the Consolidated Financial Statements. - Tested the related disclosures made in notes to the Consolidated Financial Statements in respect of the revenue from operations. |

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

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its Joint Ventures are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its Joint Ventures are responsible for assessing the ability of the Group and of its Joint Ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its Joint Ventures are also responsible for overseeing the financial reporting process of the Group and of its Joint Ventures.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company, has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its Joint Ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Joint Ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and of its Joint Ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS Financial Statements of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance of the Parent Company and such other entities included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. The Consolidated Financial Statements includes the audited financial results / statements and other financial information in respect of one Joint Venture (upto the date on the which the Company has obtained controlling stake during the quarter ended December 31, 2020), whose financial statements include the Group's share of net loss of ₹ (87.05) Lakhs and Group's share of total comprehensive income of ₹ (86.59) Lakhs for the year ended March 31, 2021, as considered in the Consolidated Financial Statements whose financial statements, other financial information has been audited by their respective independent auditor. Our opinion is not modified in respect of this matter. This financial statements / financial information has been audited by other auditor whose report have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, our report in terms of sub-section (3) of section 143 of the Act is based solely on the report of such auditor.

b. We did not audit the financial statements / financial information of one Subsidiary, whose financial statements / financial information reflect total assets of ₹ 1,910.53 Lakhs (before consolidation adjustments) as at March 31, 2021, total revenue of ₹ 2,010.26 Lakhs (before consolidation adjustments), net profit of ₹ 267.91 Lakhs (before consolidation adjustments), total comprehensive income of ₹ 266.48 Lakhs (before consolidation adjustments) and net cash outflows (before consolidation adjustments) amounting to ₹ 80.48 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. This financial statements / financial information has been audited by other auditor whose report have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, our report in terms of sub-section (3) of section 143 of the Act is based solely on the report of such auditor.

c. We did not audit the financial statements and information in respect of two Joint Ventures (including the Company which became Joint Venture during the year), whose financial statements include the Group's share of net loss of ₹ (269.77) Lakhs and Group's share of total comprehensive income of ₹ (269.77) Lakhs for year ended March 31, 2021 as considered in the Consolidated Financial Statements. These financial statements and other financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Joint Ventures and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid Joint Ventures, is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and financial statement / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of such Subsidiary as was audited by other auditor, as noted in Other Matters paragraph above, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and report of other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2021 taken on record by the Board of Directors of the Parent Company and the report of the other Auditor in respect of the other entity audited by them and the representation received from the management for all entities un-audited, for all the entities incorporated in India, none of the directors of the Group's Companies and of its Joint Ventures incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and of its Joint Ventures and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Based on our audit and on the consideration of the report of the other auditor on separate financial statements, we report that the remuneration paid by the Company during the year is in accordance with the provisions of section 197 of the Act. Further, we report that the Subsidiary companies and Joint Venture companies have not paid any managerial remuneration during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the Subsidiary companies and Joint Ventures, as noted in Other Matters paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and of its Joint Ventures- Refer Note 37 of the Consolidated Financial Statements.

ii. The Group and its Joint Venture Companies did not have any material foreseeable losses on long term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company, its subsidiary and Joint Venture Companies incorporated in India during the year ended March 31, 2021.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACK3834

Place: New Delhi
Date: May 18, 2021

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON CONSOLIDATED FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 1(f) of 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of **JBM AUTO LIMITED** (hereinafter referred to as "the Parent Company"), its Subsidiary Companies and its Joint Venture Companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its Subsidiary Companies, and its Joint Venture Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its Subsidiary Companies and its Joint Venture Companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company, its Subsidiary Company and its Joint Venture Companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent Company, its Subsidiary Companies and Joint Venture Companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company which is a company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not qualified in respect of this matter.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACK3834

Place: New Delhi
Date: May 18, 2021

CIN L74899DL1996PLC083073

Consolidated Balance Sheet as at March 31, 2021

₹ In Lakhs

| | Note No. | As at 31st March, 2021 | As at 31st March, 2020 |
|--|----------|---------------------------|---------------------------|
| I. ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3(a) | 81,792.86 | 77,189.18 |
| (b) Capital work in progress | | 27,235.16 | 4,081.44 |
| (c) Intangible assets | 3(b) | 11,252.58 | 8,923.40 |
| (d) Intangible assets under development | | 2,810.72 | 4,917.42 |
| (e) Investments accounted using the equity method | 5(a) | 3,632.62 | 4,080.54 |
| (f) Financial assets | | | |
| (i) Investments | 5(b) | 1,796.35 | 1,300.90 |
| (ii) Loans | 6 | 1,717.11 | 1,655.00 |
| (iii) Other non current financial assets | 7 | 951.96 | - |
| (g) Other non-current assets | 8 | 3,018.32 | 2,585.16 |
| | | 1,34,207.68 | 1,04,733.04 |
| Current assets | | | |
| (a) Inventories | 9 | 36,202.86 | 29,554.69 |
| (b) Financial assets | | | |
| (i) Trade receivables | 10 | 49,595.87 | 49,459.38 |
| (ii) Cash and cash equivalents | 11 | 1,497.06 | 2,192.96 |
| (iii) Other bank balances | 12 | 345.23 | 54.67 |
| (iv) Other current financial assets | 13 | 1,666.51 | 1,358.30 |
| (c) Other current assets | 14 | 22,880.08 | 13,545.10 |
| | | 1,12,187.61 | 96,165.10 |
| Total Assets | | 2,46,395.29 | 2,00,898.14 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 15 | 2,364.94 | 2,364.94 |
| (b) Other equity | 16 | 72,196.58 | 67,986.79 |
| (i) Equity attributable to the owners of the company | | 74,561.52 | 70,351.73 |
| (ii) Non-controlling interests | | - | - |
| | | 74,561.52 | 70,351.73 |
| Liabilities | | | |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 17 | 22,818.84 | 19,671.70 |
| (ii) Other non-current financial liabilities | 18 | 93.28 | 543.46 |
| (b) Provisions | 19 | 1,293.15 | 1,067.90 |
| (c) Deferred tax liability (net) | 20 | 10,157.97 | 8,791.25 |
| (d) Other non-current liabilities | 21 | 291.31 | 517.13 |
| | | 34,654.55 | 30,591.44 |

₹ In Lakhs

| | Note No. | As at 31st March, 2021 | As at 31st March, 2020 |
|--|----------|---------------------------|---------------------------|
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 22 | 48,170.96 | 34,914.95 |
| (ii) Trade payables | 23 | 1,736.26 | 39,348.96 |
| Total Outstanding Dues to Micro and Small Enterprises | | | |
| Total Outstanding Dues of Creditors other than Micro and Small Enterprises | | 56,664.53 | 39,348.96 |
| (iii) Other current financial liabilities | 24 | 17,008.57 | 9,865.93 |
| (b) Other current liabilities | 25 | 13,153.53 | 14,669.94 |
| (c) Provisions | 26 | 415.42 | 317.15 |
| (d) Current tax liabilities (net) | | 29.95 | 171.79 |
| | | 1,37,179.22 | 99,954.97 |
| Total Equity and Liabilities | | 2,46,395.29 | 2,00,898.14 |

Significant Accounting Policies

2

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors
JBM Auto Limited

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

CIN L74899DL1996PLC083073

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

₹ In Lakhs

| | Note No. | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|----------|---------------------------------------|---------------------------------------|
| I. Revenue from operations | 27 | 1,98,204.31 | 1,94,672.97 |
| II. Other income | 28 | 1,196.85 | 1,540.95 |
| III. Total Income (I+II) | | 1,99,401.16 | 1,96,213.92 |
| IV. Expenses | | | |
| Cost of materials consumed | 46 | 1,40,847.54 | 1,39,618.33 |
| Changes in inventories of finished goods & work in progress | 29 | (2,647.67) | (4,050.36) |
| Employee benefits expense | 30 | 20,470.05 | 20,398.64 |
| Finance costs | 31 | 5,537.66 | 6,426.93 |
| Depreciation and amortisation expense | 4 | 7,572.80 | 7,385.05 |
| Other expenses | 32 | 19,122.52 | 15,687.62 |
| Total Expenses | | 1,90,902.90 | 1,85,466.22 |
| V. Profit before share of profit of Joint Ventures/Associate and tax (III-IV) | | 8,498.26 | 10,747.70 |
| VI. Add : Share of Profit of Joint Ventures/Associate | | (692.98) | 17.42 |
| VII. Profit before tax (V+VI) | | 7,805.28 | 10,765.12 |
| VIII. Tax Expense | 33 | | |
| (1) Current Tax | | 2,923.99 | 1,961.77 |
| (2) Deferred tax (credit)/charge | | (95.48) | 1,820.56 |
| (3) Earlier years | | 46.73 | 60.70 |
| | | 2,875.24 | 3,843.03 |
| IX. Profit after tax for the year (VII-VIII) | | 4,930.04 | 6,922.09 |
| X. Other Comprehensive Income | | | |
| Items that will not be reclassified to Statement of Profit and loss: | 34 | | |
| (i) Gain/(loss) of defined benefits plans | | (75.12) | (3.37) |
| (ii) Income tax (expenses)/income on gain/(loss) on defined benefits plans | | 26.13 | 0.86 |
| (iii) Remeasurement of Previously held interest in Joint Venture | | 156.47 | - |
| Total Other Comprehensive Income | | 107.48 | (2.51) |
| XI. Total Comprehensive Income (IX+X) | | 5,037.52 | 6,919.58 |
| XII. Profit for the year attributable to: | | | |
| Owners of the Company | | 4,930.04 | 6,922.09 |
| Non Controlling interest | | - | - |
| Other comprehensive income for the year attributable to: | | | |
| Owners of the Company | | 107.48 | (2.51) |
| Non Controlling interest | | - | - |

₹ In Lakhs

| | Note No. | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|----------|---------------------------------------|---------------------------------------|
| XIV. Total Comprehensive Income for the year attributable to: | | | |
| Owners of the Company | | 5,037.52 | 6,919.58 |
| Non Controlling interest | | - | - |
| XV. Earnings per equity share: (Face Value of ₹ 5/-each) | 35 | | |
| (1) Basic | | 10.42 | 14.63 |
| (2) Diluted | | 10.42 | 14.63 |

Significant Accounting Policies

2

The accompanying notes are forming part of these financial statements

For and on behalf of Board of Directors

As per our report of even date attached

JBM Auto Limited

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

CIN L74899DL1996PLC083073

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A Equity Share capital

₹ In Lakhs

| | Balance as at 01st April 2019 | Changes in Equity share capital during the year * | Balance at the end of 31st March 2020 | Changes in equity share capital during the year | Balance at the end of 31st March 2021 |
|---|-------------------------------|---|---------------------------------------|---|---------------------------------------|
| Equity Share Capital | 2,039.77 | 325.17 | 2,364.94 | - | 2,364.94 |
| Equity share capital to be issued due to merger | 325.17 | (325.17) | - | - | - |
| | 2,364.94 | - | 2,364.94 | - | 2,364.94 |

* Equity share capital issued pursuant to merger

B Other Equity

₹ In Lakhs

| | General Reserve | Retained Earnings | Capital Reserve on Merger | OCI -Remeasurement of Previously held interest in Joint Venture | Securities Premium | Capital Redemption Reserve | Total attributable to the owner of the Company |
|---|-----------------|-------------------|---------------------------|---|--------------------|----------------------------|--|
| Balance as at 01.04.2019 | 2,988.31 | 54,569.96 | (14.47) | - | 4,629.97 | - | 62,173.77 |
| Profit for the year | - | 6,922.09 | - | - | - | - | 6,922.09 |
| Other comprehensive income/(loss) for the year | - | (2.51) | - | - | - | - | (2.51) |
| Dividends distributed during the year (including DDT) | - | (1,106.57) | - | - | - | - | (1,106.57) |
| Transfer from retained earnings to Capital Redemption Reserve | - | (500.00) | - | - | - | 500.00 | - |
| Balance as at 31.03.2020 | 2,988.31 | 59,882.97 | (14.47) | - | 4,629.97 | 500.00 | 67,986.79 |
| Profit for the year | - | 4,930.04 | - | - | - | - | 4,930.04 |
| Other comprehensive income/(loss) for the year | - | (48.99) | - | 156.47 | - | - | 107.48 |
| Dividends distributed during the year | - | (827.73) | - | - | - | - | (827.73) |
| Balance as at 31.03.2021 | 2,988.31 | 63,936.29 | (14.47) | 156.47 | 4,629.97 | 500.00 | 72,196.58 |

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : New Delhi
Dated : May 18, 2021

For and on behalf of Board of Directors

JBM Auto Limited

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

CIN L74899DL1996PLC083073

Consolidated Cash Flow Statement for the year ended 31st March 2021

₹ In Lakhs

| | | For the year ended March 2021 | For the year ended March 2020 |
|--|-------------|-------------------------------|-------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| Profit before tax | | 7,805.28 | 10,765.12 |
| Adjustments for : | | | |
| Depreciation and amortisation expense | 7,572.80 | | 7,385.05 |
| Unrealised Exchange loss/(Gain) (Net) | 104.05 | | 36.10 |
| Finance costs | 5,537.66 | | 6,426.93 |
| Loss/(Gain) on fair valuation of investment in shares | (29.35) | | - |
| Interest income | (129.37) | | (144.07) |
| Share in Profit of Joint Venture/Associate | 692.98 | | (17.42) |
| Grant Income | (81.93) | | (81.93) |
| (Profit)/Loss on sale of Property plant and equipment (net) | 42.06 | | (44.53) |
| Deferred Income on deferred component of financial instrument | (196.72) | | (451.12) |
| Rental Income | (51.00) | | (108.27) |
| | | 13,461.18 | 13,000.74 |
| Operating profit before working capital changes | | 21,266.46 | 23,765.86 |
| Adjustments for : | | | |
| Trade and other receivables | (10,035.17) | | 7,203.60 |
| Inventories | (6,648.18) | | (571.36) |
| Trade and other liabilities | 18,552.94 | 1,869.59 | 8,684.66 |
| Cash generated from operations | | 23,136.05 | 39,082.76 |
| Income tax paid (Net) | (1,542.15) | (1,542.15) | (2,101.35) |
| Net Cash flow from operating activities | | 21,593.90 | 36,981.41 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | | |
| Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development) | (34,920.16) | | (12,623.74) |
| Proceeds from sale of property, plant and equipment and intangible asset | 218.64 | | 517.34 |
| Loan given | (386.89) | | (50.00) |
| Loan recived Back | 186.89 | | 300.00 |
| Interest received | 129.37 | | 144.07 |
| Rental income | 51.00 | | 108.27 |
| Purchase of Shares/Investment | (1,546.27) | | (694.71) |
| Net Cash used in Investing Activities | | (36,267.42) | (12,298.77) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Repayment of Financial Liability (Preference Share) | - | | (3,000.00) |
| Repayment of non current borrowings | (5,488.39) | | (13,439.17) |
| Proceeds from non current borrowings | 12,398.65 | | 7,869.00 |
| Increase/(Decrease) in current borrowings(net) | 13,256.02 | | (7,790.67) |
| Finance cost paid | (5,360.93) | | (6,100.57) |
| Dividend/dividend tax paid | (827.73) | | (1,106.57) |
| Net cash flow from/(used in) financing activities | | 13,977.62 | (23,567.98) |

₹ In Lakhs

| | For the year ended March 2021 | For the year ended March 2020 |
|---|----------------------------------|----------------------------------|
| Net Increase/(Decrease) in Cash and cash equivalents | (695.90) | 1,114.66 |
| Cash and cash equivalents at the beginning of the year (Refer Note No. 11) | 2,192.96 | 1,078.30 |
| Cash and cash equivalents at the end of the year (Refer Note No. 11) | 1,497.06 | 2,192.96 |

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on "Statement of Cash Flows"
- The amendments to the IND AS 7 "Statement of Cash Flows" requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The required disclosure is made below.

| | As at 01st April 2020 | Finance lease obligations recognised during the year | Cash flows | Acquisition/For- eign exchange movement/ Fair value changes | 31st March 2021 |
|-------------------------|--------------------------|---|------------|--|--------------------|
| Borrowings- Non Current | 27,820.37 | 1,127.66 | 6,910.26 | 478.98 | 36,337.27 |
| Borrowings- Current | 34,914.95 | - | 13,256.02 | - | 48,170.96 |
| | 62,735.33 | 1,127.66 | 20,166.28 | 478.98 | 84,508.23 |

- Figures in bracket represents cash outflow

The accompanying notes are forming part of these financial statements For and on behalf of Board of Directors

As per our report of even date attached JBM Auto Limited

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

General Information

JBM Auto Limited ("the Company") is a public limited company incorporated under the Indian Companies Act 1956 having its registered office at 601, Hemkunt chambers, 89, Nehru place, New Delhi. The Company is engaged in the automotive business that manufactures and sells sheet metal components, tools, dies & moulds and buses including sale of spare parts, accessories & maintenance contract of buses. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorize for issue on May 18, 2021.

1. Basis of preparation and presentation

1.1 Statement of Compliance

The Consolidated Financial Statements have been prepared on a going concern basis in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

1.2 Basis of Preparation and Presentation

The Consolidated Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.3 Basis of Consolidation and Equity Accounting

The Consolidated Financial Statements have been prepared in accordance with Ind AS 103-"Business Combinations", Ind AS 110 "Consolidated Financial Statements", Ind AS 111 "Joint Arrangements", Ind AS 112 "Disclosure of Interests in Other Entities", Ind AS 28 "Investments In Associates and Joint Ventures".

The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the JBM Auto Limited i.e. year ended March 31, 2021.

The Consolidated Ind AS Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's Standalone Ind AS Financial Statements. Accounting policies of consolidated companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

The amounts shown in respect of Other Equity comprise the amount of the relevant Reserves as per the Balance Sheet of the Parent Company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

Subsidiaries

Subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has right to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date the control cease.

The Company combines the financial statements of its Subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gain/loss on transactions between Group companies are eliminated.

