

JAY BHARAT MARUTI LIMITED

Corporate Office :
Plot No. 9, Institutional Area,
Sector 44, Gurgaon-122 003 (Hr.)
T : +91 124 4674500, 4674550
F : +91 124 4674599
W : www.jbmgroup.com



Ref. No: JBML/SE/Q2/2021-22

Date: 04th September, 2021

**BSE Limited
Phiroz Jeejeebhoy Towers
Dalal Street,
Mumbai – 400001**

**The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G- Block,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051.**

Scrip Code: 520066

Scrip Code: JAYBARMARU

Sub: Submission of Notice of Annual General Meeting and Annual Report for the financial year 2020-21

Dear Sir,

In addition to our earlier communication dated 27.08.2021, we hereby enclose herewith the Notice of 34th Annual General Meeting of the Company scheduled to be held on Monday, 27th September, 2021 at 11:30 a.m. (IST) through video conferencing, 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 attached herewith.

Kindly take the above submissions to your records.

For Jay Bharat Maruti Limited

**Ravi Arora
Company Secretary**

Encl:

1. Notice to Annual General Meeting
2. Annual Report for the F.Y. 2020-21

Works :

Plant I : Plot No. 5, MSIL, Joint Venture Complex, Gurgaon-122 015 (Haryana) T: +91 124 4887200, F: +91 124 4887300

Plant II : Village & Post - Mohammadpur Narsinghpur, Sector 36, Gurgaon - 122 001 (Haryana) T: +91 124 4935300, F: +91 124 4935332

Plant III : Plot No. 15-16 & 21-22, Sector 3A, Maruti Supplier Park, IMT Manesar, Gurgaon -122 051 (Haryana) T: +91 9999190423, 9899079952

Plant IV : Plot No. 322, Sector - 3, Phase-II, GWC, Bawal - 123 501 (Haryana) T +91 8221004201, 8221004203

Regd. Office : 601, Hemkunt Chambers, 89, Nehra Place, New Delhi - 110 019 T : +91 11 26427104-06. F : +91 11 26427100

CIN : L29130DL1987PLC027342

JAY BHARAT MARUTI LIMITED

Registered Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110 019
CIN: L29130DL1987PLC027342
E-mail: jbml.investor@jbmgroup.com
Website: www.jbmgroup.com
Ph. 011-26427104; Fax: 011-26427100



NOTICE

NOTICE is hereby given that the 34th Annual General Meeting (AGM) of the members of Jay Bharat Maruti Limited will be held on Monday, 27th September, 2021 at 11.30 a.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Consolidated Financial Statements) for the financial year ended 31st March, 2021, together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint director in place of Ms. Esha Arya (DIN: 00004836) who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint director in place of Mr. Nishant Arya (DIN: 00004954) who retires by rotation and, being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

5. Appointment of Mr. Anand Swaroop (DIN: 00004816) as a Director of the Company, liable to retire by rotation

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Anand Swaroop (DIN: 00004816), who was appointed as an Additional Director of the Company with effect from 01 June 2021, and whose term expires at ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company whose office is liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

6. Appointment of Mr. Anand Swaroop (DIN: 00004816) as Whole Time Director of the Company

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

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 (“The Act”) and any other applicable provisions of the Companies Act, 2013 and Rule made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactments thereof for the time being in force) and such other approvals, consents, permissions and sanctions of appropriate and/or concerned authorities, if any required and as agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) without any further approval of the members of the Company, the consent of the members of the Company be and is hereby accorded to appoint Mr. Anand Swaroop, as “Whole Time Director and CFO” of the Company, liable to retire by rotation for a period of Three (3) years with effect from 01st June, 2021 on the terms and conditions including remuneration (which includes the payment of salary, allowances, Commission and perquisites as detailed in explanatory statement attached hereto), with powers to Board to alter, amend, vary and modify the terms and conditions of the said appointment and remuneration payable in accordance with the applicable law from time to time as it deems fit, in such manner as may be mutually agreed between the Board of Directors and Mr. Anand Swaroop.

RESOLVED THAT the overall remuneration payable to Mr. Anand Swaroop including any Annual increments from time to time as stated in explanatory statement shall not exceed the maximum permissible limits as prescribed under the Companies Act, 2013, except with the previous approval of the Central Government, if any.

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 allowance 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 during the currency of his tenure, the Company will subject to applicable laws, pay remuneration by way of salary, perquisites and allowances as specified above and subsequent revisions to Mr. Anand Swaroop, as may be decided by the Board of Directors as minimum remuneration with the previous approval of the Central Government, if required and in addition thereto, he shall also be entitled to the following perquisites (not to be included in the computation of the ceiling of the minimum remuneration):

- i. 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.
- ii. Gratuity payable at the rate not exceeding half-month's salary for each completed year of service in the Company.
- iii. Encashment of leave as per the policy of the Company.

RESOLVED FURTHER THAT the Board of Directors or Nomination & Remuneration Committee be and is hereby authorized to alter/ vary the terms & conditions from time to time as it may deem fit subject to necessary approvals, if any, in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the appointment of Mr. Anand Swaroop shall be liable to retire by rotation during his tenure as Whole Time Director & CFO, in order to comply with the provisions of the Articles of Associations of the Company and the Act but shall be reappointed as Director immediately on retirement by rotation and re-appointment shall not be deemed to constitute a break in his appointment as Whole Time Director & CFO.

RESOLVED FURTHER THAT the Board (including its Committee thereof) be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

7. Appointment of Mr. Madhusudan Prasad (DIN: 02665954) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and consent of the members of the Company be and is hereby accorded for appointment of Mr. Madhusudan Prasad (DIN: 02665954), as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years with effect from 01st June, 2021 and whose period of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof) be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

8. To consider and approve Proposal for Issue of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of Section 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 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, 2009 (the "SEBI ICDR Regulations") (including any statutory modification or re-enactment thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 (the "SEBI LODR Regulations") (including any statutory modification 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, 2000, 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), 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 VIII 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. 150 Crores (Rupees One Hundred Fifty 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 VIII 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 VIII 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 VIII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in the event that the Equity Shares are issued to qualified institutional buyers under Chapter VIII 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 VIII 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 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 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 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 thereto 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 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, memorandum, 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 of directors or any whole-time Director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions."

9. Creation of Charge/Mortgage on the Assets to secure borrowings of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the all earlier resolution passed and pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 read with the Rules, if any, made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act") consent of the Company be and 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 which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to mortgage and/or charge, in addition to the mortgages / charges created / to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may in its absolute discretion determine, on all or any of the moveable and/or immovable properties of the Company (both tangible and intangible), both present and future and/or the whole or any part of the undertaking(s) of the Company, in favour of the Lender(s), Agent(s) and other bodies, to secure the borrowings of the Company, availed / to be availed by way of loan(s) (in Indian Rupee and/or in foreign currency) and/or securities (comprising fully/ partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes / bonds or other debt instruments), issued / to be issued from any financial institutions/Banks/Insurance companies or person or persons by the Company or any of its associates and/or joint ventures or subsidiaries or any other body Corporate, and/or to secure any debentures issued and or that may be issued by the Company from time to time, subject to a maximum of Rs. 1000 Crore (Rupees One Thousand Crore Only) together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of the Agent(s)/ Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company or its associates and/or joint ventures or any other body Corporate, in terms of the Loan Agreement(s) / Deed(s) and Agreement(s) / Debenture Trust Deed(s) or any other document, entered into /to be entered into between the Company and the Lender(s) / Agent(s) and Trustee(s), in respect of the said loans / borrowings/ securities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) / Trustee(s) as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors/ Committee constituted by the Board be and is hereby authorized to finalize, settle and execute such documents / deeds / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid."

10. To authorize the Board of Directors of the Company to borrow money in excess of the aggregate of the paid up share capital, free reserves and Securities Premium

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of all the earlier resolutions passed by the members of the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall include any committee constituted by the Board or any person(s) authorized by the Board) to borrow any sum or sums of money (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) for the purpose of the business of the Company, such sum or sums of money in Indian Rupees and/or in any foreign currency, from time to time, with or without security and on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the money or monies to be borrowed by the Company together with the money already borrowed and remaining outstanding at any time may exceed the aggregate of the paid-up share capital, free reserves and securities premium (that is to say reserves not set apart for any specific purpose) of the Company, provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time, exceed Rs. 1000 Crore (Rupees One Thousand Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

**By Order of the Board of Directors
For Jay Bharat Maruti Limited**

**Place: Gurugram
Date: July 27, 2021**

**Ravi Arora
Company Secretary
M. No. A37075**

NOTES:

1. **In view of the continuing restrictions on the movement of people across the country and social distancing guidelines to be followed due to outbreak of the COVID-19 pandemic, Ministry of Corporate Affairs (MCA) vide Circular No. 20/2020 dated January 13, 2021 read together with Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (hereinafter collectively referred to as "MCA Circulars"), allowed Companies to hold AGM through Video conferencing (VC) or Other Audio Visual Means (OAVM) without physical presence of the members at a common venue. Accordingly, the Securities and Exchange Board of India ("SEBI") vide Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (hereinafter collectively referred to as "SEBI Circulars") had relaxed certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode. Hence, in compliance with these Circulars, the annual general meeting of the Company (hereinafter referred as "AGM") will be conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM).**
2. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 34th Annual General Meeting of the company being conducted through Video Conferencing (VC) herein after called as "e-AGM".
3. **e-AGM:** Company has appointed M/s KFin Technologies Private Limited, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
4. Pursuant to the Circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote on behalf of the members is not available for this AGM. Corporate Members are required to access the link <https://emeetings.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 MCA Circulars, the Notice of 34th Annual General Meeting and Annual Report for the 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 2020-21 will also available at the Company's website: www.jbmgroupp.com, websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin Technologies Private Limited at <https://emeetings.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 jbml.investor@jbmgroupp.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 jbml.investor@jbmgroupp.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 business to be transacted at the AGM, as set out under item no. 5,6,7,8,9 and 10 above and the relevant details of the Directors seeking appointment/re-appointment under item no. 3, 4, 5, 6 and 7 above as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standards-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 21st September, 2021 to 27th September, 2021, (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the ensuing Annual General Meeting.
(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 20th September, 2021. The dividend is Rs. 1.25/- 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 TDS 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 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 10th 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 Ltd. ("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 once the postal facility is available. 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 (the IEPF) 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 10th September, 2020 (date of last Annual General Meeting) on the website of the Company (www.jbmgroup.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, shareholders 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 MCS Share Transfer Agent Limited.

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 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), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 13th January, 2021 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 34th 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 **Friday, 24th September, 2021 (9.00 a.m. IST) to Sunday, 26th 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 20th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by Kfin 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. 040 67161500 or at 1800 345 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. Ms. Sunita Mathur, Practicing Company Secretary, (Membership No. FCS 1743) has been appointed as the Scrutinizer to scrutinize the e-voting process.

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

1. The options for remote e-voting and 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.nsd.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.nsd.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.nsd.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. 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> |
| <p>4. By visiting the e-Voting website of NSDL I. URL: https://www.evoting.nsd.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> | |

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 KFin 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. Jay Bharat Maruti 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 sunita.streamline@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 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 evoting during the meeting.

- a. Members will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFin. Members may access the same at <https://emeetings.kfintech.com/> by using the evoting login credentials provided in the email received from the Company/KFin. 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 / AVM 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 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 <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 24th September, 2021 (9:00 a.m. IST) to 25th 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 shareholder 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.
- l. Shareholders 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 ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll. 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 Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.
- 22. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.jbm-group.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 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 <https://evoting.kfintech.com>
- 25. The recorded transcript of the forthcoming AGM on 27th September, 2021, shall be maintained by the Company and also be made available on the website of the Company www.jbm-group.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 no. 3,4, 5, 6 & 7 is as follows:

| S I . No. | Particulars | Mr. Nishant Arya | Ms. Esha Arya | Mr. Anand Swaroop | Mr. Madhusudan Prasad |
|-----------|---|---|---|--|--|
| 1. | DIN | 00004954 | 00004836 | 00004816 | 02665954 |
| 2. | Date of Birth | 01.11.1986 | 16.03.1982 | 07.10.1960 | 22.03.1956 |
| 3. | Date of appointment | 09.10.2007 | 10.07.2014 | 29.04.2021 | 01.06.2021 |
| 4. | Qualifications | B. Sc in Business and Management Studies from Bradford University U.K. | She did her graduation from Boston University, USA and is an alumnus of INSEAD, France where she pursued her MBA | Commerce Graduate from Shri Ram College, Delhi and is a Fellow Member of the Institute of Chartered Accountants of India since 1984 | IAS (1981 Haryana), MA in Economics from Delhi University Bachelor's Degree from St. Stephen's College, Delhi University |
| 5. | Experience in specific functional areas | Development of R&D and innovation, Diversification Projects in Renewable energy, Bus Manufacturing, Electric vehicles | With over 15+ years of experience with JBM group companies, under her mentorship, key organizational transformation projects have been undertaken. She has been instrumental in the conceptualization and formulation of various programs within the JBM group giving strategic direction and setting up the group towards sustainable growth | He has experience of more than 35 years and has been associated with JBM Group since 1987. He has been instrumental in setting up various Joint Ventures and handled foreign acquisitions and is involved in the strategic decisions for the Group. He possesses rich experience in the field of finance, Taxation, corporate laws and commercial disciplines. | Having experience of more than 38 years working with both Government of India and State Government (Haryana) in various capacities, mainly in the areas of finance, commerce, energy and urban development. He was Deputy Secretary and Joint Secretary to Department of Economic Affairs, Ministry of Finance and Embassy of India in Washington DC (USA) and also worked in the IMF-World Bank Division. He recently superannuated as Secretary from Public Enterprises Selection Board (PESB), Urban development, Gol. Presently he is member of the Board of the RBI Advisory Board on Banking and Financial frauds. |
| 6. | Directorship held in other listed entities | JBM Auto Limited | Presently She is not holding any directorship in any other Listed Company. | Presently he is not holding any directorship in any other Listed Company. | He was associated with MMTC Ltd. As Nominee Director and Additional Director to The State Trading Corporation of India Ltd. And also represented as Nominee Director in many Govt. Organisation e.g. DMRC, MMRC, BMRC, Haryana Vidyut Prasaran Ltd. Etc. |
| 7. | Membership / Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee) | Audit Committee: 1. Jay Bharat Maruti Ltd.- Member Stakeholder Relationship Committee: 1.JBM Auto Limited : Member | N.A. | N.A. | N.A. |
| 8. | Number of Shares held in the Company | 8000 Equity Shares | NIL | 4,000 Equity Shares | NIL |
| 9. | Relationship with any Director(s) of the Company | i. Mr. S.K. Arya, Chairman & Managing Director, Father ii. Ms. Esha Arya, Director, Sister | i. Mr. S.K. Arya, Chairman & Managing Director, Father ii. Mr. Nishant Arya, Director, Brother | No relationship with any Director(s) of the Company | No relationship with any Director(s) of the Company |

**By Order of the Board of Directors
For Jay Bharat Maruti Limited**

**Place: Gurugram
Date: July 27, 2021**

**Ravi Arora
Company Secretary
M. No. A37075**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following statement sets out all material facts relating to the Special Business mentioned in Item No. 5, 6, 7, 8, 9 & 10 of the accompanying notice:

ITEM NO. 5

Appointment of Mr. Anand Swaroop (DIN: 00004816) as Director of the Company

Mr. Anand Swaroop (DIN: 00004816) was appointed by the Board at the meeting held on 29th April, 2021, on the recommendation of the Nomination & Remuneration Committee (“the Committee”), appointed in terms of Section 161 of the Companies Act, 2013 (“the Act”), as an Additional Director with effect from 01st June 2021, in terms of provisions of Section 161 of the Companies Act, 2013, and Rules made thereunder. As per the provisions contained under Section 161 of the Companies Act, 2013, the “Additional Director” so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Accordingly, Mr. Anand Swaroop (DIN: 00004816), as an Additional Director, holds office upto this Annual General Meeting. The Board at the aforesaid meeting, recommended for the approval of the Members, the appointment of Mr. Anand Swaroop as a Director of the Company as set out in the Resolution relating to his appointment.

Brief Profile of Mr. Anand Swaroop is mentioned in the Note no. 27 of the Notice.

Except, Mr. Anand Swaroop, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested or concerned in the Resolution. The Board recommends the Ordinary Resolution as set out at item no. 6 for approval by the Members.

ITEM NO. 6

Appointment of Mr. Anand Swaroop (DIN: 00004816) as Whole Time Director & CFO of the Company

The Special Resolution relates to the appointment of Mr. Anand Swaroop as Whole Time Director & CFO of the Company. The Board of Directors at its meetings held on 29th April 2021, subject to approval of members and upon the recommendation of Nomination and Remuneration Committee, have approved the appointment of Mr. Anand Swaroop as Whole Time Director and CFO of the Company for a period of 3 (Three) years with effect from 01 June 2021 to 31 May 2024 on the terms and conditions including remuneration as revised (which includes the payment of salary, allowances, Commission and perquisites) as stated below:

| |
|---|
| Basic Salary- Rs. 3,90,000/- per month per month in the pay scale of 390000 – 100000 – 590000, as decided by the Board of Directors from time to time. |
| Perquisites & Allowances: House Rent Allowance/ Rent Free Accommodation (50% of Basic Salary), Children Education Allowance, Conveyance Allowance, Uniform Washing Allowance, Innovative Allowance, Leave Travel Allowance. Bonus, Supplementary Allowance/Sodexo meal pass, Reimbursement of expenses, Variable pay (Performance Bonus) and any other allowances and perquisites by whatever name called as per the policy of the Company. The aggregate value of these perquisites and allowances shall be restricted to an amount equivalent to 300% of the basic salary per month. |
| Company’s Contribution to Provident Fund and Superannuation Fund, as the Rules of the Company |
| Gratuity payable as per Policy of the Company |
| Medical Insurance for self and family as per the policy of the Company. |
| Encashment of leave as per Company’s policy |
| Notice period: as per the Rules of the Company |
| Other Rules of the Company which are applicable to his grade shall also be applicable on him. |

In addition to above Mr. Anand Swaroop shall be entitled to any other permissible perquisite or any other allowances by whatever name called as per the policy of the Company or otherwise.

Apart from the above, he shall also be entitled to the following, 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) as per the policy of the Company;
- ii. Telephone/Mobile expenses as per the policy of the Company;
- iii. Leave entitlement as per the policy of the Company;
- iv. Reimbursement of entertainment/traveling/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;
- vi. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service in the company as per policy of the Company;

The appointment of Mr. Anand Swaroop shall be governed by the following additional terms and conditions:

- (a) Nature of appointment: Contractual
- (b) Period of appointment: 3 Years
- (d) Other terms and conditions: The Whole Time Director shall work under the overall guidance of the Chairman & Managing Director/ Board of Directors.

Mr. Anand Swaroop has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding office as a Director of the company, by virtue of any SEBI Order or any other such authority and given his consent to act as a Director.

The details, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Secretarial Standard-2 on General Meetings ("SS-2") are given in the notice.

None of the Directors, except Mr. Anand Swaroop/ Key Managerial Personnel of the Company/ their relatives is, in any way, whether financially or otherwise, concerned or interested, in the resolution set out at Special Business Item No. 6 of the Notice. The Board recommends the Special Resolution as set out at item no. 6 for approval by the Members.

Since the remuneration proposed for Mr. Anand Swaroop may be governed by the provisions of Section II of Part II of Schedule V to the Act, following information is given with abundant caution:

I. General Information:

1. Nature of Industry:

The Company is engaged in the business of manufacturer of key auto components and assemblies such as BIW parts, exhaust systems, fuel fillers (fuel pipe), and suspension parts for passenger cars.

2. Date of commencement of commercial production: 19.03.1987

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial Performance based on given Indicators:

| Particulars | FY ended 31.03.2021 | FY ended 31.03.2020 |
|-------------------|---------------------|---------------------|
| Total Income | 1503.60 | 1659.41 |
| Profit before Tax | 41.54 | 42.14 |
| Finance Cost | 32.96 | 38.08 |
| Depreciation | 65.94 | 62.52 |
| Tax Expense | 15.48 | 14.12 |
| Net Profit | 26.06 | 28.02 |

5. Foreign Investments and Collaborations: The Company has not made any Foreign Investments and neither entered into any collaborations during the financial year ended 31st March, 2021.

II. Information about the Appointees:

- 1. Background Details: As stated in Explanatory Statement above
- 2. Past Remuneration: N.A.
- 3. Recognition or awards: As stated in Explanatory Statement above
- 4. Job profile Suitability: Mr. Anand Swaroop, is the President & CFO of the Company and has been associated with the Company since 1987. To have resource of rich experience and long association with JBM Group, it is proposed to appoint Mr. Anand Swaroop, Chief Financial Officer (CFO) of the Company, as Whole Time Director of the Company. He has experience of more than 35 years and has been associated with JBM Group since 1987. He has been instrumental in setting up various Joint Ventures and handled foreign acquisitions and is involved in the strategic decisions for the Group. He possesses rich experience in the field of finance, Taxation, corporate laws and commercial disciplines.

5. Remuneration proposed: As stated in the explanatory statement above in Item No. 6.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Anand Swaroop, the remuneration\ proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
7. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:** Besides the remuneration proposed to be paid to Mr. Anand Swaroop, he does not have any other pecuniary relationship with the Company.

III. Other Information: Company has faced drastic decrease in its sales due to recession and slow down in Auto Sector. Further due to pandemic spread of Covid-19, there was loss of sales w.e.f. 19th March, 2020, and the inevitable impact of the pandemic continued during most of the first half of the year that not only impacted the manufacturing industries but also lead to a worrisome situation for all sectors. During the lockdown, production was suspended at all the plants of the Company gravely impacting Company's operations and financial results for the first half of the year. However, Company gradually resumed with requisite precautions in phased manner and due to continuous increase in demand by our main customer Maruti Suzuki India Ltd (MSIL) and effective control on expenses by the Company. With the above steps Company's turnover expects to achieve the increase in its gross revenue.

IV. Disclosures: The Complete information and disclosures of the remuneration package including commissions and other benefits to all managerial personnel of the Company have been mentioned in the Annual Report in the Corporate Governance Report under the heading Remuneration paid or payable to Directors for the year ended March 31, 2021.

The other details of Mr. Anand Swaroop in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice. The Board of Directors is of the opinion that Mr. Anand Swaroop's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 6 of this Notice relating to his appointment as a Director, liable to retire by rotation as Special Resolution for your approval.

ITEM NO. 7

Appointment of Mr. Madhusudan Prasad (DIN: 02665954) by appointing him as Independent Director of the Company

The Members are hereby informed that in reference to appointment of Mr. Anand Swaroop, as a Whole Time Director which is to be effective from 01st June, 2021, the Company was required to comply with the optimum composition of Board in compliance with provision of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to appoint an Independent Director to the Board of the Company.

Therefore, for the said purpose the Board of Directors of the Company ('the Board') vide their circular resolution dated 25th May, 2021 had appointed Mr. Madhusudan Prasad (DIN: 02665954) as an Additional Director in the capacity of Independent Director of the Company for the term of 5(Five) years with effect from the June 01, 2021 in terms of Section 161 of the Companies Act, 2013 ('the Act') on the recommendation of the Nomination & Remuneration Committee ('the Committee').

Mr. Madhusudan Prasad holds office of Additional Director only upto the date of forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. Further, In accordance with the provisions of Section 149, 152 of the Companies Act, 2013, appointment of an Independent Director requires approval of members. Mr. Madhusudan Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mr. Madhusudan Prasad that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. In the opinion of the Board, Mr. Madhusudan Prasad fulfills the conditions for her appointment as an Independent Director as specified in the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. Further pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Madhusudan Prasad, aged 65 years, was IAS (1981 Haryana) has done MA in Economics from Delhi University. Mr. Prasad is having experience of more than 38 years working with both Government of India and State Government (Haryana) in various capacities, mainly in the areas of finance, commerce, energy and urban development. He was Deputy Secretary to Department of Economic Affairs (DEA), Counsellor Ministry of Finance and Embassy of India in Washington DC (USA) and also worked in the IMF-World Bank Division. He recently superannuated as Secretary from Public Enterprises Selection Board (PESB), Urban development, Gol.

A copy of draft letter of appointment of Mr. Madhusudan Prasad 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 recommend the Resolution set out at Item No. 7 of the accompanying Notice for approval of the shareholders of the Company. None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Madhusudan Prasad himself.

The other details of Mr. Madhusudan Prasad in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice.

The Board of Directors is of the opinion that Mr. Madhusudan Prasad's vast knowledge and varied experience will be of great value

to the Company and has recommended the Resolution at Item No. 7 of this Notice relating to his appointment as an Independent Director.