Excess of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognised as Goodwill. Goodwill arising on acquisitions is reviewed for impairment annually.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Where the fair values of the identifiable assets and liabilities exceed the cost of acquisition, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Change in Equity and Consolidated Balance Sheet respectively.

Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Interests in joint ventures are accounted for using the equity method of accounting, after initially being recognized at cost in the consolidated balance sheet.

Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable are recognized as a reduction in the carrying amount of the investments.

When the Company's share of losses in equity accounted investments equals or exceeds its interests in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gain on transactions between the Group and its Associates and Joint Ventures are eliminated to the extent of the Group's interests in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments is tested for impairment.

Changes in Ownership Interests

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an Associate, Joint Venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

If the ownership interest in a Joint Venture or an Associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

| Particulars of Subsidiary and Joint Ventures consolidated | | | | |
|---|---|---------------|--------------------------|-----------|
| S.No. | Name of the Company | Relationship | Country of Incorporation | % Holding |
| Subsidiaries | | | | |
| 1. | MH Ecolife Emobility Private Limited | Subsidiary | India | 100.00 |
| 2. | Indo Toolings Private Limited (w.e.f. October 09, 2020) | Subsidiary | India | 100.00 |
| 3. | JBM Electric Vehicles Private Limited (w.e.f. April 08, 2020) | Subsidiary | India | 100.00 |
| 4. | JBM Ecolife Mobility Private Limited (w.e.f. December 31, 2020) | Subsidiary | India | 100.00 |
| Joint Ventures | | | | |
| 1. | JBM Ogihara Automotive India Limited | Joint Venture | India | 51.00 |
| 2. | JBM Solaris Electric Vehicles Private Limited | Joint Venture | India | 79.90 |
| 3. | Indo Toolings Private Limited (upto October 08, 2020) | Joint Venture | India | 50.00 |
| 4. | JBM Ogihara Die Tech Private Limited | Joint Venture | India | 51.00 |
| 5. | VT Emobility Private Limited (w.e.f. March 20, 2021) | Joint Venture | India | 62.00 |
| Associate | | | | |
| 1. | VT Emobility Private Limited (upto March 19, 2021) | Associate | India | 26.00 |

2. Significant Accounting policies

2.1 Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.2 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Group recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Sale of Products

Revenue from contracts with customers is recognized on transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Sale of Services

Revenue from services are recognized as related services are performed.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Company performs;
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. For all Financial instruments measured either at amortized or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

Royalty Income

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.3 Leases

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on the date of initial application, using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability.

The Group as lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Group did not make any adjustments to the accounting for assets held as a lessor as a result of adopting the new lease standard.

The Group as lessee

The Group assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Group recognises a 'right-of-use' asset and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Right-of-use asset are measured at cost comprising the following:

- the amount of initial measurement of liability
- any lease payments made at or before the commencement date less the incentives received
- any initial direct costs, and
- restoration costs

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use asset are depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities measured at amortised cost include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the rate of interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in the similar economic environment with similar terms, security and conditions.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets. Variable lease payments are recognised in the Statement of Profit and Loss in the period in which the condition that triggers those payments that occur.

Lease liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option

2.4 Foreign Currencies

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit or Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

2.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.6 Employee Benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related services are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The Group has defined benefit plans namely Gratuity Fund for employees. The Gratuity Fund is recognised by the Income Tax Authorities and is administered through Trust set up by the Group. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the Balance Sheet in respect of 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 Actuary 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 profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund. The Group's contribution is charged to revenue every year. The Group has no further payment obligations once the contributions have been paid. The Group's contribution to State Plans namely Employees' State Insurance Fund Scheme, Employees' Pension Scheme and Labour Welfare Fund are charged to the Statement of Profit and Loss every year.

Termination Benefits

A liability for the termination benefit is recognised when the Group can no longer withdraw the offer of the termination benefit.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Freehold land is measured at cost and is not depreciated.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset where the funds used to finance a qualifying asset form part of general borrowings.

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 Group 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. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

Transition to IND AS

On transition to Ind AS, the Group had elected to continue with the carrying value of its property, plant and equipment recognised as at 1st April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives of the assets as prescribed in Schedule II of the companies Act, 2013 except in respect of the following assets where estimated useful life is determined as per management's estimate based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

| Property, plant and equipment | Useful lives based on technical evaluation |
|-------------------------------------|--|
| Plant & equipment | 15 - 20 years |
| Pallets, tools & dies | 8 - 15 years |
| Furniture and fixtures | 3 - 10 years |
| Vehicles | 3 - 12 years |
| Office equipment | 3 - 5 years |
| Leasehold land (Right of Use Asset) | Over the period of lease |

The assets residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Internally generated intangible assets

Research costs are charged to the Statement of Profit and Loss in the year in which they are incurred. Product development costs incurred on new vehicle platform and new products are recognized as intangible assets, when feasibility has been established, the Group has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other term borrowings if no specific borrowings have been incurred for the asset where the funds used to finance a qualifying asset form part of general borrowings.

Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment, if any.

Transition to IND AS

On transition to Ind AS, the Group had elected to continue with the carrying value of its intangible assets recognised as at 1st April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life. Technical know-how/license fee/product development relating to process design/plants/facilities are capitalized at the time of capitalization of the said plants/facilities and amortised as follows:

Residual Value is considered as Nil for intangible assets.

| Nature of Assets | Life |
|--|----------|
| Technical knowhow | 5 years |
| License fees, Design, Technical know-how & Prototype related to OEM Division | 10 years |
| Computer software | 3 years |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The amortisation period and method are reviewed at each financial year 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 derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Impairment of tangible and intangible Assets

At the end of each reporting period, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.10 Inventories

Inventories are valued at the lower of cost or net realizable value.

Cost is determined on the following basis:

Raw Material is recorded at cost on a weighted average cost formula

Stores & spares are recorded at cost on a weighted average cost formula

Finished goods and work-in-process are valued at raw material cost plus cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale

2.11 Provisions and contingencies

Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, 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 Group, is not recognized but disclosed in the financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.12 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (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 financial liabilities, as appropriate, 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. Subsequently, financial instruments are measured according to the category in which they are classified.

(i) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

(ii) Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Group 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), and
- those measured at amortised cost

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

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristic test:** The contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- **Cash flow characteristic test:** The contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instruments is classified at fair value through profit or loss, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Remeasurement recognised in profit or loss.

(v) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

(vi) Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cheques and balances with bank and short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the Statement of Cash Flows. Book overdraft is shown within other financial liabilities in the balance sheet and forms part of operating activities in the Statement of Cash Flows.

(vii) Impairment of financial assets:

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss is measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

(viii) Derecognition of financial assets

A financial asset is derecognised only when

- The Group 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.
- The right to receive cash flows from the asset has expired.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(ix) Foreign Exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

Financial liabilities and equity instruments

(x) Classification of debt or equity

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(xi) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

(xii) Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through Statement of Profit and Loss.

(xiii) Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid.

(xiv) 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 Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

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 Statement of Profit and Loss.

(xv) Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

(xvi) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(xvii) Derivative Financial Instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

(xviii) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. 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 Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

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

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.15 Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result is anti-dilutive.

2.16 Government Grants & Subsidies

Government Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grant relating to assets are netted off against the acquisition cost of the asset.

2.17 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.18 Royalty

The Group pays/accrues for royalty in accordance with the relevant license agreements. The lump-sum royalty incurred towards obtaining technical assistance/technical know-how and engineering support to manufacture a new model is recognized as an intangible asset. Royalty payable on sale of products i.e. running royalty is charged to Statement of Profit and loss as and when incurred.

2.19 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II) of the Companies Act 2013, unless otherwise stated.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS NOTE 3(a): PROPERTY, PLANT AND EQUIPMENT

| Particulars | Freehold Land | Buildings | Plant and Equipment | Furniture and Fixtures | Vehicles | Office Equipment (Including Computer System) | Total (A) | Leasehold land (Right of Use Assets) | Total (B) | TOTAL ASSETS (A+B) |
|---|---------------|-----------|---------------------|------------------------|----------|--|-------------|--------------------------------------|-----------|--------------------|
| Gross Block | | | | | | | | | | |
| As at April 01, 2019 | 373.27 | 19,031.11 | 63,386.84 | 354.63 | 508.78 | 939.08 | 84,593.71 | 9,058.16 | 9,058.16 | 93,651.87 |
| Additions | - | 1,073.20 | 5,775.28 | 21.41 | 383.33 | 57.08 | 7,310.30 | 1,134.86 | 1,134.86 | 8,445.16 |
| Disposals | - | - | (630.71) | (0.40) | (36.66) | (9.60) | (677.37) | - | - | (677.37) |
| As at March 31, 2020 | 373.27 | 20,104.31 | 68,531.41 | 375.64 | 855.44 | 986.57 | 91,226.64 | 10,193.02 | 10,193.02 | 1,01,419.67 |
| Additions | 5,003.51 | 630.81 | 2,918.52 | 7.21 | 1,218.58 | 73.59 | 9,852.21 | 1,127.66 | 1,127.66 | 10,979.87 |
| Addition due to acquisition of subsidiary * | - | - | 152.64 | 7.82 | - | 6.04 | 166.51 | - | - | 166.51 |
| Disposals | - | (39.26) | (568.75) | - | (67.78) | (8.63) | (684.43) | - | - | (684.43) |
| - Other (Refer Note No. 3) | (33.44) | - | - | - | - | - | (33.44) | - | - | (33.44) |
| As at March 31, 2021 | 5,343.34 | 20,695.85 | 71,033.82 | 390.67 | 2,006.24 | 1,057.57 | 1,00,527.50 | 11,320.68 | 11,320.68 | 1,11,848.18 |
| Accumulated Depreciation | | | | | | | | | | |
| As at April 01, 2019 | - | 1,829.46 | 15,290.63 | 124.03 | 127.63 | 637.37 | 18,009.12 | 312.08 | 312.08 | 18,321.20 |
| Charged For the Year | - | 712.75 | 4,975.29 | 34.49 | 88.04 | 146.16 | 5,956.74 | 178.87 | 178.87 | 6,135.59 |
| Adjustment on Disposals | - | - | (206.68) | (0.02) | (10.68) | (8.93) | (226.32) | - | - | (226.32) |
| As at March 31, 2020 | - | 2,542.21 | 20,059.24 | 158.50 | 205.00 | 774.59 | 23,739.54 | 490.95 | 490.95 | 24,230.49 |
| Charged For the year | - | 733.33 | 4,840.19 | 34.51 | 137.23 | 98.95 | 5,844.21 | 238.21 | 238.21 | 6,082.42 |
| Accumulated depreciation due to acquisition of subsidiary * | - | - | 41.25 | 4.04 | - | 4.28 | 49.58 | - | - | 49.58 |
| Adjustment on Disposals | - | (0.77) | (268.40) | - | (30.19) | (7.81) | (307.16) | - | - | (307.16) |
| As at March 31, 2021 | - | 3,274.77 | 24,672.28 | 197.04 | 312.04 | 870.02 | 29,326.16 | 729.16 | 729.16 | 30,055.32 |
| Net Block | | | | | | | | | | |
| As at March 31, 2020 | 373.27 | 17,562.10 | 48,472.18 | 217.14 | 650.44 | 211.97 | 67,487.11 | 9,702.07 | 9,702.07 | 77,189.18 |
| As at March 31, 2021 | 5,343.34 | 17,421.08 | 46,361.54 | 193.62 | 1,694.20 | 187.55 | 71,201.34 | 10,591.52 | 10,591.52 | 81,792.86 |

* During the year the Company has acquired 100% interest in Indo Toolings Private Limited

Notes

1. The lease hold land at Faridabad, having gross block of ₹ 10.18 and net written down value of ₹ 5.76 lakhs, is yet to be registered in the name of the Company. The Company has obtained "no objection certificate" from the lessor to get registration of the same in the name of Company.
2. The lease hold land includes land located at Chennai, Sanand and Pune acquired under Business Combination having Gross Block of ₹ 7,215.31 lakhs and Net written down of ₹ 6,812.93 lakhs which are in the name of acquiree companies i.e. JBM Auto System Private Limited and JBM MA Automotive Private Limited.
3. Land at Banchari of Rs. 33.44 Lakhs is donated to Gram Panchayat Banchari for change of land use due to the requirement of local laws.
4. Certain borrowings of the Company have been secured against Property, Plant and Equipment. (Refer Note No 17 & 22)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3(b) : INTANGIBLE ASSETS

₹ In Lakhs

| Particulars | Technical Knowhow | Computer Software | Prototype | License Fees | Total |
|--|-------------------|-------------------|------------------|-----------------|------------------|
| Gross Block | | | | | |
| As at April 01, 2019 | 791.42 | 349.01 | 8,403.37 | 1,259.73 | 10,803.53 |
| Additions | 119.71 | 53.82 | 1,950.04 | - | 2,123.57 |
| Disposals | - | - | (59.57) | - | (59.57) |
| As at March 31, 2020 | 911.13 | 402.83 | 10,293.84 | 1,259.73 | 12,867.53 |
| Additions | - | 141.55 | 3,671.24 | - | 3,812.80 |
| Additions due to acquisition of subsidiary* | - | 45.36 | - | - | 45.36 |
| Disposals | - | - | - | - | - |
| As at March 31, 2021 | 911.13 | 589.75 | 13,965.08 | 1,259.73 | 16,725.69 |
| Accumulated Amortization | | | | | |
| As at April 01, 2019 | 653.43 | 215.71 | 1,412.18 | 421.17 | 2,702.49 |
| Charged For the year | 66.34 | 90.89 | 951.55 | 140.68 | 1,249.46 |
| On Disposals | - | - | (7.82) | - | (7.82) |
| As at March 31, 2020 | 719.77 | 306.60 | 2,355.92 | 561.85 | 3,944.13 |
| Charged For the Year | 70.08 | 78.77 | 1,200.85 | 140.68 | 1,490.38 |
| Accumulated depreciation due to acquisition of subsidiary* | - | 38.59 | - | - | 38.59 |
| On Disposals | - | - | - | - | - |
| As at March 31, 2021 | 789.84 | 423.96 | 3,556.77 | 702.53 | 5,473.10 |
| Net Block | | | | | |
| As at March 31, 2020 | 191.36 | 96.24 | 7,937.92 | 697.88 | 8,923.40 |
| As at March 31, 2021 | 121.29 | 165.79 | 10,408.31 | 557.20 | 11,252.58 |

* During the year the company has acquired 100% interest in Indo Toolings Private Limited

Note 4 : DEPRECIATION AND AMORTIZATION EXPENSE

₹ In Lakhs

| Particulars | For the Year Ended 31 st March 2021 | For the Year Ended 31 st March 2020 |
|--|--|--|
| Depreciation/Amortization on Property, Plant and Equipment | 6,082.42 | 6,135.59 |
| Amortization on Intangible Assets | 1,490.38 | 1,249.46 |
| | 7,572.80 | 7,385.05 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
|--|------------------------|------------------------|

NON CURRENT FINANCIAL ASSETS
(Carried at amortised cost)

NOTE 5 (a): INVESTMENTS ACCOUNTED USING THE EQUITY METHOD

Investment in Equity Instruments

| Associate | | |
|--|-----------------|-----------------|
| Nil (PY : 26,000) Equity Shares of Rs 10/- each fully paid up of VT Emobility Private Limited | - | 2.57 |
| Sub-total | - | 2.57 |
| Joint Ventures | | |
| 1,11,66,000 (PY : 1,11,66,000) Equity Shares of Rs. 10/- each fully paid up of JBM Ogihara Die Tech Private Limited | 1,158.63 | 1,125.61 |
| 1,19,84,657(PY : 1,19,84,657) Equity Shares of Rs.10/- each fully paid up of JBM Solaris Electric Vehicles Private Limited | 741.15 | 1,003.57 |
| 1,12,19,994 (PY : 1,12,19,994) Equity Share of Rs. 10/- each fully paid up of JBM Ogihara Automotive India Limited | 1,732.84 | 1,948.79 |
| 1,55,000 (PY : Nil) Equity Shares of Rs 10/- each fully paid up of VT Emobility Private Limited | - | - |
| Nil (PY : 2,00,000) Equity Shares of Rs. 10/ each fully paid up of INDO Toolings Private Limited | - | - |
| Sub-total | 3,632.62 | 4,077.98 |
| Grand total | 3,632.62 | 4,080.54 |

NON CURRENT FINANCIAL ASSETS
(Carried at amortised cost, unless stated otherwise)

NOTE 5 (b): NON-CURRENT INVESTMENTS

| Investment in Equity Shares in others (at fair value through profit and loss) | | |
|--|-----------------|-----------------|
| 2,230 (PY : 2,230) Equity Shares of ₹ 10/- each fully paid of Premchander Wind Farms Private Limited | 0.22 | 0.22 |
| 2,123 (PY : 2,123) Equity Shares of ₹ 10/- each fully paid of Puvaneswari Enterprises Wind Farms Private Limited | 0.21 | 0.21 |
| Nil (PY : 2,260) Equity Shares of ₹ 10/- each fully paid of AFCM Wind Farms Private Limited | - | 0.23 |
| Nil (PY : 1,220) Equity Shares of ₹ 10/- each fully paid of Sarojarajan Green Energy Private Limited | - | 0.12 |
| Nil (PY : 1,220) Equity Shares of ₹ 10/- each fully paid of AJSM Green Energy Private Limited | - | 0.12 |
| 267,000 (PY : Nil) Equity Shares of ₹ 10/- each fully paid up in Pitampura Auto Cluster Limited | 26.70 | - |
| 1,00,00,000 (PY : 1,00,00,000) Equity Shares of ₹ 10/- each fully paid of Yorozu JBM Automotive Tamil Nadu Private limited | 1,000.00 | 1,000.00 |
| Sub-total | 1,027.13 | 1,000.90 |
| Investment in Preference Shares in others (at fair value through Profit and Loss) | | |
| Joint Venture (at amortised cost) | | |
| 4,93,498 (PY : Nil) 8% Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid of VT Emobility Private Limited | 439.87 | - |
| Sub-total | 439.87 | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|---|---------------------------------------|---------------------------------------|
| Others (at fair value through profit and loss) | | |
| 2,40,000 (PY : 2,40,000) 1% Optionally Convertible Non-Cumulative Redeemable Preference shares of Rs 10 each fully paid at a premium of Rs 115 per share of Neel Industries Private Limited | 329.35 | 300.00 |
| Sub-total | 329.35 | 300.00 |
| Grand total | 1,796.35 | 1,300.90 |
| Aggregate value of unquoted investments | 1,796.35 | 1,300.90 |
| Aggregate amount of impairment in value of Investments | - | - |

For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 39

NOTE 6 : LOANS

(Unsecured, Considered good)

| | | |
|---------------------------------|-----------------|-----------------|
| Security deposits | 667.11 | 805.00 |
| Loan to Joint Venture company * | 850.00 | 850.00 |
| Loan to Others | 200.00 | - |
| | 1,717.11 | 1,655.00 |

*For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 39

*Refer Note No. 52

NOTE 7 : OTHER NON CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

| | | |
|---------------------------------|---------------|---|
| Share application money given * | 951.96 | - |
| | 951.96 | - |

*For disclosures under section 186(4) of Companies Act, 2013 refer Note No. 39

*Refer Note No 52

NOTE 8 : OTHER NON CURRENT ASSETS

(Unsecured, considered good)

| | | |
|-----------------------|-----------------|-----------------|
| Capital advances | 1,348.44 | 829.31 |
| Prepaid rent | 27.01 | 28.24 |
| Income tax refundable | 1,486.81 | 1,571.55 |
| Others | 156.06 | 156.06 |
| | 3,018.32 | 2,585.16 |

NOTE 9 : INVENTORIES

| | | |
|------------------------------|------------------|------------------|
| Raw materials | 16,867.93 | 15,637.77 |
| Raw materials in transit | 2,006.32 | 660.78 |
| Work in progress (WIP) | 13,366.09 | 10,410.28 |
| Finished goods | 1,548.80 | 662.42 |
| Stores, spares & consumables | 2,172.69 | 2,084.34 |
| Scrap | 241.03 | 99.10 |
| | 36,202.86 | 29,554.69 |

- The mode of valuation has been stated in Note No 2.10

- Certain borrowings of the Company has been secured against inventories (refer Note No. 17 & 22)

- The cost of inventories recognised as an expense during the year was ₹ 1,43,037.49 lakhs (P.Y ₹ 1,39,034.82 Lakhs)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|---------------------------------------|---------------------------------------|
|--|---------------------------------------|---------------------------------------|

CURRENT FINANCIAL ASSETS

(Carried at amortised cost, unless stated otherwise)

NOTE 10 : TRADE RECEIVABLE (Unsecured)

| | | |
|------------------------------------|------------------|-----------|
| - Considered good | 49,595.87 | 49,459.38 |
| - Considered doubtful | 44.81 | 44.96 |
| | 49,640.68 | 49,504.34 |
| Less: Provision for doubtful debts | 44.81 | 44.96 |
| | 49,595.87 | 49,459.38 |

- Certain borrowings of the Company have been secured against Receivables (refer note no 17 & 22)

- Debts amounting to ₹ 0.83 lakhs (PY: ₹ 173.73 lakhs) is due by private companies in which director is a director or a member.

- Amount due from related parties ₹ 6,638.56 (PY ₹ 1,294.33 lakhs)

NOTE 11 : CASH AND CASH EQUIVALENTS

| | | |
|----------------------|-----------------|-----------------|
| Cash in hand | 17.14 | 23.50 |
| Balances with banks | | |
| - In Current account | 1,479.92 | 2,169.46 |
| | 1,497.06 | 2,192.96 |

NOTE 12 : OTHER BANK BALANCES

| | | |
|--|---------------|--------------|
| In fixed deposit account more than 3 months original maturity but less than 12 months maturity | 307.35 | 31.58 |
| Margin money with bank | 14.40 | - |
| Balances with banks | | |
| - In unpaid dividend account | 23.48 | 23.09 |
| | 345.23 | 54.67 |

NOTE 13 : OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)

| | | |
|------------------------|-----------------|----------|
| Claim receivable * | 1,105.00 | 1,105.00 |
| Royalty receivable | 10.24 | 38.95 |
| Security deposits | 200.00 | - |
| Interest receivable | 123.45 | 40.36 |
| Other financial assets | 227.82 | 173.98 |
| | 1,666.51 | 1,358.30 |

*Refer Note No 44

NOTE 14 : OTHER CURRENT ASSETS (Unsecured, considered good)

| | | |
|---|------------------|------------------|
| Subsidy receivable | 2,471.54 | 2,092.57 |
| Balance with statutory/government authorities | 6,338.46 | 1,090.64 |
| Sales Tax/VAT recoverable | 4.10 | 4.10 |
| Advance to suppliers | 2,884.83 | 2,785.52 |
| Contract Assets | 10,360.95 | 7,265.85 |
| TDS/TCS Recoverable | 178.30 | - |
| Prepaid expenses | 584.20 | 244.80 |
| Other assets | 57.70 | 61.62 |
| | 22,880.08 | 13,545.10 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|---------------------------------------|---------------------------------------|
|--|---------------------------------------|---------------------------------------|

NOTE 15 : EQUITY SHARE CAPITAL

A. Authorised

| | | |
|---|------------------|------------------|
| 25,20,00,000 (PY : 25,20,00,000) Equity Shares of ₹ 5/- each | 12,600.00 | 12,600.00 |
| 1,00,00,000 (PY : 1,00,00,000) Preference Shares of ₹ 10/- each | 1,000.00 | 1,000.00 |
| | 13,600.00 | 13,600.00 |

B. Issued, Subscribed and Fully Paid Up

| | | |
|--|-----------------|-----------------|
| 4,72,98,853 (PY : 4,72,98,853) Equity Shares of ₹ 5/- each fully paid up | 2,364.94 | 2,364.94 |
| | 2,364.94 | 2,364.94 |

i) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

| | | |
|---|-------------|-------------|
| Number of shares outstanding at the beginning of the year | 4,72,98,853 | 4,07,95,364 |
| Add: issued/cancelled during the year * | - | 65,03,489 |
| Number of shares outstanding at the end of the year | 4,72,98,853 | 4,72,98,853 |

* Pursuant to merger of JBM Auto System Private Limited ("Subsidiary Company") and JBM MA Automotive Private Limited ("Associate Company") with JBM Auto Limited the Company has issued 65,03,489 equity shares during the year financial year 2019-20.

ii) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shareholders holding more than 5% equity shares in the Company. (Refer Note No. 47)

NOTE 16 : OTHER EQUITY

| | General Reserve | Retained Earnings | Capital Reserve on merger | OCI -Remeasurement of Previously held interest in Joint Venture | Securities Premium | Capital Redemption Reserve | Total attributable to the owner of the Company |
|---|-----------------|-------------------|---------------------------|---|--------------------|----------------------------|--|
| Balance as at 01.04.2019 | 2,988.31 | 54,569.96 | (14.47) | - | 4,629.97 | - | 62,173.77 |
| Profit for the year | - | 6,922.09 | - | - | - | - | 6,922.09 |
| Other comprehensive income/(loss) for the year | - | (2.51) | - | - | - | - | (2.51) |
| Dividends distributed during the year (including DDT) | - | (1,106.57) | - | - | - | - | (1,106.57) |
| Transfer from retained earnings to Capital Redemption Reserve | - | (500.00) | - | - | - | 500.00 | - |
| Balance as at 31.03.2020 | 2,988.31 | 59,882.97 | (14.47) | - | 4,629.97 | 500.00 | 67,986.79 |
| Profit for the year | - | 4,930.04 | - | - | - | - | 4,930.04 |
| Other comprehensive income/(loss) for the year | - | (48.99) | - | 156.47 | - | - | 107.48 |
| Dividends distributed during the year | - | (827.73) | - | - | - | - | (827.73) |
| Balance as at 31.03.2021 | 2,988.31 | 63,936.29 | (14.47) | 156.47 | 4,629.97 | 500.00 | 72,196.58 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

* During the year 2020-21, the Company has paid dividend of ₹ 1.75/- per share (PY ₹ 2.25 per share) (on fully paid-up equity share of ₹ 5 each) amounting to ₹ 827.73 lakhs, dividend in PY ₹ 1,106.57 lakhs (including dividend distribution tax thereon of ₹ 188.68 lakhs)

The Board at its meeting held on May 18th, 2021 has recommended a dividend @ 30% i.e. ₹ 1.50/- per share (on fully paid up equity share of ₹ 5/-each) for the year ended 31st March 2021. This equity dividend is subject to approval by shareholders at the Annual General Meeting. The total estimated equity dividend to be paid is ₹ 709.48 Lakhs.

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|---------------------------------------|---------------------------------------|
|--|---------------------------------------|---------------------------------------|

NON CURRENT FINANCIAL LIABILITIES

(Carried at amortised cost, unless stated otherwise)

NOTE 17 : NON CURRENT BORROWINGS

| | | |
|--|------------------|------------------|
| A. Term Loan from banks (Secured) | | |
| In Rupee* | 25,128.40 | 16,361.47 |
| Vehicle Loans** | 197.74 | 224.65 |
| B. Term loan From Others (Secured)*** | 5,576.24 | 7,968.49 |
| C. Term loans from others (Unsecured) | 562.50 | - |
| | 31,464.88 | 24,554.61 |
| Less: Current Maturities of term loans | 10,194.35 | 8,024.25 |
| | 21,270.53 | 16,530.36 |
| C. Finance lease obligations (unsecured) | 1,699.31 | 668.85 |
| D. Liability component of financial instruments (unsecured) | 3,173.08 | 2,596.91 |
| | 4,872.39 | 3,265.76 |
| Less: | | |
| Current maturities of finance lease obligations | 151.00 | 84.42 |
| Current maturities of liability component of financial instruments | 3,173.08 | 40.00 |
| | 3,324.08 | 124.42 |
| | 1,548.31 | 3,141.34 |
| | 22,818.84 | 19,671.70 |

Term loan of ₹ 1,445.76 (P.Y ₹ 1,667.00) lakhs is secured by First Pari Passu charge on both moveable and immovable assets at Indore Plant situated at Plot No 157-E, Sec-3, Pithampur Industrial Area, Dhar-454775, Indore, MP. First Pari Passu charge on the property situated at Greater Noida and Faridabad Property. Second Pari Passu charge on all the current assets of the Company both present and future situated at Faridabad, Indore & Greater Noida.

Term loan of ₹ 4,189.57 lakh (P.Y ₹ 4,536.00 lakh) is secured by First Pari Passu charge on moveable fixed assets of the Company both present and future. Second Pari Passu charge on all the current assets both present & future of the Company.

Term loan of ₹ 1,301.70 lakhs (P.Y ₹ 1,558.25 lakhs) is secured by First Pari Passu charge on the movable fixed assets of the Chakan, Pune plant of the Company both present & future. Second Pari Passu charge on the current assets of the Chakan, Pune plant of the Company both present & future.

First Pari Passu Charge on the immovable fixed assets of the Company being factory land and building situated at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Term loan of ₹ 4,939.03 lakhs (P.Y ₹ 4,968.00 lakhs) is secured by First Pari Passu Charge on the movable fixed assets of the Chakan, Pune plant of the Company both present & future.

Second Pari Passu charge on the current assets of the Chakan, Pune plant of the Company both present & future.

First Pari Passu charge on the immovable fixed assets of the Company being factory land and building situated at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501

Term loan of ₹ 715.84 lakhs (P.Y ₹ 1,111.11 Lakhs) is secured by exclusive charge on machinery funded by bank. Asset cover of 1.5x to be maintained

Term loan of ₹ 3,000.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company both present and future (excluding those exclusively charged to other lenders) with security cover of 1.3x.

Second Pari Passu charge on all the current assets both present & future of the Company (excluding those exclusively charged to other lenders).

Term loan of ₹ 750.00 lakhs (P.Y ₹ 1,000.00 lakhs) is secured by First Pari Passu charge on moveable fixed assets of the company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.3x.

Term loan of ₹ 5,000.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.5x.

Second Pari Passu charge on entire current assets (excluding those exclusively charged to other lenders)

Term loan of ₹ 2,500.00 lakhs (P.Y NIL) is secured by First Pari Passu charge on moveable fixed assets of the Company (excluding those exclusively charged to other lenders) with minimum asset cover of 1.5x.

Second Pari Passu charge on entire current assets (excluding those exclusively charged to other lenders)

Term loan of ₹ 1286.49 lakhs (P.Y ₹ 1,427.62 lakhs) is secured by Primary-First Pari Passu charge on all movable and immovable fixed assets of the Company located at C-1/2, MIDC, Chakan - Talegaon Road, Chakan, Pune - 410501 (both present and future) (excluding those exclusively charge to other lenders).

Collateral-Second Pari Passu Charge on current assets of the Chakan, Pune plant of the Company (both present and future)

Term loan of ₹ NIL (P.Y ₹ 93.49 lakhs) is secured by First charge on Pari Passu basis on the immovable assets of the Company's plant located at Plot No RNS-1, Renault & Nissan Suppliers Park, SIPCOT Industrial Growth Centre, Oragadam, Tamil Nadu. First charge on Pari Passu basis on the movable assets (except those exclusively charge to term lenders and Ford India) of the Company's Plant located at Plot No RNS-1, Renault & Nissan Suppliers Park, SIPCOT Industrial Growth Centre, Oragadam, Tamil Nadu.

First charge on the movable assets (except those exclusively charged to Term Lenders and Ford India) of the Company's MM Nagar Plant Located at 1 Ford Suppliers Park, S.P Koil post, Chengalpattu Taluk, Kanchipuram - 603204 (Tamil Nadu).

First charge on the movable assets (except those exclusively charged to Term Lenders and Ford India) of the Company's plant located at Hosur - Plot No. 31, SIPCOT Industrial Complex, Phase - I, Mookandpilli, Hosur - 635126, Tamil Nadu.

** Secured by hypothecation of respective vehicle financed

*** Term loan of ₹ 2,867.39 lakhs (P.Y ₹ 3,750.00 lakhs) has Pari Passu charge on Movable Fixed Assets of the Company with a minimum asset cover of 1.30X.

Term loan of ₹ 2,708.85 lakhs (P.Y ₹ 3,593.49 lakhs) is secured by Pari Passu charge on Movable & immovable Fixed assets of the Company located at MM Nagar, Oragadam units (Tamil Nadu) with Minimum assets cover of 1.3x

Term loan of ₹ Nil (P.Y ₹ 625.00 lakhs) is secured by Exclusive charge on Plant and Machinery of the borrower with a minimum asset cover of 1.50X.

Second Pari Passu charge on all the current assets of the Sanand unit of the borrower, both Present and future.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Maturity Profile

| Term of Repayment of Loan | Balance as at 31.03.2021 (₹ in lakhs) | No of Yearly/Quarterly/Monthly Instalments | Balance installment as at 31.03.2021 (Nos.) | Rate of Interest |
|---------------------------|---------------------------------------|--|---|------------------|
| Term Loan from Banks | 1,445.76 | 18 Quarterly | 10 | MCLR Linked rate |
| Term Loan from Banks | 4,189.57 | 18 Quarterly | 16 | MCLR Linked rate |
| Term Loan from Banks | 1,301.70 | 16 Quarterly | 8 | MCLR Linked rate |
| Term Loan from Banks | 4,492.63 | 16 Quarterly | 13 | MCLR Linked rate |
| Term Loan from Banks | 446.40 | 15 Quarterly | 12 | MCLR Linked rate |
| Term Loan from Banks | 715.84 | 18 Quarterly | 5 | MCLR Linked rate |
| Term Loan from Banks | 3,000.00 | 8 Quarterly | 8 | MCLR Linked rate |
| Term Loan from Banks | 750.00 | 16 Quarterly | 12 | MCLR Linked rate |
| Term Loan from Banks | 5,000.00 | 14 Quarterly | 14 | MCLR Linked rate |
| Term Loan from Banks | 2,500.00 | 10 Quarterly | 10 | MCLR Linked rate |
| Term Loan from Banks | 574.44 | 25 Quarterly | 14 | MCLR Linked rate |
| Term Loan from Banks | 712.05 | 17 Quarterly | 11 | MCLR Linked rate |
| Total | 25,128.40 | | | |
| Term Loan from Others | 2,867.39 | 17 Quarterly | 10 | MCLR Linked rate |
| Term Loan from Others | 1,275.16 | 17 Quarterly | 9 | MCLR Linked rate |
| Term Loan from Others | 1,433.69 | 17 Quarterly | 10 | MCLR Linked rate |
| Term Loan from Others | 562.50 | 24 Monthly | 18 | MCLR Linked rate |
| Total | 6,138.74 | | | |

Vehicle Loan from bank are payable in 60 monthly equal instalments respectively from the date of disbursements carrying interest rate @ 8.55%-8.70% per annum

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

NOTE 18 : OTHER NON CURRENT FINANCIAL LIABILITIES

| | | |
|---------------------------|--------------|---------------|
| Payable for Capital Goods | 93.28 | 543.46 |
| | 93.28 | 543.46 |

NOTE 19 : PROVISIONS

| | | |
|---------------------------------|-----------------|-----------------|
| Provision for employee benefits | 1,293.15 | 1,067.90 |
| | 1,293.15 | 1,067.90 |

NOTE 20 : DEFERRED TAX LIABILITY (NET)

Deferred tax liability

| | | |
|--|------------------|------------------|
| Related to property, plant and equipment and intangible assets | 11,221.98 | 11,491.17 |
| IND AS 115 application | 849.18 | 478.06 |
| Total (A) | 12,071.16 | 11,969.23 |
| Deferred tax assets | | |
| Provision for doubtful debts | (15.61) | (15.71) |
| Claim under Section 43B of Income Tax Act, 1961 | (696.80) | (594.18) |
| Unabsorbed Depreciation as per Income Tax Act, 1961 | (45.58) | - |
| Unrealised Profit | (37.97) | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|---|---------------------------------------|---------------------------------------|
| Total (B) | (795.96) | (609.89) |
| Total (A+B) | 11,275.20 | 11,359.35 |
| MAT Credit available | (1,117.23) | (2,568.10) |
| Deferred tax liability/(asset) (net) | 10,157.97 | 8,791.25 |

Deferred tax liability & deferred tax asset have been offset as they relate to the same government taxations laws.