ITEM NO. 8

To consider and approve Proposal for Issue of Securities in terms of Section 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 Section 42, 62 and 71 of the Companies Act, 2013 by passing a special resolution in the 33rd Annual General Meeting held on 10.09.2020. 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 9th September, 2021. The Company is in the continued process of expansion of its manufacturing capacity of the plant at Vithalapur, Gujarat to cater the requirements of M/s Suzuki Motor Gujarat Private Limited. The investment for expansion of said Project is being funded through Loans/debts and Internal accruals. In order to meet the additional funds requirements, the Company is exploring options to raise the funds in the form of Further Public Offering/Preference Issue/Preferential Issue/Unsecured/ Secured Non-Convertible Debentures ('NCDs')/ Bonds on private placement basis. The Board has at their meeting held on 27th July, 2021, recommended to the shareholders to give their consent to the Board of Directors or any Committee of the Board to borrow and raise funds by issue of securities under Section 42, 62 and 71 of Companies Act, 2013, up to an amount of Rs. 150 Crores [Rupees One Hundred and Fifty Crores Only]. Members may note that the above resolution was passed at 33rd AGM held on 10.09.2020, but due to pandemic spread and lower volumes due to non-suitable market conditions the said issue of securities in terms of Section 42, 62 and 71 of the Companies Act, 2013 was not made. Hence, the above resolution is placed for your approval in this 34th 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, 2009, amended from time to time ("ICDR Regulations"). The Board of Directors/ Committee may adopt this mechanism, as prescribed under Chapter VIII 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, Manager and Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions, except to the extent of their shareholdings in the Company.

The Board of Directors recommends the Resolution at Item No. 8 of this Notice to be passed as Special Resolution and is placed for your approval

ITEM NO. 9

Creation of Charge/Mortgage on the Assets to secure borrowings of the Company

The members of the Company vide their resolution passed through Postal Ballot dated March 02, 2017 by way of a Special Resolution passed under Section 180(1)(a) of the Act, has authorized the Board of Directors, for creation of charges, mortgages, hypothecations, etc. on the assets, to secure the borrowings including secured/unsecured Redeemable Non-Convertible Debentures / Bonds on private placement Basis, up to an amount of Rs. 600 Crores.

Considering the Borrowing Powers of the Board to meet the fund requirements of the Company from time to time, the proposed borrowings by the Company, if required, is to be secured by mortgages or charges on all or any of the movable or immovable or any tangible or intangible assets / properties of the Company [both present and future] in favour of any lender, including the Financial Institutions / Banks / Debenture Trustees, etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender[s] for securing any loans and/or advances already obtained or that may be obtained from any financial institutions/Banks/insurance companies or person or persons by the Company or any of its associates and/or joint ventures or subsidiaries or any other body corporate, and/or to secure any debentures issued and/or that may be issued by the Company.

The mortgages and the charges on any of the movable and / or immovable or any tangible or intangible assets / properties and / or the whole or any part the undertaking[s] of the Company may be regarded as disposal of the Company's undertaking[s] within the meaning of section 180[1][a] of the Act read with Rules made thereunder. It is proposed to increase the limits for creation of charges, mortgages, hypothecations, etc. on the assets, to secure the borrowings including secured/unsecured Redeemable Non-Convertible Debentures / Bonds on private placement Basis, from the existing limit of Rs. 600 Crores to Rs. 1000 Crores.

The resolution contained in Item No. 9 of the accompanying Notice, accordingly, seek members' approval for disposal of the Company's undertaking[s] by creation of mortgages, charges, etc. thereon and for authorising the Board of Directors [including committee thereof authorised for the purpose] of the Company to complete all the formalities in connection with creating charge on Company's properties.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the proposed resolution.

The Board recommends the resolution as set out in the Notice for your approval to be passed as Special Resolution.

ITEM NO. 10

To authorize the Board of Directors of the Company to borrow money in excess of the aggregate of the paid up share capital, free reserves and Securities Premium

The members of the Company at the Annual general Meeting held on September 03, 2016 has authorized the Board of Directors, by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, to borrow money over and above the aggregate of the paid up share capital, free reserves upto Rs. 600 Crore (Rupees Four Hundred Crore Only). The paid up Capital and free reserves and Securities Premium of the Company as on 31st March, 2021 is 449.67 Lakhs. In view of the investment requirement for ongoing working capital requirements of the Company, the said borrowing limit may be inadequate and needs to be increased to Rs. 1000 Crore (Rupees One Thousand Crore Only).

As per provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors shall not borrow money together with the money already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceeding the aggregate of the paid up share capital, free reserves and Securities Premium (that is to say the reserves not set apart for any specific purpose), except with the consent of the members of the Company accorded by way of a Special Resolution.

Hence, the approval of members is being sought to borrow money upto Rs. 1000 Crore (Rupees One Thousand Crores Only) over and above the aggregate of the paid up share capital, free reserves and Securities Premium of the Company. The Board of Directors recommend the resolution set out in item no. 10 of the accompanying notice for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution, except to the extent of their shareholdings in the Company.

**By Order of the Board of Directors
For Jay Bharat Maruti Limited**

**Place: Gurugram
Date: July 27, 2021**

**Ravi Arora
Company Secretary
M. No. A37075**

NOTICE FOR SHAREHOLDERS/INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders / Investors of Jay Bharat Maruti 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 7 (seven) 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 there under.

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 | 25% | 18th September, 2021 |
| 2014-15 | 40% | 23rd September, 2022 |
| 2015-16 | 40% | 02nd October, 2023 |
| 2016-17 | 50% | 23rd September, 2024 |
| 2017-18 | 50% | 10th October, 2025 |
| 2018-19 | 50% | 21st October, 2026 |
| 2019-20 | 25% | 08th November, 2027 |

3. The shareholders and members 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 letter dated 08th 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 2012-13 and onwards immediately by making an application to the Company or M/s 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
Jay Bharat Maruti Limited
Plot No. 9, Institutional Area, Sector -44, Gurgaon -122003, Haryana
Ph: 0124- 4674500 - 550 | Email: ravi.arora@jbmgroup.com, jbml.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 jbml.investor@jbmgroup.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. The shareholders of the Company has approved Bonus Issue on May 31, 2021, Bonus shares have been credited in the respective Demat A/c of the shareholders who were holding shares in Demat form and also the share certificates have been dispatched to those shareholders who were holding shares in physical form. Those shareholders who have still not received the bonus shares either in physical form or have not received credit to their respective demat accounts may kindly contact to the Company/Registrar and Transfer Agent (RTA) of the Company with folio no/DP ID Client ID at email id jbml.investor@jbmgroup.com or admin@mcsregistrars.com.

9. 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 June 8, 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
Date: July 27, 2021

MANUFACTURING 2.0

JAY BHARAT MARUTI LTD.



CONTENTS



MANUFACTURING 2.0

Manufacturing 2.0! Our Concept Of Digital Technology Reliance

"Though the precipice of the Fourth Industrial Revolution was to radically change the way we work and live, is still a distant dream to many organizations with the pandemic playing the spoil sport; Having said this, Covid-19 is seen differently by many!

Some Industries called it as a threat in the short term and i seen it as a learning and an opportunity in the long-term" This quote of Shri S.K Arya, Chairman, was the outcome of transformative actions taken by Jay Bharat Maruti Limited to be future ready.

The theme of this year, Manufacturing 2.0 is outcome of a statement that is derived by meticulous planning and actions undertaken, which resulted in making change for better adaptability, system reliant ready and scalable to adopt external changes. The results of JBML's quick adoption to claim a Manufacturing 2.0 reckoning and standing has the potential to be a case study and a guiding light for manufacturers dwelling in the dilemma "to do or not to do" in these trying times.

As challenging as it is to act proactively keep up with the pace with technology and the know how of making technological changes within a structured, well-tuned system; the decision though overwhelming, costly and potentially insecure at initial times is the only way forward for future ready companies. In this case in point, JBML is a beacon for others to follow suit.

The criticality to take that leap of faith with investment for long-term opportunity in chaotic times and align to make changes to being future ready; the key to the Manufacturing 2.0 theme is the inclusiveness of systems, people and machine, wherein ways were found to adopt technology that fulfills convergence in all its glory across board. This theme is based on how convergence of every influence in the manufacturing organization becomes a stream that is driven by discipline devoid of error-based corrections which in today's day and age has a a cost that is unbearable for manufacturing.

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And this is the beginning, a beginning and a foundation to potentially what would define how Manufacturing 2.0 became a milestone to catapult JBML as a preferred partner for its elated standing with technological advancement in the digital space that propels and brings efficiency, with a show of prowess in manufacturing holistically.

Artificial Intelligence + Internet of Things = Manufacturing 2.0

True that! This is not a theorem of sorts but a theory of convergence that many aspire to execute in the manufacturing industry, but a very few actually are able to pull this off practically.

To get future ready was to align the prowess of technologies to converge with human interface for getting results in business outcomes that were devoid of errors. This statement though sounds nice to hear but the enabling of multitude of procedural systems, operational excellence in well laid out manufacturing processes and overall automation in alignment of human inputs to make a smart system is not something that can be tuned with a press of a button.

The convergence of making In IOT combine with AI to deliver an output took JBML proactive analytical planning which became the most important parameter of being Manufacturing 2.0 future ready. In a well process driven functional system the planning that goes into transformation is primarily divided into four unique compartments; [i] What needs to be changed [ii] What can I change [iii] What is the practical impact of change [iv] When can I make the change.

A mammoth operation like JBML took leverage of the lockdowns to get into the execution mode for getting itself future ready. JBML took the Manufacturing 2.0 theorem by its horns and rolled it into a mission with all steam and mettle.

And thus, the execution began to get technology-in-works as the key driver in order to attain status of being a Manufacturer 2.0 ready partner to its customer. This transformation went through both, a learning and an unlearning process; the unlearning process became more relevant in this transformation journey especially in areas of expertise where change needed to be executed to be future tech reliant and ready.

The key to any transition is to effectively put checks and measures for partial block execution to keep an alignment to being functional and make change in the process. The systematic approach to make technology run process and ensure remote automation using IoT implementation used the leverage of machine learning for attaining Poka Yoke in this smart technology transformation.

As a resilient organization with forward thinking goal setting, Jay Bharat Maruti Limited attained a challenging transformation to become one of the very few manufacturing organizations to adopt the Manufacturing 2.0 theorem in order to align itself for the awaited Industrial revolution even during the slowdown due to the pandemic spread.

OUR MILESTONE

Transfer line (KOMATSU 2500T) at Plant 2, Gurgaon
Commissioned Plant 4 at Bawal for spares of MSIL

Roll Forming Line for Model-Y9T at Plant 2

Manufacturing of High Tensile Parts /Toolings (upto 980 Mpa) at Plant 2
Production of Model (S-CROSS & VITARA BREZZA) at Plant 1

Plant-5 In Vithlapur, Gujarat
Setting up
• Robotic Tandem Line
• 2500t Transfer Line
• Progressive Line
Commissioned 1200t Servo Press Line (FagorSpain) at Plant 2, Gurgaon

Phase I Production started at Plant-5 Vithlapur, Gujarat
Joint venture with Ogihara for tooling

Phase II Production started at Plant-5 Vithlapur, Gujarat

Phase III Production started at Plant-5 Vithlapur, Gujarat

2012

2014

2015-16

2017

2018

2019

2020

SAP implemented ROBOTIC TANDEM Line at Plant 3, Manesar for Skin Panels

Started Production at Plant-3, Manesar Gurgaon
Commissioning of AXLE line(RITZ) at Plant 1

Setup Tool Room at Gurgaon

Commenced commercial production of Model Swift

Swift Dzire Line Installation
Installed CED Paint Shop

OHSAS 18001:1999 Accrediation by UL INC
Flexible Manufacturing System 5 Axis Laser Machine at Plant 1, Gurgaon

ISO/TS 16949:2002 Accrediation by UL INC (GLOBALLY FIRST)

Set up line for Versa model

2010-11

2008-09

2007

2006

2005

2003-04

2002-03

2001

J.V Incorporated

Commissioned production at Plant 1, Gurgaon

Successfully Commissioning of Plant 2

Started Manufacturing of Exhaust Systems

Presented with National Productivity Award

Bestowed with QS- 9000 & ACMA Quality Trophy

Safety & Welfare Award by the Govt. of Haryana
Implemented ERP Software System BAAN-IV

Started M-800 Car Under Bodies Manufacturing

1987

1988-89

1995

1996

1997

1998

1999

2000

FROM THE CHAIRMAN'S DESK



Dear Shareholders,

I am pleased to express my thoughts by way of this Annual Report of Jay Bharat Maruti Ltd for FY2020-21. As I pen this message on the occasion of the 34th Annual General Meeting of your company, a famous quote from Sir. Winston Churchill resonates within me, "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty".