Major components of deferred tax liability/(assets) arising on account of temporary difference are as follows:

₹ In Lakhs

| | As at 01.04.2020 | Movement during the year | As at 31.03.2021 |
|--|---------------------|-----------------------------|---------------------|
| Related to property, plant and equipment and intangible assets | 11,491.17 | (269.19) | 11,221.98 |
| IND AS 115 application | 478.06 | 371.12 | 849.18 |
| Provision for doubtful debts | (15.71) | 0.10 | (15.61) |
| Claim under Section 43B of Income Tax Act,1961 | (594.18) | (102.62) | (696.80) |
| Unabsorbed Depreciation as per Income Tax Act,1961 | - | (45.58) | (45.58) |
| Unrealised Profit | - | (37.97) | (37.97) |
| MAT Credit available | (2,568.10) | 1,450.87 | (1,117.23) |
| Total | 8,791.25 | 1,366.72 | 10,157.97 |

| | As at 01.04.2019 | Movement during the year | As at 31.03.2020 |
|--|---------------------|-----------------------------|---------------------|
| Related to property, plant and equipment and intangible assets | 9,654.16 | 1,837.01 | 11,491.17 |
| IND AS 115 application | - | 478.06 | 478.06 |
| Provision for doubtful debts | (15.71) | - | (15.71) |
| Claim under Section 43B of Income Tax Act,1961 | (490.40) | (103.78) | (594.18) |
| MAT Credit available | (2,193.38) | (374.72) | (2,568.10) |
| Total | 6,954.67 | 1,836.58 | 8,791.25 |

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|---------------------------------------|---------------------------------------|
| | | |

NOTE 21 : OTHER NON CURRENT LIABILITIES

| | | |
|---|---------------|---------------|
| Deferred component of financial instruments | - | 143.91 |
| Deferred Government Grant | 291.31 | 373.22 |
| | 291.31 | 517.13 |

CURRENT FINANCIAL LIABILITIES (Carried at amortised cost)

NOTE 22 : CURRENT BORROWINGS*

| | | |
|---|------------------|------------------|
| A. Loan repayable on demand from banks (secured)* | | |
| Cash credit | 37.99 | 5,289.36 |
| B. Other loans from banks (secured)* | | |
| Working capital demand loans | 32,606.00 | 19,800.00 |
| Bill discounting/PO financing | 1,062.06 | 1,674.25 |
| Suppliers credit/Buyer's credit | 4,607.64 | 2,404.69 |
| | 38,313.69 | 29,168.30 |
| C. Loan repayable on demand from banks (unsecured) | | |
| MSME discounting | 1,654.24 | - |
| Bill Discounting/PO Financing | 8,203.03 | 5,746.65 |
| | 9,857.27 | 5,746.65 |
| | 48,170.96 | 34,914.95 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Secured by hypothecation on pari passu interse between banks by way of First Pari Passu charge on Current Assets of the Company both present and future. Second Pari Passu charge on Movable Fixed Assets of the Company both present and future. (Excluding those have exclusive charge to the term lenders)

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

* The subsidiary of the Company has taken revolving credit facility amounting to Rs 5 Crore for meeting the working capital requirement and is secured against entire current assets of the subsidiary company, existing and future comprising inter alia of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets (exclusive charge).

₹ In Lakhs

| | As at 31 st March, 2021 | As at 31 st March, 2020 |
|--|---------------------------------------|---------------------------------------|
| | | |

NOTE 23 : TRADE PAYABLES*

| | | |
|--|------------------|------------------|
| Total Outstanding Dues of Micro and Small Enterprises * | 1,736.26 | 666.25 |
| Total Outstanding Dues of Creditors other than Micro and Small Enterprises | 56,664.53 | 39,348.96 |
| | 58,400.79 | 40,015.21 |

*Refer Note No 45

NOTE 24 : OTHER CURRENT FINANCIAL LIABILITIES

| | | |
|--|------------------|-----------------|
| Current maturities of liability component of financial instruments | 3,173.08 | 40.00 |
| Current maturities of finance lease obligations | 151.00 | 84.42 |
| Current maturities of term loans | 10,194.35 | 8,024.25 |
| Interest accrued but not due on borrowings | 255.57 | 212.52 |
| Interest accrued and due on borrowings | 0.18 | 0.08 |
| Unpaid/unclaimed dividend | 23.48 | 23.09 |
| Payable for capital goods | 1,312.47 | 499.28 |
| Employee related Liabilities | 1,605.52 | 776.91 |
| Security Deposits | 259.03 | 205.38 |
| Others | 33.89 | - |
| | 17,008.57 | 9,865.93 |

NOTE 25 : OTHER CURRENT LIABILITIES

| | | |
|--|------------------|------------------|
| Deferred component on financial instrument | 143.91 | 196.72 |
| Statutory dues payable | 2,546.86 | 1,403.32 |
| Advance from customers | 10,056.12 | 12,699.16 |
| Deferred Government grant | 81.93 | 81.93 |
| Others (including advance from employees for vehicles) | 324.71 | 288.81 |
| | 13,153.53 | 14,669.94 |

NOTE 26 : PROVISIONS

| | | |
|---------------------------------|---------------|---------------|
| Provision for employee benefits | 298.60 | 269.81 |
| Provision for warranty * | 116.82 | 47.34 |
| | 415.42 | 317.15 |

* Refer Note No. 50

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | For the year ended 31 st March, 2021 | For the year ended 31 st March, 2020 |
|---|--|--|
| NOTE 27 : REVENUE FROM OPERATIONS* | | |
| Sale of products | 1,80,145.51 | 1,76,494.31 |
| Sale of services | 4,209.04 | 4,336.78 |
| Other operating revenue | 13,849.76 | 13,841.88 |
| | 1,98,204.31 | 1,94,672.97 |

* Refer Note No. 49

NOTE 28 : OTHER INCOME

| | | |
|--|-----------------|-----------------|
| Rent | 51.00 | 108.27 |
| Interest on security and other deposits * | 129.37 | 144.07 |
| Profit on sale of property plant and equipment (net) | - | 44.53 |
| Profit on fair valuation of investment in shares | 29.35 | - |
| Royalty | 11.68 | 65.79 |
| Subsidy | 665.84 | 513.00 |
| Deferred Income on deferred component of financial instruments | 196.72 | 369.20 |
| Miscellaneous income | 112.89 | 296.09 |
| | 1,196.85 | 1,540.95 |
| * In relation to financial assets classified at amortised cost | 129.37 | 144.07 |

NOTE 29 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

| | | |
|---|-------------------|-------------------|
| Opening inventories: | | |
| Work in progress* | 11,604.80 | 6,295.78 |
| Finished goods | 662.42 | 726.56 |
| | 12,267.22 | 7,022.34 |
| Less : Closing inventories : | | |
| Work in progress* | 13,366.09 | 10,410.28 |
| Finished goods | 1,548.80 | 662.42 |
| | 14,914.89 | 11,072.70 |
| Increase/(Decrease) in finished goods & work in progress | (2,647.67) | (4,050.36) |

* Opening work in progress of FY 21 include inventory of INDO Toolings Private Limited as at 09th Oct'2020.

NOTE 30 : EMPLOYEE BENEFITS EXPENSE

| | | |
|--|------------------|------------------|
| Salaries & wages | 19,921.95 | 19,534.34 |
| Contribution to provident and other funds | 900.71 | 884.15 |
| Staff welfare expense | 1,312.32 | 1,237.22 |
| | 22,134.98 | 21,655.71 |
| Less: Transferred to Project Commissioned /Under Commissioning | 1,664.93 | 1,257.07 |
| | 20,470.05 | 20,398.64 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | For the year ended 31 st March, 2021 | For the year ended 31 st March, 2020 |
|---|--|--|
| NOTE 31 : FINANCE COSTS | | |
| Interest on borrowings | 5,631.45 | 6,041.90 |
| Interest on liability component of financial instruments | 278.87 | 538.96 |
| Interest- others | 106.58 | 137.27 |
| Other borrowing cost | 257.37 | 136.61 |
| Exchange difference regarded as an adjustment to borrowings costs | - | 42.61 |
| | 6,274.27 | 6,897.35 |
| Less: Transferred to Project Commissioned /Under Commissioning | 736.61 | 470.42 |
| | 5,537.66 | 6,426.93 |
| In relation to financial liabilities classified at amortised cost | 5,910.32 | 6,580.86 |

The weighted average rate for capitalisation of interest relating to general borrowings was approximately 8.48 % and 9.85% for the years ended March 31, 2021 and 2020, respectively.

NOTE 32 : OTHER EXPENSES

| | | |
|--|------------------|------------------|
| Stores consumed | 1,562.32 | 1,357.24 |
| Manufacturing expenses | 5,462.58 | 4,247.07 |
| Power & fuel | 3,263.99 | 3,353.14 |
| Packing materials consumed | 416.21 | 503.02 |
| Rent | 187.21 | 200.17 |
| Rates & taxes | 379.26 | 332.13 |
| Insurance | 180.61 | 99.41 |
| Repair & maintenance: | | |
| Buildings | 183.80 | 116.35 |
| Machinery & Others | 2,859.09 | 2,194.49 |
| Loss on sale of property, plant and equipment (net) | 42.06 | - |
| Freight and forwarding charges | 2,253.66 | 1,809.87 |
| Exchange fluctuation (net) | 345.77 | 60.01 |
| Royalty | 48.81 | 53.60 |
| Other administrative expenses | 2,297.06 | 2,219.57 |
| | 19,482.43 | 16,546.07 |
| Less: Transferred to Project Commissioned /Under Commissioning | 359.91 | 858.45 |
| | 19,122.52 | 15,687.62 |

NOTE 33 : TAX EXPENSE

| | | |
|---|-----------------|-----------------|
| (a) Income tax expense recognised in Statement of Profit and Loss | | |
| Current tax expense | 2,923.99 | 1,961.77 |
| Minimum Alternate Tax credit entitlement | (8.71) | (392.18) |
| Deferred tax charge/(credit) | (86.77) | 2,212.74 |
| Earlier years | 46.73 | 60.70 |
| | 2,875.24 | 3,843.03 |
| (b) Income tax expense recognised in Other Comprehensive Income | | |
| Income tax expense/(income) on Remeasurement of Defined Benefit Obligations | (26.13) | (0.86) |
| | (26.13) | (0.86) |
| | 2,849.11 | 3,842.17 |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | For the year ended 31 st March, 2021 | For the year ended 31 st March, 2020 |
|--|--|--|
| Profit before tax | 7,805.28 | 10,765.12 |
| At country's statutory income tax rate (CY : Normal Tax Rate , PY: MAT Rate) | 34.94% | 17.47% |
| Computed tax expense | 2,727.16 | 1,880.88 |
| Tax Effect of : | | |
| Effect of disallowances and allowances | 196.83 | 80.88 |
| Current Tax Provision (A) | 2,923.99 | 1,961.77 |
| MAT Credit entitlement (B) | (8.71) | (392.18) |
| Deferred Tax Expense | | |
| Incremental Deferred Tax (Asset)/Liability on account of Property, Plant and Equipment and Intangible assets | (269.19) | 1,838.45 |
| Incremental Deferred Tax (Assets)/liability on account of Temporary Allowances/ Dis Allowances under income Tax Act , 1961 | 182.42 | 374.29 |
| Deferred Tax Expense (c) | (86.77) | 2,212.74 |
| Adjustment in respect to taxes earlier years (D) | 46.73 | 60.70 |
| Total tax expense recognised in Statement of Profit and Loss (A+B+C+D) | 2,875.24 | 3,843.03 |

NOTE 34 : OTHER COMPREHENSIVE INCOME

| Items that will not be reclassified to profit or loss | | |
|--|---------------|---------------|
| (i) Gains/(losses) on defined benefits plans | (75.12) | (3.37) |
| (ii) Income tax (expense)/income on gain/(loss) on defined benefit plans | 26.13 | 0.86 |
| (iii) Remeasurement of Previously held interest in Joint Venture | 156.47 | - |
| | 107.48 | (2.51) |

NOTE 35 : EARNING PER SHARE

Basic earning per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, unless the effect of potential dilutive equity share is antidilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

| | For the year ended 31 st March, 2021 | For the year ended 31 st March, 2020 |
|--|--|--|
| Profit after tax attributable to owners of the company (₹ in Lakhs) | 4,930.04 | 6,922.09 |
| " -Weighted Average Number of Equity Shares (Outstanding during the year)* | 4,72,98,853 | 4,72,98,853 |
| -Face Value of share (₹) | 5.00 | 5.00 |
| Basic Earning per share (Amount in ₹) | 10.42 | 14.63 |
| Diluted Earning per share (Amount in ₹) | 10.42 | 14.63 |

* includes 65,03,489 shares issued pursuant to Merger in F.Y. 2019-20

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 36 : a) DETAILS OF GROUP COMPANIES

| S.No | Name of the Company | Relationship | Country of Incorporation | Percentage of ownership | |
|------|---|---------------|--------------------------|-------------------------|---------------------|
| | | | | As at 31.03.2021 | As at 31.03.2020 |
| 1 | MH Ecolife Emobility Private Limited | Subsidiary | India | 100.00% | 100.00% |
| 2 | Indo Toolings Private Limited (w.e.f 09th-Oct-2020) | Subsidiary | India | 100.00% | - |
| 3 | JBM Electric Vehicles Private Limited (w.e.f 08th-Apr-2020) | Subsidiary | India | 100.00% | - |
| 4 | JBM Ecolife Mobility Private Limited (w.e.f 31st-Dec-2020) | Subsidiary | India | 100.00% | - |
| 5 | JBM Ogihara Automotive India Limited | Joint Venture | India | 51.00% | 51.00% |
| 6 | JBM Solaris Electric Vehicles Private Limited | Joint Venture | India | 79.90% | 79.90% |
| 7 | Indo Toolings Private Limited (Upto 08th-Oct-2020) | Joint Venture | India | - | 50.00% |
| 8 | JBM Ogihara Die Tech Private Limited | Joint Venture | India | 51.00% | 51.00% |
| 9 | VT Emobility Private Limited (w.e.f 20th-Mar-2021) | Joint Venture | India | 62.00% | - |
| 10 | VT Emobility Private Limited (Upto 19th-Mar-2021) | Associate | India | - | 26.00% |

Note : Joint Ventures and Associate are consolidated as per the Equity Method.

b) Non Controlling Interests (NCI)

The Company has the following subsidiary companies, in which the company holds 100% shares, therefore there is no non-controlling interest.

- 1) MH Ecolife Emobility Private Limited
- 2) Indo Toolings Private Limited (w.e.f. 09th-Oct-2020)
- 3) JBM Electric Vehicles Private Limited (w.e.f. 08th-Apr-2020)
- 4) JBM Ecolife Mobility Private Limited (w.e.f. 31st-Dec-2020)

c) Summarised financial information of Joint Ventures and Associate.

The table below provides summarised financial information (based on separate financial statement) for those Joint Ventures & Associate.

₹ In Lakhs

| Particulars | Joint Ventures | | | | |
|---|--------------------------------------|--------------------------------------|---|-------------------------------|--------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Toolings Private Limited | VT Emobility Private Limited * |
| As at 31st March 2021 | | | | | |
| Current Assets | | | | | |
| - Cash and Cash Equivalents | 7.11 | 1.02 | 6.02 | - | 33.84 |
| - Other Assets | 1,254.87 | 3,709.09 | 705.26 | - | 684.00 |
| Total Current Assets (A) | 1,261.99 | 3,710.11 | 711.28 | - | 717.84 |
| Total Non - Current Assets (B) | 3,417.54 | 3,933.96 | 2,695.57 | - | 9,477.41 |
| Current Liabilities | | | | | |
| - Financial Liabilities (Excluding Trade and other payables and Provisions) | 62.46 | 589.34 | 1,533.41 | - | 5,174.46 |
| - Other Liabilities | 887.53 | 3,552.32 | 95.70 | - | 10.78 |
| Total Current Liabilities (C) | 949.99 | 4,141.66 | 1,629.11 | - | 5,185.24 |
| Non-Current Liabilities | | | | | |
| - Financial Liabilities (Excluding Trade and other payables and Provisions) | 1,417.74 | 233.91 | 850.00 | - | 4,059.36 |
| - Other Liabilities | 39.97 | 41.82 | - | - | - |
| Total Non-Current Liabilities (D) | 1,457.71 | 275.74 | 850.00 | - | 4,059.36 |
| Share application money pending for allotment (E) | - | - | - | - | 951.96 |
| Net Assets (A+B-C-D-E) | 2,271.83 | 3,226.67 | 927.74 | - | (1.31) |

* Upto 19th-Mar-2021, it was an associate and w.e.f. 20th-Mar-2021 it became an Joint Venture.