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 with regard to the understanding of COVID19, our resilience and perseverance enabled us to learn and maneuver 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 Jay Bharat Maruti Ltd, our value centre driven approach propelled the organization grow at a commendable pace owing to the initiation of the digital transformation journey of your company during this time. Aligned to our objective of incorporating lean manufacturing practices, frugal engineering and reducing time to market, we inducted Artificial Intelligence and Industry 4.0 in our processes and systems. This is much in line with our endeavor towards making Jay Bharat Maruti Ltd. the torchbearer of smart manufacturing in India. With digital adoption as the driving force, your company will be better equipped to add enhanced value to our esteemed partner, Maruti Suzuki, by offering technology-based efficiencies.

Jay Bharat Maruti Ltd. has grown from strength-to-strength along with our partner Maruti Suzuki India Limited. Over these years, this relationship has consistently gained momentum despite difficult situations that have only consolidated our belief and confidence as we march ahead in these transformatory times. Your company has utilized this time constructively in incorporating new skill sets, modern methodologies of working, infusing smart technology, thereby, making the organisation hands-on in the new normal.

Your company is rapidly evolving with agility and dynamism as we are imbibing technology to introduce products and solutions that align with the requirements of the vehicles of tomorrow. Like, when we started this 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.

Like the global economy, the Indian economy too faced a setback due to the COVID19 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 growth in the fourth quarter was largely powered by the manufacturing sector while the services sector remained unresponsive. The manufacturing sector grew by 6.9% in Q4 FY2020-21 as against 1.7% in Q3 and degrowth(4.2)% in the corresponding quarter of the previous year.

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's net profit for the year stood at Rs. 26.06 Crores, as against Rs. 28.02 Crores in FY20. In spite of the severe impact of Covid-19 on the operations & financials of the Company in the first two quarters of the FY 21, your Company was able to recover significantly post lockdown and in the second half of FY 21 due to increase in Maruti Suzuki India Ltd. (MSIL) volumes and various cost reduction efforts resulted in to marginal jump in the overall EBITDA and profits.

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.

To conclude, I would like to thank our partner Maruti Suzuki India Ltd and Suzuki Motor Gujarat Pvt. Ltd. for their continued patronage on our delivery prowess. I extend my sincere appreciation to the management and the staff of the company for their valued contribution to drive excellence as a practice. My sincere gratitude to you, our valued shareholders. Your faith and trust in our capabilities helps us gain the foundation that will enable us grow in times to come.

Finally, it is imperative 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.

I wish that we continue to prevail with positivity and grit as a team for us to be building a better tomorrow for us all.

Stay Healthy , Stay Safe
Thank You and Jai Hind.

SURENDRA KUMAR ARYA
CHAIRMAN



HARNESSING THE POTENTIAL OF ARTIFICIAL INTELLIGENCE



With the recent unprecedented changes in the environment and businesses due to COVID-19, we have witnessed the evolution of the new normal. The early adoption of AI in business resonates well with organizations that wish to be future ready. With critical aspects such as sustaining and enhancing the shop floor productivity, predictive insights for better planning and remote supervision becoming the key driving force for manufacturing, JBM Auto Ltd has proactively taken the plunge to drive efficiency and enable predictability in its business planning.

As we tower on our Manufacturing 2.0 mission and gear up towards technology revolution. Computer Vision technology and Machine Learning are the two key pillars for driving business process excellence at JBML. The organization has deployed Artificial Intelligence & machine learning, thereby witnessing immense learnings that have both, near-term and long-term benefits. The AI Division of JBM Group is spearheading the convergence of artificial intelligence technology to all facets of the JBML business ecosystem which will be the propeller towards delivering product & service excellence in conjunction with the evolving requirements globally.

To sustain and enhance the Quality standards, camera based automated and AI enabled Quality check mechanism has been introduced. To keep the cost viable, we leveraged the existing hardware, wherever possible, resulting in minimal hardware cost and procurement time. Smart sampling methods are being used to make the process cost effective and less time consuming.

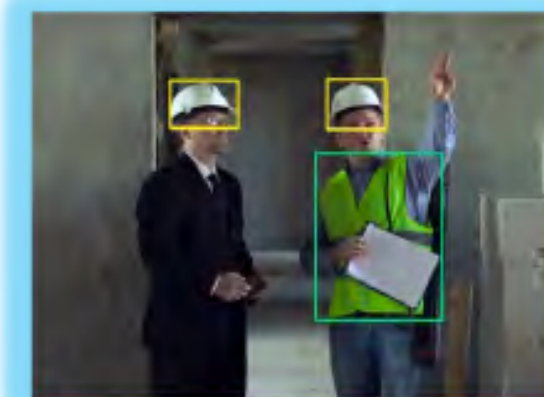


Further, as part of the Manufacturing 2.0 solutions deployment regarding monitoring and controlling the machine productivity, capturing of various machine parameters for Press & Weld systems has been automated with every element available real time online. This online monitoring ensures high productivity and reduced downtime of machines and further enables conducting root-cause analysis through the captured data and information which helps in ascertaining machine related KPIs, reducing the bottlenecks in the system.

In the area of safe workplace solutions, AI is being extensively used across all the manufacturing facilities to ensure preventive safety at the shop floor. Solutions like facial recognition attendance system, manpower monitoring system, social distancing, PPE compliance, traceability & deterrent, improved shop floor productivity and discipline, etc. have been deployed. This system has been created primarily to replace the conventional punching system with an automated check mechanism without any physical contact and restricted access to the workplace. The existing biometric system has been replaced with a no-touch facial recognition solution along with temperature recording through automatic digitization.

The other AI solution regarding controlled access to workplace is to make sure that the employee moves in the designated work area only. This enables enhanced productivity and also restricts unnecessary movement. Designated work area has been assigned for each employee with access permission to only respective employees for their concerned working areas.

In case of the violation, automated and real time SMS/email alerts are directed to the supervisor along with a violation location snapshot. It also has the provision for automatic data analysis and surfacing hotspots for social distancing violations. ●



STANDALONE FINANCIAL HIGHLIGHTS



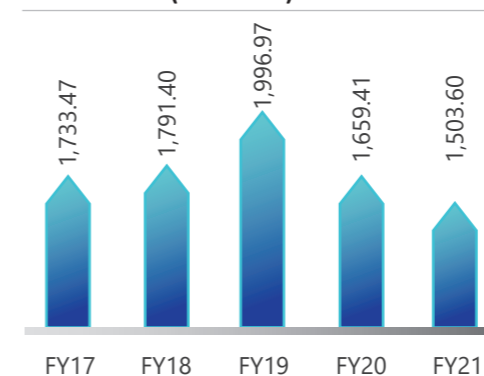
| Particulars | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--------------------------------|----------|----------|----------|----------|----------|
| Revenue from operations | 1,732.05 | 1,787.79 | 1,994.00 | 1,657.71 | 1,499.07 |
| Less Excise Duty | 205.42 | 57.38 | - | - | - |
| Net Sales | 1,526.63 | 1,730.41 | 1,994.00 | 1,657.71 | 1,499.07 |
| Other Income | 1.42 | 3.61 | 2.97 | 1.70 | 4.53 |
| Total Income | 1,733.47 | 1,791.40 | 1,996.97 | 1,659.41 | 1,503.60 |
| EBIDTA | 134.52 | 159.26 | 177.50 | 142.74 | 140.44 |
| Financial Charges | 18.30 | 20.12 | 34.33 | 38.08 | 32.96 |
| Depreciation - Fixed Assets | 41.43 | 49.10 | 61.49 | 62.52 | 65.94 |
| Profit Before Tax | 74.79 | 90.04 | 81.68 | 42.14 | 41.54 |
| Tax | 21.02 | 31.15 | 29.51 | 14.12 | 15.48 |
| Profit After Tax | 53.77 | 58.89 | 52.17 | 28.02 | 26.06 |
| Share Capital | 10.83 | 10.83 | 10.83 | 10.83 | 10.83 |
| Reserve & Surplus | 293.63 | 349.42 | 393.23 | 412.25 | 438.85 |
| Net Worth | 304.46 | 360.25 | 404.06 | 423.08 | 449.67 |
| Inventory/Net Turnover (Times) | 13.34 | 8.55 | 11.78 | 13.52 | 9.81 |

Key Indicators

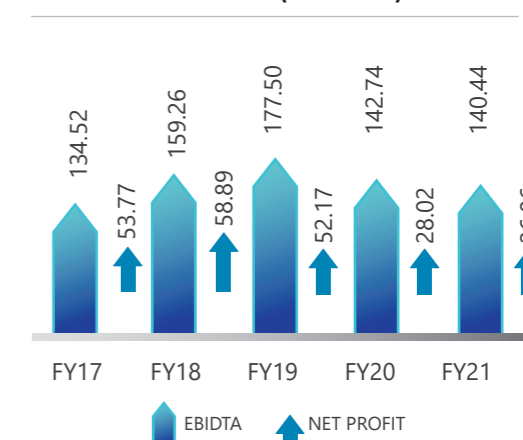
| | | | | | |
|---|--------|--------|--------|--------|--------|
| EBIDTA/Net Sales (%) | 8.81 | 9.20 | 8.90 | 8.61 | 9.37 |
| PBT/Net Sales (%) | 4.90 | 5.20 | 4.10 | 2.54 | 2.77 |
| PAT/Net Sales (%) | 3.52 | 3.40 | 2.62 | 1.69 | 1.74 |
| RONW (PAT/Net Worth) (%) | 19.30 | 17.72 | 13.65 | 6.78 | 5.97 |
| Earning Per Share (Rs.) | 24.84 | 27.20 | 24.10 | 12.94 | 12.04 |
| Cash Earning Per Share (Rs.) | 43.97 | 49.88 | 52.50 | 41.82 | 42.50 |
| Dividend Per Share (Rs.) | 2.50 | 2.50 | 2.50 | 1.25 | 1.25 |
| Book Value per Share (Rs.) | 140.63 | 166.40 | 186.63 | 195.42 | 207.70 |
| Price/Earning Ratio (Times) | 17.02 | 13.71 | 10.83 | 7.75 | 18.92 |
| Market price of share as on 31st March' (Rs.) | 422.75 | 372.95 | 260.95 | 100.30 | 227.80 |
| Market Capitalisation (Rs in crores) | 915.25 | 807.44 | 564.96 | 217.15 | 493.19 |
| Proposed Dividend (Rs in crores) | 5.41 | 5.41 | 5.41 | 2.71 | 5.41* |
| Corporate Dividend Tax (Rs in crores) | 1.10 | 1.10 | 1.11 | 0.00 | 0.00 |
| "Dividend Payout Ratio(%) (including Dividend Distribution Tax)" | 12.11 | 11.06 | 12.51 | 9.66 | 20.77 |

*Rs. 1.25/- per equity share on 4,33,00,000 equity shares after increase in Paidup share capital to Rs. 21.65 Crs consequent to issue of Bonus Equity shares on 10th June, 2021.

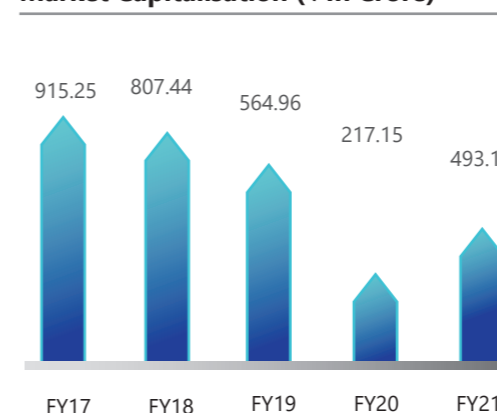
Total Income (₹ In Crore)



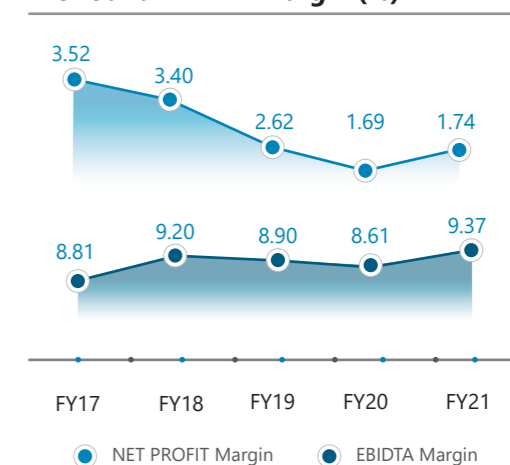
EBIDTA and Net Profit (₹ In Crore)



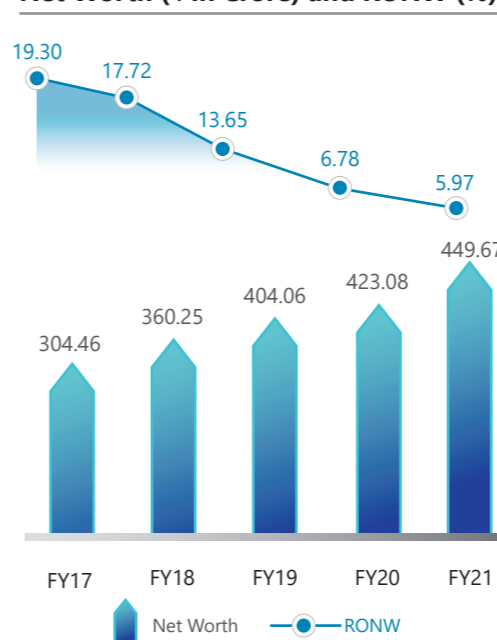
Market Capitalisation (₹ In Crore)



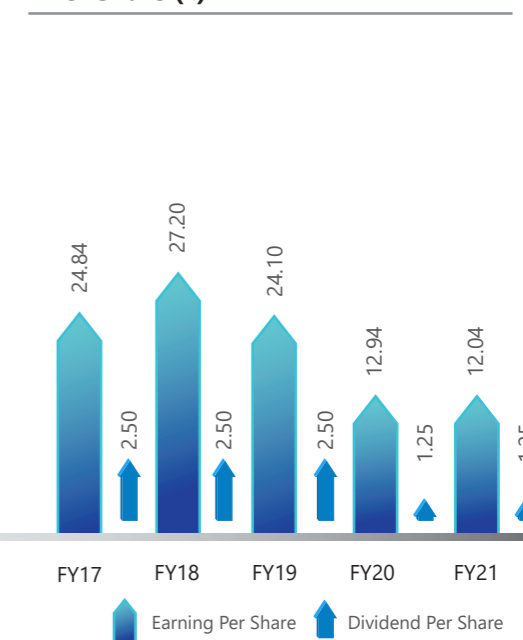
Profit and EBIDTA Margin (%)

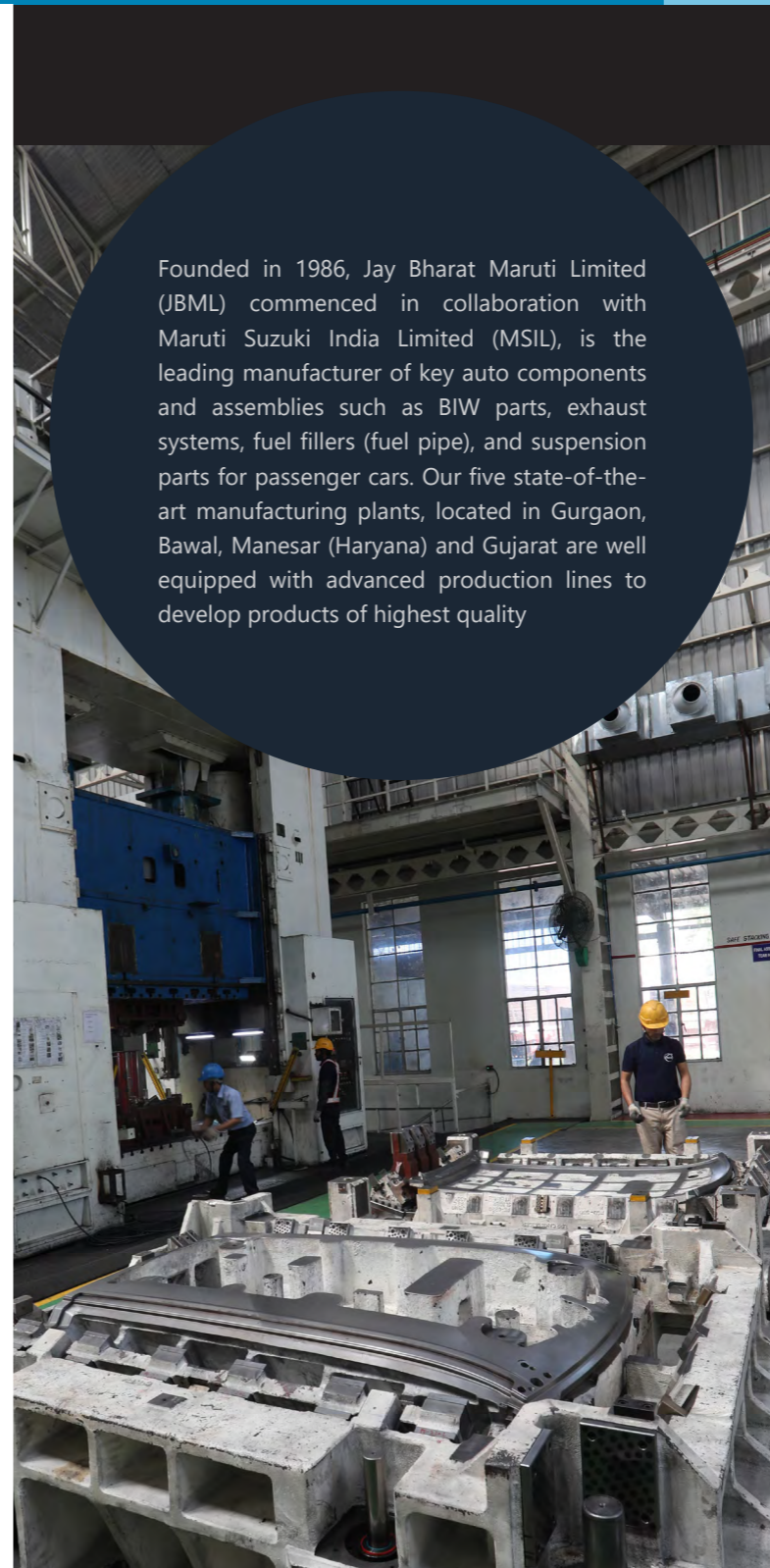
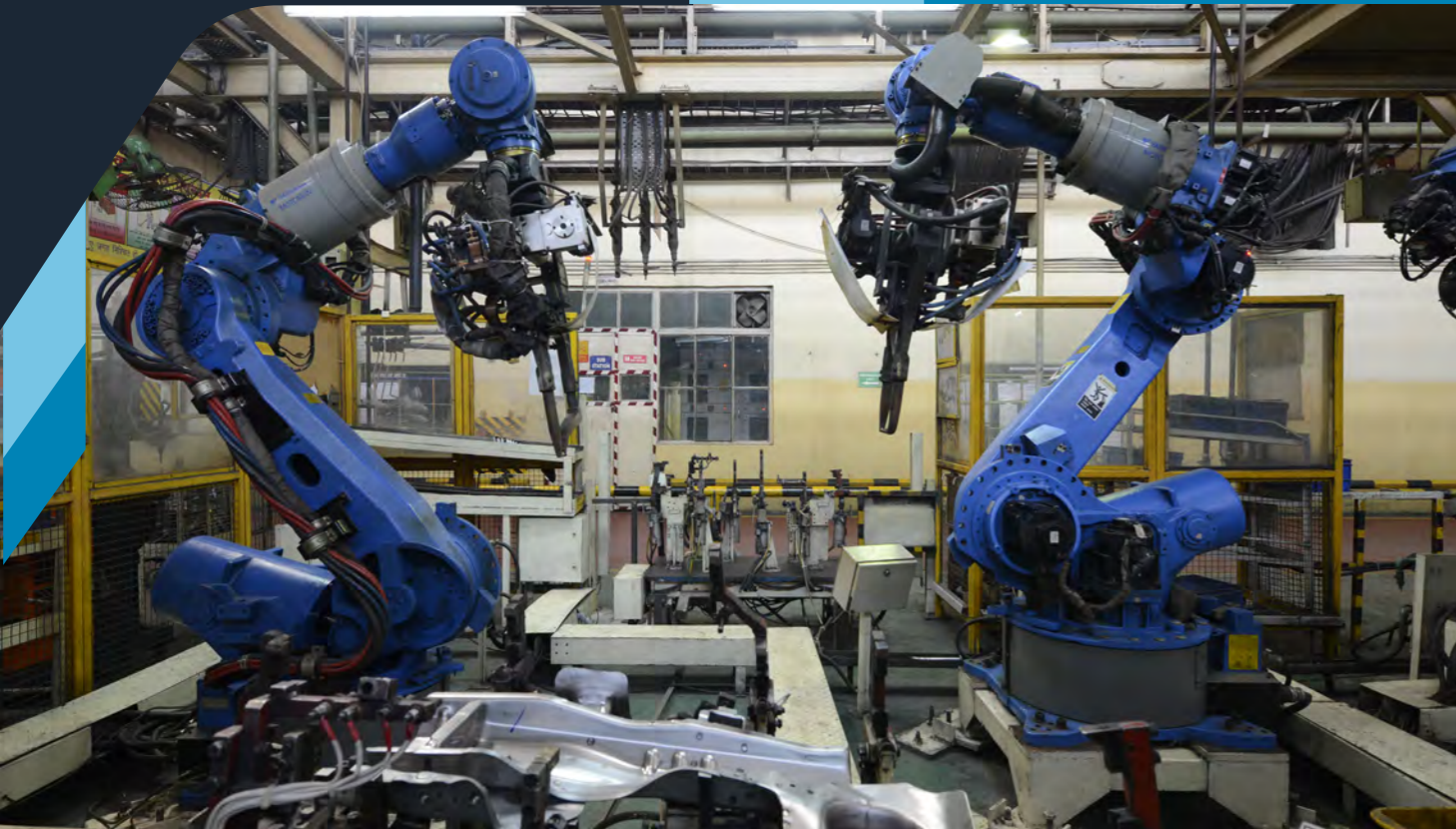


Net Worth (₹ In Crore) and RONW (%)



Earning Per Share and Dividend Per Share (₹)





Founded in 1986, Jay Bharat Maruti Limited (JBML) commenced in collaboration with Maruti Suzuki India Limited (MSIL), is the leading manufacturer of key auto components and assemblies such as BIW parts, exhaust systems, fuel fillers (fuel pipe), and suspension parts for passenger cars. Our five state-of-the-art manufacturing plants, located in Gurgaon, Bawal, Manesar (Haryana) and Gujarat are well equipped with advanced production lines to develop products of highest quality

VALUES

Integrity & Ethics: The conscience to be honest and sincere, resulting in appropriate conduct without being overseen.

Ownership & Commitment: Feeling a sense of accountability towards all tasks undertaken and taking complete responsibility for the outcomes.

Respect & Teamwork: Fostering trust among people and an appreciation for diversity of ideas, thereby harnessing the potential of individuals and channeling it to accomplish greater group goals.

Customer Trust & Delight: Meeting commitments, being sensitive to customer needs and addressing matters with clarity and speed.

Safe & Green: By being a conscientious corporate citizen who prioritizes the safety of its people, protects the environment and contributes to the wellbeing of the society, in all our actions.

DRIVING AHEAD THROUGH ROBUST OPERATIONAL FACILITIES

Stamping, Welding, Fuel Pipe Manufacturing, Die Manufacturing, Painting and Plating

- Press Shop - 20T to 2500T Presses - Standalone, Hydraulic Robotic, Automated and Transfer Press Lines. Die Design Development and Manufacturing CNC Machines – Die Spotting, Assembly - Trial and TPMs
- Weld Shop - MIG / MAG Welding - Manual Robotic, Spot Welding - SSW, PSW, IT Gun, MSW, Robotic Projection Welding - MSW, PSW, SSW, and Laser Cutting Rules
- Die manufacturing for large panels
- Fuel pipe manufacturing machines
- Others - World-class Paint and Plating shops

JAY BHARAT MARUTI LTD. IN BRIEF

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

MISSION

To make JBML a synonym for a world-class organization, excelling in sheet metal technologies

1499.07

Crore turnover

5

State-of-the-art manufacturing facilities

5909

Workforce

IATF-16949:2016,
ISO 14001:2015
ISO 45001:2018

System quality certifications



KEY CATEGORIES

Superior product portfolio

- Sheet Metal Components & Assemblies
- Welded Assemblies
- Exhaust Systems
- Fuel Fillers (Fuel pipe)
- Axles
- Tools & Dies

ALLIANCES & PARTNERSHIPS

In partnership with leading global companies to deliver market-leading innovation

- Yorozu Corporation, Japan
- SNIC Co. Ltd., Japan
- Daiwa Excel, Japan
- Futaba Industrial Co., Japan
- Ogihara (Thailand) Co. Ltd., Thailand



AWARD AND ACCOLADES



2020-21

- Maruti Center for excellence in Inter cluster virtual quality circle competition by Maruti Suzuki India Pvt. Ltd.
- Gold trophy in Safety & energy Tier 1 for National Competition on Low cost automation by CII.
- Special Jury Award for Manufacturing Tier 1 in National Competition on Digitalization, Robotics & Automation-Industry 4.0 by CII.