Indo Toolings Private Limited has become Subsidiary w.e.f. 09th-Oct-2020.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Joint Ventures | | | | Associate |
|---|--------------------------------------|--------------------------------------|---|-------------------------------|-------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Toolings Private Limited | VT Emobility Private Limited* |
| As at 31st March 2020 | | | | | |
| Current Assets | | | | | |
| - Cash and Cash Equivalents | 37.40 | 168.76 | 14.37 | 81.23 | 10.00 |
| - Other Assets | 989.57 | 1,182.64 | 580.72 | 3,026.71 | - |
| Total Current Assets(A) | 1,026.97 | 1,351.40 | 595.10 | 3,107.93 | 10.00 |
| Total Non - Current Assets(B) | 3,221.60 | 4,249.66 | 2,625.17 | 206.75 | - |
| Current Liabilities | | | | | |
| - Financial Liabilities (Excluding Trade and other payables and Provisions) | 72.90 | 482.71 | 1,079.63 | 1,055.52 | - |
| - Other Liabilities | 483.66 | 931.27 | 34.57 | 1,926.75 | 0.10 |
| Total Current Liabilities(C) | 556.56 | 1,413.98 | 1,114.20 | 2,982.27 | 0.10 |
| Non-Current Liabilities | | | | | |
| - Financial Liabilities (Excluding Trade and other payables and Provisions) | 1,466.65 | 344.97 | 850.00 | - | - |
| - Other Liabilities | 18.28 | 192.01 | - | 100.64 | - |
| Total Non-Current Liabilities(D) | 1,484.93 | 536.98 | 850.00 | 100.64 | - |
| Net Assets (A+B-C-D) | 2,207.08 | 3,650.10 | 1,256.07 | 231.77 | 9.90 |

Reconciliation to carrying amounts:

| | | | | | |
|--|-----------------|-----------------|-----------------|----------|---------------|
| As at 31st March 2021 | | | | | |
| Opening Net Assets | 2,207.08 | 3,650.10 | 1,256.07 | - | 9.90 |
| Equity share capital issued during the year | - | - | - | - | 15.00 |
| Profit/(Loss) for the year | 65.79 | (424.28) | (328.34) | - | (25.91) |
| Other adjustment | - | - | - | - | (0.30) |
| Other Comprehensive Income | (1.04) | 0.85 | - | - | - |
| Closing Net Assets | 2,271.83 | 3,226.67 | 927.74 | - | (1.31) |
| Group's Share in % | 51.00% | 51.00% | 79.90% | - | 62.00% |
| Group's Share in Rs. | 1,158.63 | 1,645.60 | 741.15 | - | (0.81) |
| Add: Goodwill | - | 87.24 | - | - | - |
| Less: Unrealised Profit | - | - | - | - | (61.68) |
| Other Adjustments ** | - | - | - | - | 8.77 |
| Loss adjusted with Investment in Preference Shares | - | - | - | - | 53.73 |
| Carrying Amount of Investment | 1,158.63 | 1,732.84 | 741.15 | - | - |

* Upto 19th-Mar-2021, it was an associate and w.e.f. 20th-Mar-2021 it became an Joint Venture.

** represents adjustments due to change in % of holding during the financial year 2020-21

Indo Toolings Private Limited has become Subsidiary w.e.f. 09th-Oct-2020.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Joint Ventures | | | | Associate |
|--|--------------------------------------|--------------------------------------|---|-------------------------------|-------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Toolings Private Limited | VT Emobility Private Limited* |
| 31st March 2020 | | | | | |
| Opening Net Assets | 803.82 | 3,679.24 | 1,416.49 | 44.32 | - |
| Equity share capital issued during the year | 1,361.00 | - | - | - | 10.00 |
| Profit/(Loss) for the year | 42.26 | (28.63) | (160.42) | 192.09 | (0.10) |
| Other Comprehensive Income | - | (0.49) | - | (4.64) | - |
| Closing Net Assets | 2,207.08 | 3,650.12 | 1,256.07 | 231.77 | 9.90 |
| Equity Component of preference share capital | - | - | - | (312.95) | - |
| Total | 2,207.08 | 3,650.12 | 1,256.07 | (81.18) | 9.90 |
| Group's Share in % | 51.00% | 51.00% | 79.90% | 50.00% | 26.00% |
| Group's Share in ₹ | 1,125.61 | 1,861.56 | 1,003.57 | (40.59) | 2.57 |
| Loss adjusted with advance to supplier | - | - | - | 40.59 | - |
| Add: Goodwill | - | 87.24 | - | - | - |
| Carrying Amount of Investment | 1,125.61 | 1,948.79 | 1,003.57 | - | 2.57 |

d) Summarised Statement of Profit and Loss

₹ In Lakhs

| Particulars | Joint Ventures | | | | |
|---|--------------------------------------|--------------------------------------|---|-------------------------------|--------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Toolings Private Limited | VT Emobility Private Limited * |
| For the year ended 31st March 2021 | | | | | |
| Revenue (Gross) | 2,081.53 | 4,081.53 | 71.66 | - | - |
| Interest Income | 1.94 | 3.05 | 0.00 | - | - |
| Depreciation and Amortisation | 194.79 | 365.86 | 262.81 | - | 0.01 |
| Interest expense | 22.55 | 72.92 | 55.68 | - | - |
| Profit or loss from continuing operations | 85.48 | (584.86) | (328.34) | - | (25.91) |
| Income tax expenses | 19.68 | (160.58) | - | - | - |
| Other comprehensive income | (1.04) | 0.85 | - | - | - |
| Total Comprehensive income | 64.75 | (423.43) | (328.34) | - | (25.90) |

* Upto 19th-Mar-2021, it was an associate and w.e.f. 20th-Mar-2021 it became an Joint Venture.

Indo Toolings Private Limited has become Subsidiary w.e.f. 09th-Oct-2020.

₹ In Lakhs

| Particulars | Joint Ventures | | | | Associate |
|---|--------------------------------------|--------------------------------------|---|------------------------------|--------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Tooling Private Limited | VT Emobility Private Limited * |
| For the year ended 31st March 2020 | | | | | |
| Revenue (Gross) | 1,390.77 | 8,033.17 | 3,601.77 | 3,621.48 | - |
| Interest Income | 1.42 | 36.97 | 0.55 | 18.30 | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Joint Ventures | | | | Associate |
|---|--------------------------------------|--------------------------------------|---|------------------------------|--------------------------------|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited | Indo Tooling Private Limited | VT Emobility Private Limited * |
| Depreciation and Amortisation | 102.81 | 362.87 | 155.35 | 23.78 | - |
| Interest expense | 13.26 | 104.33 | 52.00 | 78.24 | - |
| Profit or loss from Continuing operations | 53.70 | (28.55) | (160.42) | 265.59 | (0.10) |
| Income tax expenses | 11.44 | 0.08 | - | 73.51 | - |
| Other Comprehensive income | - | (0.49) | - | (4.64) | - |
| Total Comprehensive income | 42.26 | (29.12) | (160.42) | 187.45 | (0.10) |

e) The Group, based on Joint Venture Agreement and other relevant documents, has assessed that though the Group has voting power in excess of 50% in the companies listed below, it does not have unilateral control over their relevant activities (e.g. operating and financial decision making). Accordingly, these companies have been classified as Joint Ventures.

| S.No | Name of Company |
|------|---|
| 1 | JBM Ogihara Automotive India Limited |
| 2 | JBM Solaris Electric Vehicles Private Limited |
| 3 | JBM Ogihara Die Tech Private Limited |
| 4 | VT Emobility Private Limited* |

* Upto 19th-Mar-2021, it was an associate and w.e.f. 20th-Mar-2021 it became an Joint Venture.

NOTE 37 : CONTINGENT LIABILITIES AND COMMITMENTS

A Contingent liabilities (Claims against the Group not acknowledged as debts)

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| a Income Tax Matters* | 548.72 | 5,936.61 |
| b Excise, Customs and Service Tax Matters** | 714.12 | 845.51 |
| c Sales Tax and VAT Matters | 120.42 | 5.51 |
| d GST Matters *** | 16.28 | - |
| e Custom Matters **** | 27.02 | - |
| f Provident Fund Matters # | 233.89 | 233.89 |
| g Other money for which the Group is contingently liable | 7.96 | 7.65 |
| h MIDC Demand for Delayed Interest & Differential Land Premium ^ | 131.65 | 131.65 |

It is not practicable for the Company to estimate the timings and amount of Cash Outflows, if any, in respect of the above pending resolution of the respective proceedings.

* The Company is having pending demand of ₹ 94.76 Lakhs (P.Y ₹ 5,445.64 Lakhs) under the block assessment under section 153A /143(3) of the Income Tax Act for the AY 2008-09 to 2018-19 after the Appellate order by Hon'ble Commissioner of Income Tax (A) An appeal has been filed by the Company before Income Tax Appellate Tribunal, Delhi against the balance demand of ₹ 94.76 Lakhs. The Company has been advised that the said demand is not tenable and likely to be deleted and no liability is envisaged against the Company. Accordingly no provision is considered necessary.

** Against this, an amount of ₹ 20.73 Lakhs (P.Y. ₹ 21.76 Lakhs) has been deposited.

*** Against this, an amount of ₹ 4.90 Lakhs (P.Y. ₹ Nil) has been deposited.

**** Against this, an amount of ₹ 18.50 Lakhs (P.Y. ₹ Nil) has been deposited.

Against this, an amount of ₹ 93.56 lakhs (PY ₹ 93.56 Lakhs) has been deposited.

^ Against this, an amount of ₹ 83.25 Lakhs (PY ₹ 83.25 Lakhs) has been deposited.

B. Commitments

₹ In Lakhs

| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Property, Plant and Equipment | 6,749.18 | 2,517.11 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Other Commitments

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Letter of credit issued by bankers and outstanding | 5,397.59 | 2,482.69 |
| Bank Guarantees | 2,061.00 | 30.00 |
| Corporate Bank Guarantee Given | 3,240.00 | - |

D. Other Pending Litigation: The Company has filed legal suit against one of the customer for recovery of dues amounting to Rs. 340.80 Lakhs (including damage charges). The matter is pending before Hon'ble commercial court at Ahmedabad. The Company expects to recover the same.

CONTINGENT LIABILITIES AND COMMITMENTS OF ASSOCIATE/JOINT VENTURES

A. Contingent liabilities

(Claims against the Company not acknowledged as debts)

| Particulars | 31-Mar-21 | 31-Mar-20 |
|-----------------------|-----------|-----------|
| A. Income Tax matters | - | 4.39 |

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)

| Particulars | 31-Mar-21 | 31-Mar-20 |
|-------------------------------|-----------|-----------|
| Property, Plant and Equipment | 304.08 | 79.44 |

C. Other Commitments

| Particulars | 31-Mar-21 | 31-Mar-20 |
|-----------------|-----------|-----------|
| Bank Guarantees | 187.53 | 181.30 |

NOTE 38 : AUDITOR'S REMUNERATION (EXCLUDING GST)

| Statutory Auditors | 31-Mar-21 | 31-Mar-20 |
|------------------------------|-----------|-----------|
| A) Statutory Audit Fees | 41.50 | 38.60 |
| B) Tax Audit Fees | 10.45 | 9.20 |
| C) Taxation Matters | - | 4.77 |
| D) Other Services | 10.98 | 9.45 |
| E) Reimbursement of expenses | - | 1.53 |

NOTE 39 : DISCLOSURE REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

i) Details of Investment made by the Group are as follows:

| S.No. | Name of Investee Company | Class of Share | No. of Shares | (₹ in Lakhs) | Stake (%) in Investee Company after-considering investment made during the year |
|-------|--------------------------------|----------------|---------------|---------------|---|
| 1 | VT Emobility Private Limited * | Equity | 1,29,000 | 12.90 | 62 % of Equity Shares |
| 2 | VT Emobility Private Limited | Preference | 4,93,498 | 493.50 | 62 % of Preference Shares |
| | Total | | | 506.40 | |

Note : In addition to the above, the Company has given share application money amounting to ₹ 951.96 Lakhs to VT Emobility Private Limited which is pending for allotment as at 31.03.2021.

* During the year, VT Emobility Private Limited became the Joint Venture of the Company w.e.f. 20th March 2021. Upto 19th March 2021, it was an Associate Company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii) Details of loans given by the Group are as follows:

| S.No. | Name of Party | Loan Given (₹ in Lakhs) | O/S Balance of loan as on 31.03.2021 (₹ in lakhs) | Purpose |
|----------------------------------|---|-------------------------|---|--------------------|
| i) Loan to Joint Ventures | | | | |
| 1 | VT Emobility Private Limited | 186.89 | - | Business Expansion |
| 2 | JBM Solaris Electric Vehicles Private Limited | - | 850.00 | Business Expansion |
| ii) Loan to others | | | | |
| 1 | JBM Green Energy Systems Private Limited | 200.00 | 200.00 | Business Expansion |
| Total | | 386.89 | 1,050.00 | |

iii) Details of guarantees given by the Group are as follow:

| S.No. | Name of Party | Guarantee Given (₹ in Lakhs) | O/S Balance of Guarantee Given as on 31.03.2021 (₹ in Lakhs) | Purpose |
|--|------------------------------|------------------------------|--|--------------------|
| i) Bank Guarantee for Joint Venture | | | | |
| 1 | VT Emobility Private Limited | 2,061.00 | 2,061.00 | Business Expansion |
| ii) Corporate Guarantee for Joint Venture | | | | |
| 1 | VT Emobility Private Limited | 3,240.00 | 3,240.00 | Business Expansion |
| Total | | 5,301.00 | 5,301.00 | |

NOTE 40 : SEGMENT INFORMATION

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has three principal operating and reporting segments; viz.

Primary Segment Reporting

A. Primary business segments of the group are as under :

- Sheet Metal Components, Assemblies & Sub-assemblies (Component Division)** : Engaged in the business of manufacturing of automobiles parts for commercial and passenger vehicles.
- Tool, Dies & Moulds (Tool Room Division)** : Segment manufactures dies for the sheet metal segment or sells dies.
- OEM Division** : Segment includes activities related to Development, Design, Manufacture, Assembly and Sale of Bus as well as parts, accessories and maintenance contracts of the same.

B. Inter Segment Transfer Pricing

Inter Segment Prices are normally negotiated amongst the segments with reference to the costs, markets prices and business risks, within an overall optimization objective for the companies.

Revenue from Operations

Interest income, rental income, dividend income, income recognised on sale of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the Statement of Profit and Loss.

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|--|--|
| Segment Revenue from Operation | | |
| A) Component Division | 1,29,511.99 | 1,45,531.68 |
| B) Tool Room Division | 22,898.58 | 25,261.94 |
| C) OEM Division | 45,900.64 | 23,899.40 |
| D) Others | 76.30 | 59.95 |
| Total | 1,98,387.51 | 1,94,752.97 |
| Less : Intersegment revenue | 183.20 | 80.00 |
| Net Segment revenue from operations | 1,98,204.31 | 1,94,672.97 |
| Unallocated Income : | | |
| Interest Income | 129.37 | 144.07 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|--|--|
| Other Income | 1,067.48 | 1,396.88 |
| Total Revenue as per Statement of Profit and Loss | 1,99,401.16 | 1,96,213.92 |
| Segment Results | | |
| Profit before tax and finance cost from each segment | | |
| A) Component Division | 4,244.73 | 8,461.02 |
| B) Tool Room Division | 5,365.63 | 6,901.62 |
| C) OEM Division | 3,609.80 | 984.49 |
| D) Others | 815.77 | 827.50 |
| Total | 14,035.92 | 17,174.63 |
| Less : Finance Cost | 5,537.66 | 6,426.93 |
| Profit before share of profit of Joint Venture/Associate | 8,498.26 | 10,747.70 |
| Add: Share of Profit of Joint Ventures/Associates | (692.98) | 17.42 |
| Profit before tax | 7,805.28 | 10,765.12 |
| less: Tax Expenses | 2,875.24 | 3,843.03 |
| Profit after tax | 4,930.04 | 6,922.09 |

Disclosure for disaggregation of revenue and segment revenue are given on similar parameters.

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-----------------------------|--|--|
| Segment Depreciation | | |
| A) Component Division | 5,703.93 | 5,822.12 |
| B) Tool Room Division | 157.47 | 147.46 |
| C) OEM Division | 1,701.77 | 1,405.96 |
| D) Other/Unallocable | 9.63 | 9.51 |
| Total | 7,572.80 | 7,385.05 |

Segment Assets

Segment Assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investment, other common assets are reported as unallocated assets.

| Particulars | As at 31 st March, 2021 | As at 31 st March, 2020 |
|-----------------------|------------------------------------|------------------------------------|
| A) Component Division | 1,40,758.85 | 1,32,501.28 |
| B) Tool Room Division | 28,730.91 | 30,965.19 |
| C) OEM Division | 74,411.64 | 32,989.54 |
| D) Others | 2,493.89 | 4,442.13 |
| Total | 2,46,395.29 | 2,00,898.14 |

Segment Liabilities

Segment Liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

| Particulars | As at 31 st March, 2021 | As at 31 st March, 2020 |
|-----------------------|------------------------------------|------------------------------------|
| A) Component Division | 77,169.00 | 57,449.00 |
| B) Tool Room Division | 15,840.64 | 23,894.06 |
| C) OEM Division | 39,529.43 | 15,831.70 |
| D) Others | 2,346.89 | 4,212.10 |
| Total | 1,34,885.97 | 1,01,386.87 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | As at 31 st March, 2021 | As at 31 st March, 2020 |
|---|------------------------------------|------------------------------------|
| E) Unallocable | | |
| Deferred Government grant | 373.24 | 455.14 |
| Deferred component of financial instruments | 143.91 | 340.63 |
| Non-current borrowings | 36,337.27 | 27,820.37 |
| Others | 93.38 | 543.40 |
| Total | 1,71,833.77 | 1,30,546.41 |

As per Indian Accounting Standard 108 - Operating Segments, the Group has reported segment information on consolidated basis including businesses conducted through its subsidiaries.

The Group is mainly engaged in the business in India and exports are not material. Hence in the context of Indian Accounting Standard - 108 "Operating Segments" it is considered the only reportable segment.

Revenue from transactions with a single external customer amounting to 10 percent or more of the Group's revenue is as follows

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--------------|--|--|
| Customer 1 # | 13,304.44 | 28,667.14 |
| Customer 2 # | 21,655.76 | 28,554.14 |
| Customer 3 # | 24,753.34 | 15,226.15 |

NOTE 41 : EXPENDITURE INCURRED BY IN HOUSE RESEARCH & DEVELOPMENT CENTRE APPROVED BY DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH ON SCIENTIFIC RESEARCH DURING THE YEAR IS AS UNDER:

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---------------------|--|--|
| Revenue Expenditure | 2,704.38 | 2,311.58 |
| Capital Expenditure | 125.49 | 117.96 |
| Total | 2,829.87 | 2,429.54 |

NOTE 42 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| (i) Gross amount required to be spent by the Group during the year | 263.79 | 224.88 |
| (ii) Amount spent during the year ending on March 31, 2021: | | |
| 1. Construction / acquisition of any asset | - | - |
| 2. On purposes other than (i) above | | |
| - Others (Skill Development Centre)* | 266.73 | - |
| (iii) Amount spent during the year ending on March 31, 2020: | | |
| 1. Construction / acquisition of any asset | | |
| 2. On purposes other than (i) above | | |
| - Others (Skill Development Centre)* | 228.49 | |

* The Group has set up Skill Development Centre to enhance employability in society thereby increasing availability of skilled personnel for the Group and society at large.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 43 : DURING THE YEAR, THE FOLLOWING EXPENDITURE HAS BEEN CAPITALIZED IN OEM DIVISION:

₹ In Lakhs

| Nature of expenses | Capitalized from opening CWIP | Capitalized from C Y Expenses | Total Capitalized |
|--------------------|--------------------------------|-------------------------------|--------------------------------|
| Manpower Cost | 884.01 (439.33) | 1,057.24 (431.70) | 1,941.25 (871.02) |
| Finance Cost | 253.41 (157.25) | 236.77 (95.63) | 490.18 (252.87) |
| Other Expenses | 757.38 (438.80) | 411.85 (300.60) | 1,169.23 (739.40) |
| Total | 1,894.80 (1,035.38) | 1,705.86 (827.92) | 3,600.66 (1,863.30) |

Note: Figures in brackets represents previous year's amounts

NOTE 44 : Claim receivable represents ₹ 1,105 lakhs (P.Y. ₹ 1,105 lakhs) receivable from one of the customer against the claim made for compensation, on account of loss for the underutilisation of resources due to less volume purchase by the customer.

NOTE 45 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| (i) the principal amount remaining unpaid to any supplier as at the end of each accounting year | 1,736.26 | 666.25 |
| (ii) the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | Nil | Nil |
| (iii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | Nil | Nil |
| (iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | Nil | Nil |
| (v) the amount of interest accrued and remaining unpaid at the end of each accounting year | 3.27 | Nil |
| (vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 | Nil | Nil |

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group.

NOTE 46 : Cost of materials consumed has been computed by adding purchase to the opening stock and deducting closing stock.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 47 : DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARE CAPITAL

| Name of Shareholders | 31-Mar-21 | | 31-Mar-20 | |
|--|---------------|-----------|---------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| SMC Credit Limited | 77,35,101 | 16.35 | 76,97,299 | 16.27 |
| A to Z Securities Limited | 55,23,160 | 11.68 | 55,23,160 | 11.68 |
| Zeal Impex & Traders Private Limited | 40,18,968 | 8.50 | 40,18,968 | 8.50 |
| Amity Infotech Private Limited | 40,00,000 | 8.46 | 40,00,000 | 8.46 |
| JBM Builders Private Limited | 30,30,832 | 6.41 | 30,30,832 | 6.41 |
| Shuklamber Exports Limited | 34,24,824 | 7.24 | 34,24,824 | 7.24 |
| ANS Holding Private Limited | 41,65,996 | 8.81 | 41,65,996 | 8.81 |

NOTE 48 : LEASES

GROUP AS LESSEE

The Company's leases primarily consists of leases for land. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term.

(i) Amounts recognised in the Balance Sheet

₹ In Lakhs

| The balance sheet shows the following amounts relating to the leases: | 31-Mar-21 | 31-Mar-20 |
|---|------------------|-----------------|
| Right-of-use assets: | | |
| Land | 10,591.52 | 9,702.07 |
| Total | 10,591.52 | 9,702.07 |

Additions to the Right-of-use asset during the year were ₹ 1,127.66 Lakhs (PY ₹ 1,134.86 Lakhs)

(ii) Maturity analysis of lease liabilities:

| Lease liabilities (Discounted Cash Flows) | 31-Mar-21 | 31-Mar-20 |
|---|-----------------|---------------|
| Current | 151.00 | 84.42 |
| Non-Current | 1,548.31 | 584.42 |
| Total | 1,699.31 | 668.85 |

Maturity analysis-Contractual Undiscounted Cash Flows

| | 31-Mar-21 | 31-Mar-20 |
|--|-----------------|-----------------|
| Within one year | 152.15 | 84.42 |
| Later than one year but less than five years | 730.94 | 344.24 |
| Later than five years | 5,197.73 | 2,900.41 |
| Total | 6,080.82 | 3,329.07 |

(iii) Amounts recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| Depreciation charge of right-of use assets (land) | 238.21 | 178.87 |
| Interest expense on lease liabilities (included in finance cost) | 71.00 | 68.10 |
| Expense relating to short term and low value leases (included in other expense) | 187.21 | 200.17 |

The total cash outflow for leases for the year ended 31 March, 2021 were ₹ 355.41 Lakhs (PY : ₹ 283.95 Lakhs)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iv) Extension and termination option

Extension and termination options are included in some of the leases executed by the Company. These are used to maximise operational flexibility in terms of managing the assets used in Company's operations. Generally, these options are exercisable mutually by both the lessor and the lessee.

(v) There are no restrictions imposed by the lease agreements. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(vi) Incremental borrowing rate of 9.20%-10.50% p.a. has been applied for measuring the lease liability at the date of initial application.

(vii) The Company has sub-leased part of land. Income from sub-leasing right-of-use assets is ₹ 51.00 lakhs (PY ₹ 108.27 lakhs).

NOTE 49 : REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Revenue from contracts with customers disaggregated based on nature of product or services

₹ In Lakhs

| Particulars | 2020-21 | 2019-20 |
|--------------------------------------|--------------------|--------------------|
| Revenue from Sale of Products | | |
| Components | 1,12,987.01 | 1,29,060.33 |
| Tool & Dies | 21,592.05 | 24,654.39 |
| Buses | 45,566.45 | 22,779.59 |
| Others | - | - |
| | 1,80,145.51 | 1,76,494.31 |
| Revenue from Sale of Services | | |
| Components | 2,995.94 | 2,701.82 |
| Tool & Dies | 945.52 | 561.99 |
| Buses | 267.58 | 1,072.97 |
| Others | - | - |
| | 4,209.04 | 4,336.78 |
| Other operating Revenue | | |
| Components | 13,345.84 | 13,689.53 |
| Tool & Dies | 361.01 | 45.56 |
| Buses | 66.61 | 46.84 |
| Others | 76.30 | 59.95 |
| | 13,849.76 | 13,841.88 |
| Total | 1,98,204.31 | 1,94,672.97 |

(b) The table below represents summary of contract assets and liabilities relating to contracts with customers:

| | As at 31 st March 2021 | As at 31 st March 2020 |
|-----------------------|-----------------------------------|-----------------------------------|
| Receivables | 49,595.87 | 49,459.38 |
| Contract assets | 10,360.95 | 7,265.85 |
| Contract liabilities* | 4,732.62 | 11,965.53 |

*Included in advance from customers.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Movement of contract liability for the period given below :

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|---|---|
| Contract liability at the beginning | 11,965.53 | 2,942.12 |
| Add/(less) | | |
| Consideration received during the year as advance | 4,621.05 | 11,950.53 |
| Revenue recognised from contract liability | (11,853.96) | (2,927.12) |
| | | |
| Contract liability at the end | 4,732.62 | 11,965.53 |

Payment is received in advance towards contract entered with customers and is recognised as a contract liability. As and when the performance obligation is met, the same is recognised as revenue

(c) The amounts receivable from customers become due after expiry of credit period which ranges from 30 to 180 days. There is no significant financing component in any transaction with the customers.

(d) Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product in component division is satisfied at a point in time or over the period of time depending upon nature of contract.

Revenue from Tooling Business is recognized over time by measuring progress towards satisfaction of performance obligation and it determined that the input method is the best method for measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Revenue from OEM Division (Sale of Buses) is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of Bus in OEM division is satisfied at a point in time or over the period of time depending upon nature of contract.

(e) The Group provides agreed upon performance warranty for selected range of products. The amount of liability towards such warranty is ₹ 116.82 Lakhs (₹ 47.34 Lakhs).

(f) The transactions price allocated to the performance obligations relating to tool development (unsatisfied or partially satisfied) is ₹ 50,327.91 Lakhs (PY ₹ 19,141.55 Lakhs). The Group expects to recognise revenue related to unsatisfied obligation within one year from the reporting period.

(g) The Group does not have any significant adjustment between the contract price and the revenue recognized in Statement of Profit and Loss.

NOTE 50 : PROVISIONS FOR WARRANTY

₹ In Lakhs

| Particulars | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--------------------------------|---|---|
| Balance at the beginning | 47.34 | 12.09 |
| Provision made during the year | 84.56 | 45.74 |
| Provision used during the year | (15.09) | (10.49) |
| Balance at the end | 116.82 | 47.34 |

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the value of management's best estimate of the future economic benefits. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which range from 12 to 24 months.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 51 : EMPLOYMENT BENEFITS

A. Defined Benefit Plans as per Ind AS 19 Employee Benefits:

Gratuity

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

These Plans typically expose the Group to actuarial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

Investment Risk

The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk

The Plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Disclosure of gratuity

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet.

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

| Description | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|---|---|
| Current service cost | 195.89 | 166.16 |
| Net interest cost | 47.79 | 42.86 |
| Past service cost | - | - |
| Amount recognised in the Statement of Profit and Loss | 243.68 | 209.02 |

(ii) Amount recognised in Other Comprehensive Income is as under:

₹ In Lakhs

| Description | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|---|---|
| Actuarial loss/(gain) recognised during the year | | |
| - Change in demographic assumptions | - | 8.47 |
| - Change in financial assumptions | (68.64) | 51.91 |
| - Experience variance (i.e. actual experience vs assumptions) | 91.79 | (50.15) |
| Return on plan assets, excluding amount recognised in net interest expenses | 52.49 | (10.33) |
| Amount recognised in the Other Comprehensive Income | 75.65 | (0.10) |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Movement in the Present Value of Defined Benefit Obligation recognised in the Balance Sheet is as under:

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|-----------------|-----------------|
| Present value of defined benefit obligation as at the start of the year | 1,285.10 | 1,102.61 |
| Addition on account of Business combination | 85.06 | - |
| Current service cost | 195.89 | 166.16 |
| Interest cost | 84.12 | 83.46 |
| Actuarial loss/(gain) recognised during the year | - | - |
| Change in demographic assumptions | - | 8.47 |
| change in financial assumptions | (68.64) | 51.91 |
| experience variance (i.e. actual experience vs assumptions) | 91.79 | (50.15) |
| Benefits paid | (105.27) | (77.37) |
| Past service cost | - | - |
| Present value of defined benefit obligation as at the end of the year | 1,568.05 | 1,285.10 |

(iv) Movement in the plan assets recognised in the Balance Sheet is as under:

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|---------------|---------------|
| Fair Value of plan assets at beginning of year | 572.52 | 537.55 |
| Interest income plan assets | 36.33 | 40.60 |
| Actual company contributions | 78.69 | 30.12 |
| Return on plan assets, excluding amount recognised in net interest expense | (52.49) | 10.33 |
| Benefits paid | (44.10) | (46.09) |
| Fair Value of plan assets at the end of the year | 590.95 | 572.52 |

(v) Major categories of plan assets:

| Asset Category | 31-Mar-21 | 31-Mar-20 |
|-----------------------|-----------|-----------|
| Insurer Managed Funds | 100% | 100% |

(vi) Reconciliation of Balance Sheet Amount

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|----------------------------------|-----------------|-----------------|
| Present value of obligation | 1,568.05 | 1,285.10 |
| Fair value of plan assets | 590.95 | 572.52 |
| Surplus/(Deficit) | (977.10) | (712.58) |
| Effect of assets ceiling, if any | - | - |
| Net assets/(liability) | (977.10) | (712.58) |

(vii) Current / Non-Current Bifurcation

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|-----------------|-----------------|
| Current Benefit Obligation | 208.63 | 173.95 |
| Non - Current Benefit Obligation | 1,359.42 | 1,111.16 |
| (Asset)/Liability Recognised in the Balance Sheet | 1,568.05 | 1,285.10 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(viii) Actuarial assumptions

| Description | 31-Mar-21 | 31-Mar-20 |
|--|--|---|
| Discount rate | 6.30%-6.82% | 6.35%-6.64% |
| Future basic salary increase | 0% For first year 5% thereafter For Subsidiary 7.50% | 0% For first year 5% thereafter |
| Expected rate of interest on plan assets | 6.30%-6.82% | 6.35%-6.64% |
| Mortality (% of IALM 12-14) | 100.00% | 100.00% |
| Normal retirement age | 58 Years | Vijay Kumar Bhalla - 65 Years Other Employees - 58 Years |
| Attrition/withdrawal rate (per annum) | 8% For subsidiary 18 to 30 Years - 20% 30 to 45 Years - 9% above 45 Years - 1% | 8.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ix) Maturity Profile of Defined Benefit Obligation

₹ In Lakhs

| Expected Cash Flow over the next (Valued on undiscounted basis) | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| 1 year | 208.99 | 173.95 |
| 2 year | 151.10 | 112.79 |
| 3 year | 165.72 | 121.47 |
| 4 year | 150.05 | 126.29 |
| 5 year | 164.73 | 126.81 |
| 6 to 10 years | 715.07 | 555.28 |
| More than 10 years | 1,159.51 | 1,083.92 |

(x) Sensitivity analysis for gratuity liability

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|---|------------------|------------------|
| Defined Benefit Obligation (Base) | 1,568.05 | 1,285.10 |
| Description | 31-Mar-21 | 31-Mar-20 |
| Defined Benefit Obligation - change in discount rate | | |
| - Discount rate increase by 1.00 % | 1,456.67 | 1,193.68 |
| - Discount rate decrease by 1.00 % | 1,695.26 | 1,389.45 |
| Defined Benefit Obligation - change in salary rate | | |
| - Salary rate increase by 1.00 % | 1,693.38 | 1,388.46 |
| - Salary rate decrease by 1.00 % | 1,455.85 | 1,192.15 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The above sensitivity analysis is 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 which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Group is expected to contribute Rs 1,069.27 lakhs to Defined Benefit Plan Obligation Funds in next year

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

B. Other Long Term Benefits as per Ind AS 19 Employee Benefits:

Leave Encashment and Compensated absences (Unfunded)

The leave obligations cover the group liability for sick and earned leaves.

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

| Description | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|--|--|
| Current service cost | 97.13 | 129.12 |
| Past service cost | - | - |
| Interest cost | 41.18 | 43.08 |
| Actuarial loss/(gain) recognised during the year | - | - |
| -Change in demographic assumptions | - | (0.64) |
| -Change in financial assumptions | (27.84) | 15.67 |
| -Experience variance (i.e. actual experience vs assumptions) | (61.62) | 24.39 |
| Amount recognised in the Statement of Profit and Loss | 48.84 | 211.62 |

(ii) Movement in the liability recognised in the Balance Sheet is as under:

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|---------------|---------------|
| Present value of defined benefit obligation as at the start of the year | 625.14 | 569.39 |
| Addition on account of Business combination | 34.18 | - |
| Current service cost | 97.13 | 129.12 |
| Past service cost | - | - |
| Interest cost | 41.18 | 43.09 |
| Actuarial loss/(gain) recognised during the year | - | - |
| Change in demographic assumptions | - | (0.64) |
| change in financial assumptions | (27.84) | 15.67 |
| experience variance (i.e. actual experience vs assumptions) | (61.62) | 24.39 |
| Benefits paid | (93.50) | (155.87) |
| Present value of defined benefit obligation as at the end of the year | 614.65 | 625.15 |

(iii) Current/Non-Current Bifurcation

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|---------------|---------------|
| Current benefit obligation | 89.97 | 95.27 |
| Non - current benefit obligation | 524.68 | 529.87 |
| (Asset)/Liability Recognised in the Balance Sheet | 614.65 | 625.14 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iv) Sensitivity analysis

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Present Value of Obligation (Base) | 614.65 | 625.14 |
| Present Value of Obligation - change in discount rate | | |
| - Discount rate increase by 1.00 % | 573.18 | 582.98 |
| - Discount rate decrease by 1.00 % | 661.78 | 673.11 |
| Present Value of Obligation - change in salary rate | | |
| - Salary rate increase by 1.00 % | 662.13 | 673.60 |
| - Salary rate decrease by 1.00 % | 572.12 | 581.81 |

(v) Actuarial assumptions

| Description | 31-Mar-21 | 31-Mar-20 |
|------------------------------------|--|---|
| Discount rate | 6.30%-6.82% | 6.35%-6.64% |
| Future basic salary increase | 0% For first year 5% thereafter For Subsidiary 7.50% | 0% For first year 5% thereafter |
| Normal retirement age | 58 Years | For Vijay Kumar Bhalla -65 years For Others - 58 Years |
| Mortality (% of IALM 12-14) | 100.00% | 100.00% |
| Attrition turnover/withdrawal rate | 8% For subsidiary 18 to 30 Years - 20% 30 to 45 Years - 9% above 45 Years - 1% | 8.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

C. Defined Contribution and Other Plans

Contributions are made to the Provident Fund, Super Annuation Fund and Other Plans. The contributions are normally based upon a proportion of the employee's salary.