2018-19

- Certificate of Appreciation for superior performance in the field of Yield improvement.
- Certificate of Appreciation for superior performance in the field of Part Development (Build to Print Category)

2017-18

- Certificate of Appreciation in the field of VA-VE
- Certificate of Appreciation for Gujarat Localization
- Certificate of Appreciation in the field of Tooling Localization

2016-17

- Certificate of appreciation in the field of yield improvement
- Certificate of appreciation in tooling localisation
- Certificate of appreciation in the field of Design & Development

2015-16

- Certificate for Yield Improvement
- Certificate for Superior Performance in the field of Focused Model Cost Reduction

2014-15

- Certificate for Yield Improvement

2013-14

- Certificate of Tier-2 Up-gradation
- Certificate for Yield Improvement

2012-13

- Gold Trophy for overall performance
- Shield for Yield Improvement

2011-12

- Silver Shield for overall performance
- Shield for Spare Delivery
- Shield for Special Support
- Certificate for 'VA VE'
- Certificate for 'Capacity Enhancement'

2010-12

- Certificate for Incoming Quality Improvement
- Certificate for VA VE
- Trophy for HR initiative
- Trophy for Audit Rating

2009-10

- Trophy for Value Analysis and Value Engineering (VA VE)
- Trophy for Manufacturing Excellence Awards

2008-09

- Vendor Performance Award for Car Scheme
- Vendor Performance Award for MPS
- Shield for Tier-2 Up-gradation
- Shield for Yield Improvement (1.1.1)

CORPORATE SOCIAL RESPONSIBILITY

Your Company have proper guidelines and mechanism for undertaking activities for the welfare & sustainable development of the community. The continuing commitment by business to ethical principles, protection of human rights, care for the environment while improving the quality of life of all stakeholders including the local community and society at large are the core purpose of CSR activities of your Company.

The project undertaken by your Company are within the broad framework of Schedule VII of the Companies Act, 2013. For FY 2020-21, your Company continues its contribution to Community Development through Skill Development programme and the said program is designed as per the need of the community and organizing Vocational Training Program - In line with the 'Skill India Scheme' by the Ministry of Skill Development and Entrepreneurship which is aimed to prepare the youth for employment opportunities in manufacturing and service sectors. Your Company is also committed to supporting various other social causes and as a responsible corporate citizen focuses on community development of the area in which it operates and actively involved in imparting education to the underprivileged, improving their health and hygiene and enhancing vocational skills.

Your Company 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.

Following are some of our committed efforts in this direction:

- ❑ We manage our operational activities effectively to minimise any adverse impact on the environment, general health and safety.
- ❑ We constantly frame and implement effective environment conservation policies.
- ❑ We have a Health and Safety Management Team that regularly monitors, set and reviews our environment health and safety objectives and targets.
- ❑ We constantly endeavour to reduce waste through implementing an effective waste recycling process within our manufacturing operations.



CORPORATE INFORMATION



Mr. S.K. Arya
Chairman & Managing Director



Mr. Rajiv Gandhi
Nominee Director



Mr. Achintya Karati
Independent Director



Mr. Nishant Arya
Non-Executive Director



Mr. Dhanendra Kumar
Independent Director



Mr. D.P. Agarwal
Independent Director



Ms. Esha Arya
Non-Executive Director



Mr. Madhusudan Prasad
Independent Director w.e.f. 01.06.2021



Mrs. Pravin Tripathi
Independent Director

| | | |
|---|--|--|
| <p>Whole Time Director & CFO Mr. Anand Swaroop</p> <p>Company Secretary & Compliance Officer Mr. Ravi Arora</p> <p>Statutory Auditors Sahni Natarajan & Bahl (Chartered Accountants)</p> | <p>Joint Venture Partner Maruti Suzuki India Limited</p> <p>Registrar & Share Transfer Agent MCS Share Transfer Agent Ltd.</p> <p>Internal Auditor Mehra Goel & Company</p> | <p>Bankers</p> <ul style="list-style-type: none"> Axis Bank Ltd. CTBC Bank Ltd. DBS Bank India Ltd HDFC Bank ICICI Bank Ltd. IDFC First Bank Kotak Mahindra Bank Ltd. The Hongkong and Shanghai Banking Corporation Ltd. Yes Bank Ltd. |
|---|--|--|



Mr. Anand Swaroop
Whole Time Director & CFO w.e.f 01.06.2021



DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Thirty Fourth Annual Report on business and operations of your Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2021.

1. FINANCIAL SUMMARY:

The highlights of the standalone and consolidated financial statements of your Company for the year ended 31st March, 2021 along with the previous year's figures are given as under:

₹ In Crore

| Particulars | Year ended | Year ended | Year ended | Year ended |
|---|---------------|---------------|---------------|---------------|
| | 31.03.2021 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| | Standalone | | Consolidated | |
| Total Income | 1503.60 | 1659.41 | 1503.60 | 1659.41 |
| Earnings before interest, depreciation, tax and amortization (EBIDTA) | 140.44 | 142.74 | 140.44 | 142.74 |
| Finance Cost | 32.96 | 38.08 | 32.96 | 38.08 |
| Depreciation | 65.94 | 62.52 | 65.94 | 62.52 |
| Profit for the period before share of profit of joint venture | 41.54 | 42.14 | 41.54 | 42.14 |
| Share of profit of joint venture | - | - | 0.27 | 0.26 |
| Profit Before Tax | 41.54 | 42.14 | 41.81 | 42.40 |
| Tax Expense | 15.48 | 14.12 | 15.58 | 14.17 |
| Profit after Tax | 26.06 | 28.02 | 26.23 | 28.23 |
| Retained Earnings: | | | | |
| Balance at the beginning of the Year | 379.47 | 357.35 | 379.56 | 357.23 |
| Profit for the Year | 26.06 | 28.02 | 26.23 | 28.23 |
| Other Comprehensive Income arising from remeasurement of defined benefit Obligation | -0.038 | 0.62 | -0.043 | 0.622 |
| Payment of dividend on equity shares | (2.71) | (5.41) | (2.71) | (5.41) |
| Corporate Dividend Tax paid | - | (1.11) | - | (1.11) |
| Balance at the end of the year | 402.78 | 379.47 | 403.03 | 379.56 |

2. STANDALONE FINANCIAL HIGHLIGHTS:

Your Company recorded total income of ₹ 1503.60 Crores during the financial year 2020-21 as compared to ₹ 1659.41 Crores in the previous year showing a decrease of (9.39%). The EBIDTA of the Company is ₹ 140.44 Crores as compared to ₹ 142.74 Crores showing a marginal decrease of 1.61%. In spite of the severe impact of Covid-19 on the operations & financials of the Company in the first two quarters of the FY 21, your Company was able to recover significantly post lockdown and in the second half of FY 21 due to increase in Maruti Suzuki India Ltd. (MSIL) volumes and various cost reduction efforts resulted in to marginal jump in the overall EBIDTA and profits. The Profit Before Tax for the financial year 2020-21 amounts to ₹ 41.54 Crores as against ₹ 42.14 Crores for the previous year, showing a decrease of (1.42%). The profit after tax has gone down in the financial year 2020-21 to ₹ 26.06 Crores as compared to ₹ 28.02 Crores in the previous year, showing a decrease of (6.99%).

The rapid outbreak of pandemic across the country forced Government of India to declare nation-wide lockdown of all non-essential business and impose restrictions on movement of goods/ materials travel etc. from March 24, 2020. The inevitable impact of the pandemic continued during most of the first half of the year that not only impacted the manufacturing industries but also lead to a worrisome situation for all sectors. During the lockdown, production was suspended at all the plants of the Company gravely impacting Company's operations and financial results in the first two months of the financial year. However, Company gradually resumed with requisite precautions in phased manner and due to continuous increase of demand in vehicles of our main customer Maruti Suzuki India Ltd (MSIL) and effective control on expenses by the Company, your Company was able to resurge its revenue and profitability to a level that was at the same level and almost equal to the profitability of the previous year. The festive season also led to a resurgence of growth into sales of Passenger Vehicles. The rising awake over Social Distancing whereby general public was more derived towards the idea of travelling in personal vehicles instead of using public transport have also lead to resurgence in sale of personal vehicles.

Your Company has taken various cost reduction measures during the year. A "Leap to Unlock" project was launched under which various sub projects were undertaken through CFT approach for reducing cost by setting benchmarking through elimination of non-

value added activities and other improvements. Virtual plant visits were undertaken by Chairman and Managing Director along with top management for taking measures to reduce the fixed and variable cost.

3. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with Indian Accounting Standard (IND AS) -110 on Consolidated Financial Statements read with Indian Accounting Standard (IND AS)- 28 on Investments in Associates and Joint Ventures, the audited consolidated financial statements are provided in the annual report.

The Consolidated Financial Statements together with the Auditors' Report thereon forms part of this Annual Report. Pursuant to provision of Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Joint Venture Company in the prescribed form AOC-1 is a part of the Consolidated Financial Statements.

4. BONUS ISSUE:

In appreciation of continuing support from shareholders of the Company, as recommended by the Board of Directors at its meeting held on April 29, 2021, Members of the Company in their EGM held on 31.05.2021 has approved the issue of bonus equity shares of Rs. 5/- (Rupees Five) each to eligible members of the Company in the proportion of 1 (One) new fully paid-up equity share of Rs. 5/- (Rupees Five) each for every 1 (One) existing fully paid-up equity shares of Rs. 5/- (Rupees Five) each held by them as on the record date fixed for this purpose.

The company has successfully completed its process of allotment of Bonus Issue and received approvals from Stock Exchanges and other authorities. The Shares Allotment Committee of the Board on 10th June, 2021 has allotted 21650000 Equity shares as Bonus to the shareholders eligible as on record date of 08.06.2021.

The said bonus issue was made by capitalizing a sum not exceeding Rs. 10,82,50,000 (Rupees Ten Crores Eighty Two Lacs Fifty Thousand only) out of Free Reserves of the Company.

The paid up equity share capital of the Company stands increased from Rs.10,82,50,000/- consisting of 2,16,50,000 equity shares of Rs. 5/- each to Rs. 21,65,00,000/- consisting of 4,33,00,000 equity shares of Rs. 5/-each.

The shares so allotted has been credited to the demat account/beneficiary of members holding shares in demat form and shares certificates has been issued to members holding shares in physical form in compliance with the provisions under the Act and timelines as prescribed and applicable.

5. 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. Oxygen generation plant was installed at plant at Manesar which is fully operational. 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.

6. DIVIDEND AND APPROPRIATION:

(A) DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1.25 per equity share for the financial year ended 31st March, 2021, amounting to ₹ 5.41 Crores, which is subject to approval by the shareholders in their ensuing Annual General Meeting and will be paid to members whose name appear in the Register of Members as on 20 September, 2021, electronically through various online transfer modes to those shareholders who have updated their bank account details. For shareholders who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent subject to availability of postal facility at their location.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source.

(B) APPROPRIATION

Your Directors do not propose to transfer any amount to the general reserve and entire amount of profit for the year forms part of the 'Retained Earnings'.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis report is given separately and forming part of the Annual Report.

8. CREDIT RATING:

ICRA has reaffirmed its credit rating of A1 for short term instruments and the rating for long term debt Instruments is A+ and indicating the outlook on the long term rating as "Stable".

9. QUALITY:

Your Company has implemented International Quality Management System based on the requirement of IATF 16949:2016. The Company has established, implemented and is maintaining an Information Security Management System as per ISO-14001:2015 through periodic audits by the American Systems Registrar (USA). Periodical Internal assessments for compliance is also done by senior Plant teams and certified Internal Auditors.

All Plants of the Company completed EHS certification cycle for ISO 14001 and ISO 45001 without any major non-confirmity.

10. RESEARCH & DEVELOPMENT:

Your Company is continuously evolving and working on Technologies to increase efficiency, accuracy and digitize operations and has filed its first process patent registration application with Controller General of Patents, Designs & Trademarks.

11. HUMAN RESOURCES:

The role of Human Resource Function becomes more critical in these challenging times. Effective use of On-line tools, Artificial Intelligence, Machine Learning, Digitization and people empowerment became the key for success. To ensure safety of employees and continuity of Business Work from Home (WFH) Policy was implemented. We have engaged more than 3500+ employees through our on-line learning drives focusing on Skill Development. MDP (Management Development Programs), SDP (Supervisory Development Program), & TTT (Train the Trainer) with the commitment of making human capital future ready and keeping them in positive state of mind towards work and environment in general.

This year was full of challenges, we started the year with an outbreak of COVID 19. Our focus shifted primarily to three important areas: Employee safety & wellbeing, Effective Communication and Managing teams & work remotely.

Our Chairman Mr. Surendra Kumar Arya brought out a unique visionary concept to create possibilities and positivity during the lockdown 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 the focus on six spheres of life introduced in the organization are as Physical & Health, Family & Home, Financial & Career, Mental Wellbeing & Educational, Social & Cultural and Spiritual & Ethical. This program is helping Employees and their Family members in completing their Wheel of life and also igniting a passion amongst individuals to be more disciplined and in relocating the responsible towards Self, Family, Society, Company & Nation at large. Sankalp Siddhi Campaign was awarded by the 'World CSR Congress' under the category "Innovation in Corporate Social Responsibilities Practices.

During entire lockdown period morning and evening yoga sessions were conducted on JOYFUL BODY & MIND (JBM) Program by a very learned Yogacharya Mukesh Acharya. This program is still continuing under Sankalp Siddhi.

The Company has also launched Scheme to provide monetary assistance to the next-of-kin deceased employee during service. Vaccination camp has been organized in various plants to facilitate vaccination to employees. Most of the employees of the Company are vaccinated.

12. 34TH ANNUAL DAY OF JAY BHARAT MARUTI LIMITED

Your Company's 34th Annual Day was held virtually on 14th April, 2021. This time, the theme of Annual day was "Saluting Corona Warriors" and was celebrated to express our gratitude towards their selfless services. Dr. S K Sareen, Director Institute of Liver and Biliary Sciences, Padma Bhushan awardee invited as Chief Guest; Dr. Sushila Kataria from Medanta Hospital invited as Guest of Honour and also Doctors from Max and Fortis Hospitals were invited and felicitated for their contribution in saving Human lives while keeping their own health at risk. To encourage & award our employees for the exemplary work done during Covid times, by maintaining and running critical processes and supplies at Plants and to make our plants Corona ready by implementing the guidelines of the Govt. Authorities. Our CMD's vision of adherence to governance process, value creation and promotion of the culture of performance and accountability, Digital transformation and sustainable business solutions were also depicted at the Annual Day.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors

- On the recommendation of the Nomination & Remuneration Committee and as approved by Board of Directors in their meeting held on 29th April, 2021, Members of the Company at their Extra Ordinary General Meeting held on 31st May, 2021 has re-appointed Mr. S. K. Arya (DIN: 00004626), as Chairman and Managing Director of the Company for a further period of 3(Three) years with effect from 10.06.2021 on the terms and conditions and remuneration as approved by shareholders.
- The Board of Directors of the company on the recommendation of Nomination and Remuneration Committee, vide its circular resolution dated 25th May, 2021 has appointed Mr. Madhusudan Prasad (DIN: 02665954), as an Additional Director and Independent Director of the Company for a term of 5 (Five) years w.e.f 01st June, 2021 to 31st May, 2026, his appointment will be placed for approval of shareholders in ensuing Annual General Meeting.

Mr. Madhusudan Prasad aged 65 years, is a retired IAS Officer (1981 Haryana) having Bachelor's Degree from St. Stephen's College and Master's Degree from Delhi School of Economics in Delhi University. Mr. Prasad has experience of more than 38 years of working with both Government of India and State Government (Haryana) in various capacities, mainly in the areas of finance, commerce, energy and urban development. He was Deputy Secretary and Joint Secretary in Department of Economic Affairs, Ministry of Finance looking after IMF-World Bank Division and also served as Counsellor (Economic) in the Embassy of India in Washington DC (USA). After a stint as Principal Secretary Power in Haryana, Mr. Prasad worked as Additional and Special Secretary in Ministry of Commerce and thereafter as Secretary Urban Development in Government of India, from where he superannuated. Post retirement, Government appointed him as Member of Public Enterprises Selection Board, where he recently completed his term. He is presently Member of the RBI Advisory Board on Banking and Financial Frauds.

- The Board of Directors of the company on the recommendation of Nomination and Remuneration Committee, at its Board Meeting held on 29th April, 2021 has appointed Mr. Anand Swaroop (DIN: 00004816), as an Additional Director designated as Whole Time Director and CFO of the Company for a term of 3 (Three) years w.e.f 01st June, 2021 to 31st May, 2024, his appointment will be placed for approval of shareholders in ensuing Annual General Meeting.

Mr. Anand Swaroop, aged 60 years, is a Commerce Graduate from Shri Ram College of Commerce (SRCC), Delhi and is a Fellow Member of the Institute of Chartered Accountants of India since 1984. He has experience of more than 35 years and has been associated with JBM Group since 1987. He has been instrumental in setting up various Joint Ventures and handled foreign acquisitions and is involved in the strategic decisions for the Group. Mr. Swaroop is a seasoned professional and has a long association of more than 32 years with JBM Group with rich experience in Finance, Taxation, Commercial matters, Strategy & Corporate Affairs

- Ms. Esha Arya (DIN 00004836) will retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors recommend her re-appointment.
- Mr. Nishant Arya (DIN 00004954) will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommend his re-appointment.

Brief profile of Directors proposed to be appointed/reappointed along with other details as required under Regulation 36 of Listing Regulations are provided in the Notice of 34th Annual General Meeting of the Company.

Key Managerial Personnel

There is no change in the Key Managerial Personnel of the Company during the year 2020-21. However, Mr. Anand Swaroop has been appointed as an Additional Director designated as Whole Time Director & CFO w.e.f. 01.06.2021.

14. 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 Act, and the Listing Regulations.

The terms of appointment of Independent Directors may be accessed on the Company's website www.jbm-group.com

15. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Act, Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by the SEBI dated January 05, 2017, the Board has carried out the annual performance evaluation of the Board collectively, 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 was 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.

16. NOMINATION & REMUNERATION POLICY:

The policy for selection of Directors and determining Directors independence may be accessed from Company's website at the link www.jbm-group.com

17. DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Board of Directors at its Meeting held on 27th July, 2021 has approved the Dividend Distribution Policy containing the requirements mentioned in aforesaid Regulation, which may be accessed from Company's website at the link www.jbm-group.com

18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) of the Act, your Directors, to the best of their knowledge and belief and based on recommendation and compliance certificate received from the operating management and after enquiry, pursuant to Section 134(5) confirm that:

- (a) In the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) Such accounting policies have been selected and applied consistently and judgments and estimates are made which 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 or loss of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The financial statements for the financial year ended 31st March, 2021 have been prepared on a 'going concern' basis;
- (e) Proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- (f) The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

19. BOARD MEETINGS AND ANNUAL GENERAL MEETING:

During the financial year 2020-21, 4 (Four) Board meetings were held. The details of meetings including dates of meetings indicating the number of meetings attended by each director are given in the Corporate Governance Report. In reference to relaxation given by Ministry of Corporate Affairs and SEBI, the intervening gap between two Board Meetings were as per timelines stipulated in such relaxation and meetings were held through Video Conferencing (VC).

The 33rd Annual General Meeting (AGM) of the Company was held on 10th September, 2020 through VC/OAVM in compliance with relevant relaxations issued by MCA and SEBI.

20. COMMITTEES OF THE BOARD:

The Board of Directors have constituted Shares Allotment Committee in its Meeting held on 29th April, 2021 for the ease of activities related to Bonus Issue. Further, in the Board Meeting held on 27th July, 2021, the Board has reconstituted the Risk Management Committee in compliance with Listing Regulations. The details on the composition of the Board and its committees are provided in the Report on Corporate Governance.

21. CORPORATE GOVERNANCE:

The Company has complied with the corporate governance requirements, as stipulated under the Listing Regulations. A separate report on Corporate Governance along with a certificate from Ms. Sunita Mathur, (FCS 1743) a Practicing Company Secretary regarding compliance of the conditions of corporate governance is appended with this report and the same forms part of the Annual Report.

22. RELATED PARTY TRANSACTIONS:

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis.

Prior Omnibus approval is obtained on an annual basis from the Audit Committee for the related party transactions which are foreseen and repetitive in nature. A statement of all related party transactions are placed before the Audit Committee on quarterly basis for review.

The Policy on 'materiality of and dealing with related party transactions', as approved by the Board may be accessed on the Company's website at the link: www.jbm-group.com

The detail particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is attached herewith and marked as **Annexure -I**. Attention of the members is also drawn to the disclosures of transactions with related parties set out in Note to Accounts forming part of the financial statements.

23. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended. This Policy is available on the Company's website on www.jbmgroup.com

24. RISK MANAGEMENT:

The Board of Directors has constituted Risk Management Committee to identify elements of risks in different areas of operations. The Company has developed and implemented a risk management policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same.

25. INTERNAL FINANCIAL CONTROLS:

Your Company has robust internal financial control (IFC) systems, which facilitates orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal control system ensures compliance with all applicable laws & regulations, key controls, significant business challenges, fraud prevention and controls. Our internal control system facilitates in optimum utilisation of available resources and protect the interests of all stakeholders.

The Company's Internal Audit is carried out by M/s Mehra Goel & Co., Internal Auditors of the Company. The Company is consistently strengthening the Internal Audit function to ensure wide coverage and timely implementation of audit. As a digitization initiative, the Company is under process to implement Internal Audit Analytics Tool which will automate the Internal Audit process, help to pre-empt any Potential Risk, and develop mitigation plan well in time.

Senior Management and the Audit Committee of the Board regularly review the Internal Auditors' Reports for its implementation and effectiveness. The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal teams test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting

26. AUDITORS AND AUDITORS' REPORT:

(A) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Sahni Natarajan & Bahl (Firm Registration No. 002816N), Chartered Accountants, New Delhi had been appointed as Statutory Auditors of the Company in the 30th Annual General Meeting of the Company held on 18th August, 2017 to hold office from the conclusion of 30th Annual General Meeting until the conclusion of 35th Annual General Meeting.

Further, the Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. The notes on the financial statement referred to in the Auditors Report are self-explanatory and do not call for any further comments. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

(B) SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Sunita Mathur (FCS 1743), a Practising Company Secretary as its Secretarial Auditor to conduct secretarial audit of the Company for the financial year 2020-21. The Secretarial Audit Report given by the Secretarial Auditors in Form no. MR-3 is annexed as **Annexure-III** and forms an integral part of this Report. There is no qualification or adverse remark in the report.

27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and has put in place a vigil mechanism for Directors, Employee and other person dealing with the Company for reporting illegal or unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors, employees or other persons who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee. During the financial year, there have been no complaints received under vigil mechanism.

The Whistle Blower Policy is available on the Company's website, which may be accessed at the link: www.jbm-group.com

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

29. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

During the year under review, there has been no change in the nature of the business of the Company and no material changes have occurred and commitments made, affecting the financial position of the Company during the year and between the end of the year till the date of this report.

30. DETAIL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company's Joint venture Company JBM Ogihara Die Tech Pvt. Ltd. (JODT) with M/s Ogihara Thailand & Co., which started its commercial production from October 2019. It is manufacturing tandem, progressive & transfer dies for medium to high tensile range of various auto parts for various OEMs including MSIL.

Your Company does not have any subsidiary Company.

31. EXPANSION OF PLANT AT VITHLAPUR, GUJARAT:

Phase III of plant at Vitthapur, Gujarat has commenced from April, 2021 and press lines machines has been set up and it is running in full capacity for volume of 750000 vehicles.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure - IV** to this Report.

33. CHANGES IN SHARE CAPITAL:

During the year under review, there was no change in the Authorized Share Capital and Paid up Share Capital of the Company.

34. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Dividends amounting to ₹ 449322/-, that were unclaimed for a period of seven years were transferred to the Investor Education and Protection Fund Authority in accordance with the provisions of the Act. The details of the consolidated unclaimed/unpaid dividend as required by the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") for all the unclaimed/ unpaid dividend accounts outstanding (drawn up to the date of 33rd Annual General Meeting on September 10, 2020) have been uploaded under the Company's website: www.jbm-group.com. Attention is drawn that the unclaimed/ unpaid dividend for the financial year 2013-14 is due for transfer to IEPF. In view of this, the Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company/ Company's Registrar and Share Transfer Agent, i.e., MCS Share Transfer Agent Ltd.