The Group has recognized the following amounts in the Statement of Profit and Loss :

₹ In Lakhs

| Description | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Employer's Contribution to Provident and Pension fund* | 552.20 | 570.98 |
| Employer's Contribution to Employee State insurance* | 37.96 | 46.31 |
| Employer's Contribution to Labour Welfare fund* | 2.65 | 2.58 |

* included in contribution to provident & other funds under employee benefit expenses (Refer Note No 30.)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 52 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

| | |
|---|--|
| Associate | - VT Emobility Private Limited (Upto 19.03.2021) |
| Joint Ventures | - JBM Ogihara Automotive India Limited - JBM Ogihara Die Tech Private Limited - JBM Solaris Electric Vehicles Private Limited - Indo Toolings Private Limited (Upto 08.10.2020) - VT Emobility Private Limited (w.e.f. 20.03.2021) |
| Key Management personnel: | - Mr. Sandip Sanyal, Executive Director - Mr. Vivek Gupta, CFO & Company Secretary |
| Post employment benefit plan of the group | -JBM Auto Group Gratuity Scheme Trust -JBM Auto System Private Limited Group Gratuity Scheme Trust -JBM MA Automotive Private Limited Employees Group |

₹ In Lakhs

| Particulars | FY21 | FY20 | FY21 | FY20 | FY21 | FY20 |
|---|--------------------------|-----------------|--------------------------|------|----------------|------|
| | Associate/Joint Ventures | | Key Management personnel | | Gratuity Trust | |
| Sale of Goods and Services | | | | | | |
| VT Emobility Private Limited | 10,714.29 | - | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | 413.10 | 3,410.39 | - | - | - | - |
| INDO Toolings Private Limited | - | 10.43 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | 50.55 | 128.39 | - | - | - | - |
| Total | 11,177.93 | 3,549.21 | | | | |
| Sale of Capital Goods | | | | | | |
| JBM Ogihara Die Tech Private Limited | 188.06 | 4.60 | - | - | - | - |
| Total | 188.06 | 4.60 | | | | |
| Other Income | | | | | | |
| JBM Ogihara Automotive India Limited | 11.68 | 65.79 | - | - | - | - |
| VT Emobility Private Limited | 32.83 | - | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | 500.75 | - | - | - | - |
| Total | 44.51 | 566.54 | | | | |
| Purchase of Goods and Services | | | | | | |
| INDO Toolings Private Limited | 153.49 | 1,914.41 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | 1,256.14 | 879.56 | - | - | - | - |
| Total | 1,409.63 | 2,793.97 | | | | |
| Others Expenses | | | | | | |
| INDO Toolings Private Limited | - | 24.93 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | 51.25 | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | - | 88.50 | - | - | - | - |
| Total | - | 164.69 | | | | |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | FY21 | FY20 | FY21 | FY20 | FY21 | FY20 |
|---|--------------------------|---------------|--------------------------|--------------|----------------|--------------|
| | Associate/Joint Ventures | | Key Management personnel | | Gratuity Trust | |
| Others Expenses Reimbursed | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | 20.49 | - | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | 265.16 | 33.40 | - | - | - | - |
| Total | 285.64 | 33.40 | | | | |
| Contribution to Gratuity Trust | | | | | | |
| JBM Auto Group Gratuity Scheme Trust | - | - | - | - | 60.00 | 30.00 |
| JBM Auto System Private Limited Group Gratuity Scheme Trust | - | - | - | - | 18.69 | 0.12 |
| Total | - | - | - | - | 78.69 | 30.12 |
| Rent Income | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | - | 27.00 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | 51.00 | 81.27 | - | - | - | - |
| Total | 51.00 | 108.27 | | | | |
| Interest Income on Inter Corporate Loan | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | 76.50 | 81.97 | - | - | - | - |
| VT Emobility Private Limited | 1.54 | - | - | - | - | - |
| Total | 78.04 | 81.97 | | | | |
| Investment in Equity Shares | | | | | | |
| VT Emobility Private Limited | 12.90 | 2.60 | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | - | 694.11 | - | - | - | - |
| Total | 12.90 | 696.71 | | | | |
| Investment in Preference Shares | | | | | | |
| VT Emobility Private Limited | 493.50 | - | - | - | - | - |
| Total | 493.50 | - | | | | |
| Share Application Money Given and Outstanding | | | | | | |
| VT Emobility Private Limited | 951.96 | - | - | - | - | - |
| Total | 951.96 | - | | | | |
| Inter Corporate Loan Given | | | | | | |
| JBM Solaris Electric Vehicle Private Limited | - | 50.00 | - | - | - | - |
| VT Emobility Private Limited | 186.89 | - | - | - | - | - |
| Total | 186.89 | 50.00 | | | | |
| Inter Corporate Loan Received Back | | | | | | |
| VT Emobility Private Limited | 186.89 | - | - | - | - | - |
| Total | 186.89 | - | | | | |
| Remuneration paid to KMP's and their relatives | | | | | | |
| Mr. Sandip Sanyal | - | - | 71.71 | 46.83 | - | - |
| Mr. Vivek Gupta | - | - | 36.10 | 42.08 | - | - |
| Total | - | - | 107.82 | 88.91 | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | FY21 | FY20 | FY21 | FY20 | FY21 | FY20 |
|--|--------------------------|---------------|--------------------------|-------------|----------------|--------------|
| | Associate/Joint Ventures | | Key Management personnel | | Gratuity Trust | |
| Dividend Paid | | | | | | |
| Mr. Vivek Gupta | - | - | 0.01 | 0.01 | - | - |
| Total | - | - | 0.01 | 0.01 | - | - |
| Bank Guarantee Given on Behalf of and Outstanding | | | | | | |
| VT Emobility Private Limited | 2,061.00 | - | - | - | - | - |
| Total | 2,061.00 | - | - | - | - | - |
| Corporate Bank Guarantee Given on Behalf of and Outstanding | | | | | | |
| VT Emobility Private Limited | 3,240.00 | - | - | - | - | - |
| Total | 3,240.00 | - | - | - | - | - |
| Receivables/(Payables) | | | | | | |
| JBM Ogihara Automotive India Limited | 147.51 | 139.49 | - | - | - | - |
| JBM Solaris Electric Vehicles Private Limited | 1,447.05 | 1,004.28 | - | - | - | - |
| INDO Toolings Private Limited | - | (386.82) | - | - | - | - |
| JBM Ogihara Die Tech Private Limited | 229.70 | (5.07) | - | - | - | - |
| VT Emobility Private Limited | 4,803.39 | - | - | - | - | - |
| Mr. Vivek Gupta | - | - | (2.79) | - | - | - |
| Mr. Sandip Sanyal | - | - | (7.33) | - | - | - |
| Total | 6,627.64 | 751.88 | (10.11) | - | - | - |
| Inter Corporate Loan Receivables | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | 850.00 | 850.00 | - | - | - | - |
| Total | 850.00 | 850.00 | - | - | - | - |
| Interest Accrued on Inter Corporate Loan | | | | | | |
| JBM Solaris Electric Vehicles Private Limited | 89.36 | 18.60 | - | - | - | - |
| VT Emobility Private Limited | 1.43 | - | - | - | - | - |
| Total | 90.78 | 18.60 | - | - | - | - |
| Advance Recoverable | | | | | | |
| JBM Auto Group Gratuity Scheme Trust | - | - | - | - | 46.57 | 14.51 |
| Total | - | - | - | - | 46.57 | 14.51 |

| Remuneration paid to KMP's and their relatives* | Mr. Vivek Gupta | | Mr. Sandip Sanyal | |
|---|-----------------|--------------|-------------------|--------------|
| | FY21 | FY20 | FY21 | FY20 |
| (a) short-term employee benefits; | 33.81 | 39.42 | 71.71 | 46.83 |
| (b) other long-term benefits; | 2.29 | 2.66 | - | - |
| Total | 36.10 | 42.08 | 71.71 | 46.83 |

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Terms and conditions of transactions with related parties

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year - end are unsecured and interest free (other than loans) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 53 Additional Information, as required under schedule III to the companies Act 2013, of enterprises consolidated as Subsidiary/ Associate/Joint Ventures.

| Name of the entity in the group | Net Assets i.e. Total assets minus total liabilities | | Share in Profit/(loss) | | Share in other comprehensive income | | Share in Total comprehensive income | |
|---|--|---------------------------------|--|------------------------------------|--|---|--|---|
| | Year Ended 31 st March 2021 | As % of consolidated net assets | Year Ended 31 st March 2021 | As % of consolidated profit & loss | Year Ended 31 st March 2021 | As % of consolidated other comprehensive income | Year Ended 31 st March 2021 | As % of consolidated Total comprehensive income |
| Parent | 99.50 | | 107.35 | | (44.59) | | 104.11 | |
| JBM Auto Limited | 74,187.96 | | 5,292.26 | | (47.92) | | 5,244.34 | |
| Subsidiaries | | | | | | | | |
| MH Ecolife Emobility Private Limited | 0.01 | 7.63 | 0.06 | 2.76 | - | - | 0.05 | 2.76 |
| JBM Electric Vehicles Private Limited | 2.61 | 1,943.62 | (0.42) | (20.86) | - | - | (0.41) | (20.86) |
| Indo Toolings Private Limited | 0.56 | 414.12 | 5.43 | 267.91 | (1.33) | (1.43) | 5.29 | 266.48 |
| JBM Ecolife Mobility Private Limited | (0.00) | (0.01) | (0.02) | (1.01) | - | - | (0.02) | (1.01) |
| Non-Controlling Interest | | | | | | | | |
| MH Ecolife Emobility Private Limited | - | - | - | - | - | - | - | - |
| JBM Electric Vehicles Private Limited | - | - | - | - | - | - | - | - |
| Indo Toolings Private Limited | - | - | - | - | - | - | - | - |
| JBM Ecolife Mobility Private Limited | - | - | - | - | - | - | - | - |
| Joint Ventures (Investment as per equity method) | | | | | | | | |
| JBM Ogihara Automotive Private Limited | 2.32 | 1,732.84 | (4.39) | (216.38) | 0.40 | 0.43 | (4.29) | (215.95) |
| JBM Solaris Electric Vehicles Private Limited | 0.99 | 741.15 | (5.32) | (262.34) | - | - | (5.21) | (262.34) |
| VT Emobility Private Limited | - | - | (0.15) | (7.44) | - | - | (0.15) | (7.44) |
| JBM Ogihara Die Tech Private Limited | 1.55 | 1,158.63 | 0.68 | 33.56 | (0.50) | (0.53) | 0.66 | 33.03 |
| Total | 104.38 | 77,828.23 | 98.22 | 4,842.42 | (44.68) | 79,42,933.40 | 95.17 | 4794.39 |
| Less: Adjustment arising out of consolidation | (4.38) | (3,266.70) | 1.78 | 87.62 | 144.68 | 155.50 | 4.83 | 243.12 |
| Total | 100.00 | 74,561.52 | 100.00 | 4,930.04 | 100.00 | 107.48 | 100.00 | 5,037.52 |

₹ In Lakhs

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

| Name of the entity in the group | Net Assets i.e. Total assets minus total liabilities | | Share in Profit/(loss) | | Share in other comprehensive income | | Share in Total comprehensive income | |
|---|--|-------------------|--|-------------------|---|-------------------|---|-------------------|
| | Year Ended 31 st March 2020 | | Year Ended 31 st March 2020 | | Year Ended 31 st March 2020 | | Year Ended 31 st March 2020 | |
| | As % of consolidated net assets | Amount (In lakhs) | As % of consolidated profit & loss | Amount (In lakhs) | As % of consolidated other comprehensive income | Amount (In lakhs) | As % of consolidated comprehensive income | Amount (In lakhs) |
| Parent | | | | | | | | |
| JBM Auto Limited | 99.18 | 69,771.35 | 100.37 | 6,947.43 | (2.88) | 0.07 | 100.40 | 6,947.50 |
| Subsidiaries | | | | | | | | |
| "MH Ecolife Emobility Private Limited (w.e.f. 23rd-Jan-2020)" | 0.01 | 4.87 | (0.00) | (0.13) | - | - | (0.00) | (0.13) |
| Non Controlling Interest | | | | | | | | |
| "MH Ecolife Emobility Private Limited (w.e.f. 23rd-Jan-2020)" | - | - | - | - | - | - | - | - |
| Associate (Investment as per equity method) | | | | | | | | |
| "VT Emobility Private Limited (w.e.f. 21st-Jan-2020)" | 0.00 | 2.57 | (0.00) | (0.03) | - | - | - | (0.03) |
| Joint Ventures (Investment as per equity method) | | | | | | | | |
| JBM Ogihara Automotive Private Limited | 2.77 | 1,948.79 | (0.21) | (14.60) | 10.18 | (0.26) | (0.21) | (14.86) |
| JBM Solaris Electric Vehicles Private Limited | 1.43 | 1,003.57 | (1.85) | (128.17) | - | - | (1.85) | (128.17) |
| Indo Tooling Private Limited | - | - | 1.39 | 96.04 | 92.70 | (2.32) | 1.35 | 93.72 |
| JBM Ogihara Die Tech Private Limited | 1.60 | 1,125.61 | 0.31 | 21.55 | - | - | 0.31 | 21.55 |
| Total | 104.98 | 73,856.76 | 100.00 | 6,922.09 | 100.00 | (2.51) | 100.00 | 6,919.58 |
| Less: Adjustment arising out of consolidation | (4.98) | (3,505.04) | - | - | - | - | - | - |
| Total | 100.00 | 70,351.73 | 100.00 | 6,922.09 | 100.00 | (2.51) | 100.00 | 6,919.58 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 54 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of property, plant and equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on lease-by-lease basis. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods reassessed to ensure that the lease term reflects the current economic circumstances.

(ii) Operating lease commitments – Group as lessor

The Group has entered into sub-leasing arrangements wherein the Group is receiving lease rental income. The group has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer /retention of significant risks and rewards of ownership of land determined the lease as operating leases.

(iii) Operating lease commitments – Group as lessee

The Group has entered into leasing arrangements wherein the group is required to pay monthly lease rentals. The group has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer / retention of significant risks and rewards of ownership of land determined the lease as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Group has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(ii) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 51.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. 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 price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iv) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The group uses judgment in making these assumptions and selecting the inputs to the impairment calculation based on the Group past history and other factors at the end of each reporting period.

(v) Estimates related to useful life of property, plant and equipment & intangible assets

Depreciation on property plant and equipment is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013. The management has re-estimated useful lives and residual values of its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

(vi) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(vii) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group evaluates the obligation through Probable, Possible or Remote model ("PPR"). In making the evaluation for PPR, the Group take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Group provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statements.

(viii) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 55 : BUSINESS COMBINATION

(a) General Information

JBM Auto Limited ("the Company") was having 2,00,000 equity shares (50%) of Indo Tooling Private Limited (ITPL), during the year the Company has acquired remaining 50% of equity shares and obtained control over ITPL. Upto 08-Oct-20, ITPL was Joint Venture company and after the acquisition of shares ITPL has become Subsidiary with effect from 09th-Oct-2020.

(b) Nature of Business of Acquiree Company

Indo Toolings Private Limited is incorporated in India and is the complete solution provider for all kinds of tooling requirements, including stamping tools, plastic injection moulds, PDC dies, fixtures etc.

(c) Major Rationale for Business Combination:

The Group's business is likely to benefit from lower cost of funds, given the strong credit rating of the Group.

(d) Method of Accounting

Accounting for acquisition of control is done in accordance with Ind AS 103 "Business Combination" and Ind AS 110 "Consolidated Financial Statements" as follows:

Accounting is done as per Acquisition Method given under Ind AS 103. Under Acquisition Method, at the acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their acquisition date fair values. However, deferred tax has been recognised in accordance with Ind AS 12 "Income Taxes". The consideration transferred for the business combination is measured at fair value at acquisition date.

(e) Consideration transferred

The Company has acquired remaining 50% shares of ITPL in cash consideration of Rs. 29.30 Lakhs.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(f) Assets and Liabilities recognised

Assets and liability that have been recognised as a result of the business combination are as follows:

₹ In Lakhs

| Particulars | Indo Toolings Private Limited (Acquisition Method) (At Fair Value) |
|---|--|
| Assets | |
| Non Current Assets | |
| a. Property, plant and equipment | 116.93 |
| b. Intangible assets | 6.77 |
| c. Financial assets | |
| i. Investments | 26.70 |
| ii. Other non-current financial assets | 0.39 |
| d. Deferred tax assets | 87.85 |
| Total (a) | 238.64 |
| Current Assets | |
| a. Inventories | 1,255.45 |
| b. Financial assets | |
| i. Trade receivable | 500.47 |
| ii. Cash and cash equivalents | 196.07 |
| iii. Other bank balances | 13.85 |
| iv. Other current financial assets | 202.65 |
| c. Other current assets | 47.20 |
| Total (b) | 2,215.69 |
| Total Identifiable Assets (a+b) | 2,454.32 |
| Liabilities | |
| Non Current Liabilities | |
| a. Financial liabilities | |
| i. Borrowings (Preference share capital) | 332.50 |
| b. Provisions | 97.59 |
| | 430.09 |
| Current Liabilities | |
| a. Financial liabilities | |
| i. Trade payables | 155.28 |
| ii. Other current financial liability | 456.70 |
| b. Other current liability | 1,324.36 |
| c. Provisions | 29.30 |
| | 1,965.64 |
| Total Identifiable Liability (a+b) | 2,395.72 |
| Net assets acquired (A-B) | 58.60 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Fair Valuation methodology: Fair valuation of Property, Plant and Equipment has been determined with the use of external fair valuation expert. Approach used by valuation expert for property, plant and equipment involves various techno commercial factors-like inflation, depreciation, improvement/obsoleting and availability of the buyer at arm's length to arrive the valuation.

Acquired Receivables: The gross contractual amounts and fair value of Trade and Other receivables is same. None of the trade and other receivables is credit impaired and it is expected that full contractual amounts will be recovered.

(g) Capital Reserve / Bargain Purchase Gain

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities is recognised as Goodwill. Any shortfall is considered as Bargain Purchase. Bargain purchase has been recognised directly in Other Equity (Capital Reserve).

₹ In Lakhs

| Particulars | Indo Toolings Private Limited |
|---|-------------------------------|
| Consideration transferred | 29.30 |
| Add: Acquisition Date (i.e. October 09, 2020) fair Value of shares held by JBM Auto Limited in Indo Tooling Private Limited | 29.30 |
| Less: Net assets acquired | (58.60) |
| Capital Reserve/Bargain Purchase Gain | - |

(h) Business combination achieved in stages:

Prior to Business Combination, the Company had 50% share in Indo Toolings Private Limited (i.e. Business combination achieved in stages) therefore the Company has remeasured at fair value its previously held interest as on Acquisition Date (i.e. October 09, 2020) in Indo Toolings Private Limited and recognised the same during 2020-21.

₹ In Lakhs

| Particulars | Indo Toolings Private Limited |
|---|-------------------------------|
| Fair Value of previously held interest | 29.30 |
| Carrying Value of previously held interest | (127.17) |
| Gain on re-measurement of Previously held interest | 156.47 |

(i) Acquisition Related Costs:

The Company has incurred, acquisition related costs amounting to ₹ 0.05 Lakhs. These costs have been included in legal and professional charges under other administrative expenses in Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 56 : FINANCIAL INSTRUMENTS

A. Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options

The management of the Group reviews the capital structure of the Group on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings less cash and cash equivalents.

₹ In Lakhs

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|-------------|-------------|
| Net debt | 83,011.17 | 60,542.37 |
| Total equity | 74,561.52 | 70,351.73 |
| Net debt to equity ratio (times) | 1.11 | 0.86 |

B. Fair value measurements

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

The fair value of investment in unquoted equity/preference shares has been estimated using a Discounted cash flow (DCF)/ Dividend yield/ Yield to Maturity method / NAV method. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of various estimates within the range can be reasonably asserted and are used in management's estimate of fair value for these unquoted equity/preference shares. The assessment of the future risk is done by analysing various financial ratios. The future cash-outflows are projected after applying any probability of non-payment of dividend and principal amount.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis:

There are certain Group's financial assets which are measured at fair value at the end of each reporting period. There have been no transfer among level 3 during the period. Following table gives information about how the fair values of these financial assets are determined:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Financial assets at fair value through profit and loss | Fair value as at March 31, 2021 | | |
|---|---------------------------------|---------|----------|
| | Level 1 | Level 2 | Level 3 |
| Investment in Equity Shares of Yorozu JBM Automotive Tamil Nadu Private Limited | - | - | 1,000.00 |
| Investment in Equity Shares in others | - | - | 27.13 |
| Investment in Preference Shares of Neel Industries Private Limited | - | - | 329.35 |

| Financial assets at fair value through profit and loss | Fair value as at March 31, 2020 | | |
|---|---------------------------------|---------|----------|
| | Level 1 | Level 2 | Level 3 |
| Investment in Equity Shares of Yorozu JBM Automotive Tamil Nadu Private Limited | - | - | 1,000.00 |
| Investment in Equity Shares in others | - | - | 0.90 |
| Investment in Preference Shares of Neel Industries Private Limited | - | - | 300.00 |

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2021, 31 March 2020 are as shown below:

| Description | Valuation technique | Significant unobservable inputs | Sensitivity |
|---|--------------------------------|--|--|
| Investment in Equity shares of Yorozu JBM Automotive Tamil Nadu Private Limited | DCF method | Risk adjusted discount Rate: 31st March 2021: 10.75% 31st March 2020: 11.65% | 1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2021: Rs. (148.00) Lakhs/ Rs. 210.00 Lakhs 31st March 2020: Rs.(132.00) Lakhs/ Rs. 175.00 Lakhs |
| Investment in Preference shares of Neel Industries Private Limited | Yield to Maturity & NAV Method | Discount Rate (G-Sec): 31st March 2021: 6.96% 31st March 2020: 6.64% | 1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2021: Rs. (7.20) Lakhs/ Rs. 8.30 Lakhs 31st March 2020: Rs. (10.75) Lakhs/ Rs. 5.52 Lakhs |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of movement in fair value of equity and preference shares:

₹ In Lakhs

| Particulars | Investment in Equity shares | | Investment in preference shares | |
|---|-----------------------------|------------|---------------------------------|---------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| As at 1 April 2019 | | | 300.00 | 300.00 |
| Investment made during the year | 0.48 | - | - | - |
| Investment sold during the year | - | - | - | - |
| Gain/(loss) on change in fair value recognised in Profit and Loss | - | - | - | - |
| As at 31 March 2020 | | | 300.00 | 300.00 |
| Investment acquired through Business Combination | 26.70 | - | - | - |
| Investment sold during the year | (0.47) | - | - | - |
| Gain/(loss) on change in fair value recognised in Profit and Loss | - | 29.35 | - | - |
| As at 31 March 2021 | | | 329.35 | 329.35 |

C. Categories of financial instruments

FINANCIAL ASSETS*

Financial assets measured at amortised cost

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|--|-----------------------------------|------------------|-----------------------------------|------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Investment in Preference Shares | 439.87 | 439.87 | - | - |
| Loans | 1,717.11 | 1,717.11 | 1,655.00 | 1,655.00 |
| Other non-current financial assets | 951.96 | 951.96 | - | - |
| Trade receivables | 49,595.87 | 49,595.87 | 49,459.38 | 49,459.38 |
| Cash and cash equivalents | 1,497.06 | 1,497.06 | 2,192.96 | 2,192.96 |
| Other bank balances | 345.23 | 345.23 | 54.67 | 54.67 |
| Loans (current) | - | - | - | - |
| Other current financial assets | 1,666.51 | 1,666.51 | 1,358.30 | 1,358.30 |
| Total financial assets measured at amortised cost - (i) | 56,213.61 | 56,213.61 | 54,720.31 | 54,720.31 |

Financial assets measured at FVTPL

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|--|-----------------------------------|------------------|-----------------------------------|------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Investment in equity shares in others | 1,027.13 | 1,027.13 | 1,000.90 | 1,000.90 |
| Investment in preference shares in others | 329.35 | 329.35 | 300.00 | 300.00 |
| Total financial assets measured at FVTPL - (ii) | 1,356.48 | 1,356.48 | 1,300.90 | 1,300.90 |
| Total financial assets (i) + (ii) | 57,570.09 | 57,570.09 | 56,021.21 | 56,021.21 |

* Does not include investments in Joint Ventures and Associates which are accounted for as per equity method of accounting as per Ind AS -28.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Financial liabilities measured at amortised cost

₹ In Lakhs

| Particulars | As at 31 st March 2021 | | As at 31 st March 2020 | |
|---|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Non-current borrowings* | 36,337.27 | 36,337.27 | 27,820.37 | 27,820.37 |
| Other non-current financial liabilities | 93.28 | 93.28 | 543.46 | 543.46 |
| Current borrowings | 48,170.96 | 48,170.96 | 34,914.95 | 34,914.95 |
| Trade payables | 58,400.79 | 58,400.79 | 40,015.21 | 40,015.21 |
| Other current financial liabilities | 3,490.14 | 3,490.14 | 1,717.25 | 1,717.25 |
| Total financial liabilities measured at amortised cost | 1,46,492.44 | 1,46,492.44 | 1,05,011.24 | 1,05,011.24 |

* including current maturities of non-current borrowings

Carrying value of loan, other financial assets, trade receivables, cash and cash equivalents, other bank balances, borrowings, other financial liabilities, trade payables are considered to be same as their fair value.

There have been no transfer among levels during the year

D. Financial risk management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

Market risk
Credit risk; and
Liquidity risk

D.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency buyer's credit).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Foreign currency exposure that have not been hedged by derivative instrument are given below.

| Liabilities/Assets | Foreign Currency (in lakhs) | | INR Equivalent (in lakhs) | |
|--------------------|-----------------------------|-----------|---------------------------|-----------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| Liabilities | | | | |
| USD | 79.36 | 16.10 | 5,833.50 | 1,213.60 |
| JPY | - | 111.82 | - | 77.88 |
| SEK | 0.28 | 1.56 | 2.36 | 11.90 |
| EURO | 3.32 | 2.39 | 285.54 | 198.41 |
| CNY | 118.06 | 25.23 | 1,318.94 | 268.49 |
| Assets | | | | |
| USD | 8.70 | 21.89 | 639.16 | 1,650.35 |
| EURO | 15.05 | 13.00 | 1,296.22 | 1,079.51 |
| CNY | - | 0.46 | - | 4.86 |

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, SEK, CNY and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Impact on Profit / (loss) for the year for a 5% change:

₹ In Lakhs

| Particulars | Depreciation in INR | | Appreciation in INR | |
|-----------------|---------------------|-----------|---------------------|-----------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| Payables | | | | |
| USD/INR | (291.68) | (60.68) | 291.68 | 60.68 |
| JPY/INR | - | (3.89) | - | 3.89 |
| SEK/INR | (0.12) | (0.59) | 0.12 | 0.59 |
| EURO/INR | (14.28) | (9.92) | 14.28 | 9.92 |
| CNY/INR | (65.95) | (13.42) | 65.95 | 13.42 |

| Particulars | Depreciation in INR | | Appreciation in INR | |
|--------------------|---------------------|-----------|---------------------|-----------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| Receivables | | | | |
| USD/INR | 31.96 | 82.52 | (31.96) | (82.52) |
| EURO/INR | 64.81 | 53.98 | (64.81) | (53.98) |
| CNY/INR | - | 0.24 | - | (0.24) |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

b) Interest rate risk management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note

Interest rate sensitivity analysis

The The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Impact on Profit/(loss) for the year for a 50 basis point change:

₹ In Lakhs

| | Increase/decrease in basis points | Effect on profit before tax |
|------------------|-----------------------------------|-----------------------------|
| 31-Mar-21 | | |
| Borrowings | +50 | (398.75) |
| Borrowings | -50 | 398.75 |
| 31-Mar-20 | | |
| Borrowings | +50 | (296.22) |
| Borrowings | -50 | 296.22 |

D.2 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

D.3 Liquidity risk management

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of long term borrowings, short term borrowings and trade payables etc. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|--------------------|------------------|-------------------|--------------------|
| As at 31-Mar-21 | | | | |
| Non-current borrowings* | 10,194.35 | 21,270.53 | - | 31,464.88 |
| Preference shares (Undiscounted) * | 3,372.50 | 332.50 | - | 3,705.00 |
| Finance Lease Obligations (Undiscounted) * | 152.15 | 730.94 | 5,197.73 | 6,080.82 |
| Other non current financial liabilities | - | 93.28 | - | 93.28 |
| Current borrowings | 48,170.96 | - | - | 48,170.96 |
| Trade payables | 58,400.79 | - | - | 58,400.79 |
| Other financial liabilities | 3,490.14 | - | - | 3,490.14 |
| | 1,23,780.89 | 22,427.25 | 5,197.73 | 1,51,405.87 |
| As at 31-Mar-20 | | | | |
| Non-current borrowings* | 8,024.25 | 16,530.36 | - | 24,554.61 |
| Preference shares (Undiscounted) * | 40.00 | 3,040.00 | - | 3,080.00 |
| Finance Lease Obligations (Undiscounted) * | 84.42 | 344.24 | 2,900.41 | 3,329.07 |
| Other non current financial liabilities | - | 543.46 | - | 543.46 |
| Current borrowings | 34,914.95 | - | - | 34,914.95 |
| Trade payables | 40,015.21 | - | - | 40,015.21 |
| Other current financial liabilities | 1,717.25 | - | - | 1,717.25 |
| | 84,796.09 | 20,458.05 | 2,900.41 | 1,08,154.55 |

* including current maturities of non current borrowings, preference shares and finance lease obligations.

NOTE 57 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

NOTE 58 : AMENDMENTS TO STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE GROUP

There is no such notification which would have been applicable from April 1, 2021.

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : New Delhi
Dated : May 18, 2021

For and on behalf of Board of Directors
JBM Auto Limited

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place : Gurugram
(Haryana)

FORM NO. AOC.1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Joint Ventures

Part A: Subsidiaries

₹ In Lakhs

| S. No. | Particulars | MH Ecolife Emobility Private Limited | Indo Toolings Private Limited * | JBM Electric Vehicles Private Limited | JBM Ecolife Mobility Private Limited |
|--------|--|--------------------------------------|---------------------------------|---------------------------------------|--------------------------------------|
| 1 | The date since when subsidiary was acquired | 23rd-Jan-2020 | 09th-Oct-2020 | 08th-Apr-2020 | 31st-Dec-2020 |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | NA | NA | NA |
| 3 | Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | NA | NA | NA | NA |
| 4 | Share Capital | 5.00 | 40.00 | 1,964.48 | 1.00 |
| 5 | Reserves and Surplus | 2.63 | 374.12 | (20.86) | (1.01) |
| 6 | Total Assets | 22,016.98 | 1,910.53 | 6,079.06 | 0.38 |
| 7 | Total Liabilities | 22,009.35 | 1,496.41 | 4,135.45 | 0.40 |
| 8 | Investments | 0.00 | 26.70 | 0.00 | 0.00 |
| 9 | Turnover | 28.02 | 2,010.26 | 0.00 | 0.00 |
| 10 | Profit before Taxation | 3.70 | 359.21 | (20.86) | (1.01) |
| 11 | Provision for Taxation | 0.93 | 91.29 | 0.00 | 0.00 |
| 12 | Profit after Taxation | 2.76 | 267.91 | (20.86) | (1.01) |
| 13 | Proposed Dividend | 0.00 | 0.00 | 0.00 | 0.00 |
| 14 | % of Shareholding ** | 100.00% | 100.00% | 100.00% | 100.00% |

* Indo Toolings Private Limited became subsidiary w.e.f 09th-Oct-2020

** % of shareholding includes the share holding of nominee shareholder

1. Names of subsidiaries which are yet to commence operations

- i.) JBM Electric Vehicles Private Limited
- ii.) JBM Ecolife Mobility Private Limited

2. Name of subsidiaries which have been liquidated or sold during the year - NA

Part “B”: Joint Ventures and Associates

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

₹ In Lakhs

| Particulars | Joint Ventures | | | |
|---|--------------------------------------|--------------------------------------|---|--|
| | JBM Ogihara Die Tech Private Limited | JBM Ogihara Automotive India Limited | JBM Solaris Electric Vehicles Private Limited (Unaudited) | VT Emobility Private Limited (Unaudited) |
| 1. Latest Audited Balance Sheet | 31.03.2021 | 31.03.2021 | 31.03.2021 | 31.03.2021 |
| 2. Date on which the Associate or Joint Venture was associated or acquired | 05th-Jun-2018 | 10th-Nov-2008 | 14th-Jul-2016 | 20th-Mar-2021 |
| 2. Shares of Associate/Joint Ventures held by the Company on the year end | | | | |
| a) No. of shares | 1,11,66,000 | 1,12,19,994 | 1,19,84,657 | 1,55,000 |
| b) Amount of Investment in Joint venture & Associate | 1,116.60 | 1,122.00 | 1,198.46 | 15.50 |
| c) Extent of holding % | 51.00% | 51.00% | 79.90% | 62.00% |
| 3. Description how there is Significant Influence | As per JV Agreement | As per JV Agreement | As per JV Agreement | As per JV Agreement |
| 4. Reason why the Associate/Joint Venture is not consolidated | NA | NA | NA | NA |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet | 1,158.63 | 1,645.60 | 741.15 | 589.40 |
| 6. Profit / Loss for the year* | | | | |
| 1. Considered in Consolidation | 33.02 | (215.99) | (262.30) | (53.60) |
| 2. Not considered in Consolidation | | - | - | - |

1. Name of joint venture which are yet to commence operations

i.) VT Emobility Private Limited

2. There are no associates/joint ventures which have been liquidated or sold during the year.

* Based on total comprehensive income

For and on behalf of the Board of Directors of **JBM AUTO LIMITED**

Sandip Sanyal
Executive Director
DIN 07186909
Place : Gurugram
(Haryana)

Mahesh Kumar Aggarwal
Director
DIN : 00004982
Place : Noida (UP)

Place : New Delhi
Dated : May 18, 2021

Vivek Gupta
Chief Financial Officer
& Company Secretary
Place: Gurugram
(Haryana)



Our milestones are touchstones

REGISTERED OFFICE:

JBM Auto Limited
601, Hemkunt Chambers,
89, Nehru Palce, New Delhi-110019
Ph. : 91-11-26427104-6,
Fax : 91-11-26427100
email : corp.communications@jbmgrou.com
www.jbmgrou.com

CORPORATE OFFICE:

JBM Auto Limited
Plot No. 9, Institutional Area
Sector -44, Gurugram-122003, Haryana
Ph: 91-124-4674500-550,
Fax : 91-124-4674599

WORKS:

Plot No. 133, Sector-24,
Faridabad - 121005, Haryana
Ph. : +91-129-4090200,
Fax : +91-129-2234230.

71-72, MIDC, Satpur,
Nashik - 422007, Maharashtra
Ph: +91-253-2360548,
Fax : +91-253-2360558.

Plot No. B-2, Survey No. 1,
Tata Motors Vendor Park,
Sanand - 382170,
Ahmedabad, Gujarat
Ph: +91-2717-645180.

Plot-3 Plot No. AV-13
Ford supplier park, BOL,
Industrial Estate, GIDC
Sanand-II-382170 (Gujarat)

Plot No. SP-891,
Pathredi Industrial Area,
Bhiwadi - 301707,
Dist. Alwar,Rajasthan.

Plot No. 157-E, Sector-3,
Pithampur Industrial Area - 454775,
Dist. Dhar, Indore (M.P.)

Plot No. 80, Sector-3,
Pithampur industrial Area - 454775,
Dist. Dhar, Indore (M.P.)

Plot -1 Survey No 113 /2A
Village Harnia Khedi,
Opp Veterinary College AB Road,
Tehsil MHOW, Indore -453446 (M.P.)

Plot-1 1,
Ford supplier's park,
S.P.Koil Post, Chengalpattu Taluk,
MM nagar Kanchipuram -603204
Tamil Nadu

Plot-2 RNS 1
Renault-Nissan Supplier,s park,
Orgadam, sriperumpudur Taluk,
Kanchipuram -603109 Tamil Nadu

Plot-1 C-1/2 MIDC,
Chakan Telegaon Road,
Chakan, Pune -410501 (Maharashtra)

MVML Vendor Park
Plot No. A-1/6,
410501, Pune
Maharashtra

Plot-1 Building No .06
Onsite supplier park,
Toyota Kirloskar Motors Pvt Ltd,
Plot no 1 Bidadi Industrial area
Ramnagaram -562109 (Karnataka)

Plot No. 118, Sector – 59,
HSIDC, Industrial Estate,
Ballabgarh - 121004,
Faridabad, Haryana

A-4, Industrial Estate,
Kosi Kotwan,
Dist. Mathura, Uttar Pradesh.

Plot No. 5, Sector-31,
Kasna Industrial Area
Greater Noida-201306, Uttar Pradesh.
Ph. : +91-120-4522500, 2341417, 2341429,
Fax : +91-120-2341423.

Plot No. 16, Sector-20B,
Faridabad- 121007, Haryana