35. TRANSFER OF SHARES IN FAVOR OF INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY:

Pursuant to the provisions of the Act, read with the IEPF Rules, the shares on which dividends have not been claimed for seven consecutive years have been transferred in favor of IEPF authority. During the year under review, the company had transferred 8525 equity shares in the demat account of IEPF authority.

36. PREVENTION OF INSIDER TRADING:

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation. The said Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons, other employees and their immediate relatives.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

The Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

38. BUSINESS RESPONSIBILITY REPORT (BRR)

The SEBI Listing Regulations mandate the inclusion of BRR as part of the Annual Report for top 1000 listed entities based on market capitalisation. In compliance with the SEBI Listing Regulations, the BRR describing the initiatives taken by the Company from an environmental, social and governance perspective is given in Business Responsibility Report and forms an integral part of this Report.

39. CODE OF CONDUCT:

In compliance with Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted Code of Conduct ('the Code'). The code is applicable inter-alia to all Directors, Independent Directors and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code is available on the Company's website. All the Board Members and the Senior Management personnel have confirmed compliance with the Code as on 31st March, 2021. A declaration to this effect, signed by the Managing Director in terms of Listing Regulations form part of the Corporate Governance Report.

40. ANNUAL RETURN:

In accordance with Section 92(3) of the Act, the annual return in Form No. MGT-7, is available on the Company's website at www.jbmgroup.com

41. SECRETARIAL STANDARDS:

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

42. AWARDS & ACCOLADES:

Your Company received following awards and accolades for the period ended 31st March, 2021.

- Silver Trophy for Karakuri Kaizen Tier 1 in National Competition on Low Cost Automation organized by Confederation of Indian Industry (CII).
- Special Jury Award for Manufacturing Tier 1 in National Competition on Digitalization, Robotics & Automation- Industry 4.0 organized by Confederation of Indian Industry
- Second Position in 6th Northern Region kaizen Contest organized by ACMA
- Maruti Center for excellence in Inter cluster virtual quality circle competition by Maruti Suzuki India Pvt. Ltd.
- Bronze trophy in Manufacturing Tier 1 in National Competition on Digitalization, Robotics & Automation- Industry 4.0 organized by CII.
- Silver trophy in Manufacturing Tier 1 in National Competition on Digitalization, Robotics & Automation- Industry 4.0 organized by CII
- Bronze trophy in Poka Yoke Tier 1 for National Competition on Low cost automation organized by CII
- Bronze trophy in Manufacturing Tier 1 for National Competition on Digitalization, Robotics & Automation- Industry 4.0 organized by CII
- Gold trophy in Safety & energy Tier 1 for National Competition on Low cost automation organized by CII.

43. 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 the Annual Report.

Having regard to the provisions of the 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 on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

44. GREEN INITIATIVES:

In Compliance with MCA Circular No. 20/2020 dated January 13, 2021 read with circulars dated April 8, 2020, April 13, 2020 May 5, 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.jbm-group.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

45. LISTING FEES:

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited. In reference to Para 4 above, The company has listed its 21650000 equity shares issued pursuant to Bonus Issue and received the trading and dealing approval w.e.f. 21.06.2021.

Further the Company affirms that the annual listing fees for the year 2021-22 to both National Stock Exchange of India Limited (NSE) and BSE Limited (Bombay Stock Exchange) has been paid.

46. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- The Company had not accepted any fixed deposits, including from the public, and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.
- The Company had not issued equity shares with differential rights as to dividend, voting or otherwise.
- The Company had not issued shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Plan referred to in this Report.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- The Managing Director have not received any remuneration or commission from any of its subsidiaries.
- 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.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- As on the date of the Report any application is not pending under the Insolvency and Bankruptcy Code, 2016 and the Company did not file any application under (IBC) 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.
- Cost Audit under Companies (Cost Records and Audit) Rules, 2014 is not applicable on the Company.

Further your company has passed a Special Resolution for enabling the Board of Directors for Issue of securities under Section 42, 62 and 71 of the Act, at 33rd AGM held on 10.09.2020, however, due to slowdown in market and continued pandemic spread, there was no opportunity to access market for raising funds. The said Special Resolution was valid for one year. For exploring alternate funding sources, it is proposed to pass again the said resolution for raising funds through issuance of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013. The same will be placed before the members for their approval at the ensuing AGM.

47. ACKNOWLEDGEMENT:

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.

Your Directors also wish to express their sincere appreciation for the assistance and co-operation received from the Banks, State Government and Central Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services rendered by all the employees of the Company.

For and on behalf of the Board of Directors

Place: New Delhi
Date: July 27, 2021

Sd/-
S. K. Arya
Chairman & Managing Director
DIN:00004626

ANNEXURE –I

ANNEXURE –II

FORM No. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS.

| S N. | Name(s) of the related party | Nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions' | Date of approval by the Board/ Audit Committee | Amount paid as advances, 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 CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS.

| S N. | Name (s) of the related party | Nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date of approval by the Board /Audit Committee | Amount paid as advances, if any |
|------|--------------------------------------|--|---|---|--|--|---------------------------------|
| 1 | Maruti Suzuki India Ltd. | Associate Company | Purchase and Sale of Components, Raw Materials, tools & dies, Equipments, including hiring of services and job work, etc. | Ongoing Transactions | Based on transfer pricing guidelines | 21.01.2020 | Nil |
| 2 | Neel Metal Products Ltd. | Public Company in which Director is a director Holding more than 2% of its paid up share capital | Sale, Purchase or Supply of goods or Materials or services | Ongoing Transactions | Based on transfer pricing guidelines | 21.01.2020 | Nil |
| 3 | Suzuki Motor Gujarat Private Limited | Fellow Subsidiary of Maruti Suzuki India Ltd., hence related party as per Indian Accounting Standard | Purchase and Sale of Components, Raw Materials, tools & dies, Equipments, including hiring of services and job work, etc. | Ongoing Transactions | Based on transfer pricing guidelines | 21.01.2020 | Nil |

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

| | |
|---|--|
| 1. Brief outline on CSR Policy of the Company: | The Policy outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for the welfare & sustainable development of the community at large. The core purpose of CSR is the continuing commitment by business to ethical principles, protection of human rights, care for the environment while improving the quality of life of all stakeholders including the local community and society at large |
|---|--|

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation/Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------|------------------------------------|--|--|
| 1. | Mr. Dharpal Agarwal | Chairman | 2 | 2 |
| 2. | Mr. Dhanendra Kumar | Member | 2 | 2 |
| 3. | Ms. Esha Arya | Member | 2 | 2 |

3. Provide the web-link where:

| | |
|---|--|
| a. Composition of CSR Committee b. CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company | The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of Directors, and Composition of CSR Committee is available on the Company's website at www.jbmgroupp.com |
|---|--|

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 (attach the report): Not Applicable for the period under review.

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:

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be set-off for the financial year, if any (in Rs.) |
|---|----------------|--|---|
| Not Applicable for the period under review. | | | |

6. Average net profit of the company as per Section 135 (5): ₹ 7119.77 Lakhs

| | |
|--|------------------|
| 7. (a) Two percent of average net profit of the company as per section 135 (5)- | Rs. 142.40 Lakhs |
| (b) Surplus arising out of the CSR Projects or programs 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. 142.40 Lakhs |

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

| Total Amount Spent for the Financial Year (Rs.) | Amount Unspent (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 |
| Rs. 142.40 Lakhs | NA | | NA | |

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--|---------------------|---|---------------------|-------------------------|------------------------------------|--|---|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the Project | Amount spent for the project (Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation -Through Implementing Agency |
| | | | | State | Dis-trict | | |
| | | | | Name | CSR Registra-tion number | | |
| Not applicable as Company do not have any ongoing projects going on. | | | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| 1 Sl. 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 Amount spent for the project (Rs.) | 7 Mode of Implementation - Direct (Yes/No) | 8 Mode of Implementation - Through Implementing Agency | |
|--------------|--|--|--------------------------|------------------------------|----------|---|---|---|-------------------------|
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Skill Development (under Apprenticeship Training Scheme of Skill development and Industrial Training Deptt. Haryana) | Skill Development (Employment Enhancing Vocational Skills) | Yes | Haryana | Gurugram | Rs. 142.40 Lakhs | Yes | NA | NA |

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 142.40 Lakhs

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

| Sl. No. | Particulars | Amount (Rs.) |
|---------|---|------------------|
| i. | Two percent of average net profit of the Company as per Section 135(5) | Rs. 142.40 Lakhs |
| ii. | Total amount spent for the financial year | Rs. 142.40 Lakhs |
| iii. | Excess amount spent for the financial year [(ii)-(i)] | NIL |
| iv. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| v. | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135(6) (Rs.) | Amount spent in the reporting Financial Year (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 (Rs.) |
|---------|--------------------------|---|---|---|---------------|------------------|---|
| | | | | Name of the Fund | Amount (Rs.) | Date of transfer | |
| NIL | | | | | | | |

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

| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration (in years) | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs.) | Cumulative amount spent at the end of reporting Financial Year (in Rs.) | Status of the project - Completed/ Ongoing |
|---------|------------|---------------------|---|-----------------------------|---|--|---|--|
| 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:

(a) Date of creation or acquisition of the capital asset(s) – NA

(b) Amount of CSR spent for creation or acquisition of capital asset – NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NA

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

**Place: New Delhi
Date: July 27, 2021**

**Sd/-
S. K. Arya
Chairman & Managing Director
DIN:00004626**

**Sd/-
D. P. Agarwal
Chairman, CSR Committee
DIN: 00084105**

ANNEXURE –III

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 NO.9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

To,

The Members
JAY BHARAT MARUTI LIMITED
CIN: L29130DL1987PLC027342
601, Hemkunt Chambers,
89 Nehru Place,
New Delhi - 110019

*I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JAY BHARAT MARUTI LIMITED (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31st, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Jay Bharat Maruti Limited ("the Company") for the financial year ended on 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) As confirmed by the management, being an automotive components manufacturer, there is no sector specific law applicable to the Company.

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

- I) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- II) Listing agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange Of India Limited ("NSE").

During the period under review and as confirmed by the Management the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

The Board of Directors is duly constituted with proper balance of Executive Directors, Non Executive Directors, Woman Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act except to the extend marked in our report.

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

Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report:

- a. During the audit period, the Board of Directors of the Company has appointed by Circular resolution Mr. Madhusudan Prasad (DIN: 02665954) as Additional Director (Independent Director) of the Company w.e.f. 1/06/2021 and M. Anand Swarup (DIN: 00004816) as Additional Director (WTD)
- b. Approval was granted to Re-appointment of Mr. Surendra Kumar Arya (DIN :00004626) as Chairman and Managing Director and payment of remuneration thereof In the Extra Ordinary General Meeting of Equity Shareholders of Jay Bharat Maruti Limited held on Monday, 31st May, 2021 at 4.00 P.M IST through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

I further report that during the audit period the company

- i) NSE and BSE vide their mail dated 22-04-2020 and 23-04-2020 respectively had sought clarification from Company relating to Increase in Volumes. The Company vide their letter dated 27.4.2020 has clarified to them that There is no such Announcement and PSI which is pending to be initiated /furnished by the Company to Stock exchange concerning the operations of the company. All information furnished by company is in public domain
- ii) The Company has submitted Application for In-principle approval of Bonus Issue of 21650000 fully Paid-Up Equity Shares of face value of ₹ 5/- each ("Bonus Shares") of Jay Bharat Maruti Limited (the "Company") aggregating to ₹ 10,82,50,000/- to the eligible equity shareholders of the Company ("Eligible Equity Shareholders") in the ratio of 1:1 on 08.06.2020 (the "Record Date") under the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) duly approved by Board of Directors In their meeting held on April 29, 2021 and Extra Ordinary General body meeting on May 31, 2021 .

Shares Allotment Committee of the Board of Directors of the Company has Allotted 21,650,000 fully Paid-Up Equity Shares of face value of ₹ 5/- Bonus Equity Shares in their meeting held on 10th June, 2021 ranking Pari Passu with the existing shares of the Company including dividend entitlement.

Company has received Listing Approval for these Shares from BSE and National Stock Exchange of India Ltd. dated 14.06.2021 and Trading Approval from National Stock Exchange of India Limited and BSE Ltd dated June 18, 2021.

Where ever 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. Our Certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: NOIDA, G.B.Nagar, UP
Date: July 27, 2021**

**Sunita Mathur
Company Secretary in Practice
FCS No. 1743
C P No.: 741
UDIN: F001743C000690640
PR: 1297/2021**

*Disclaimer Note: During this challenging time of COVID 19 outbreak this "MR 3" has been undertaken to the best of my capability based on of e verification of scans, soft copies , information, confirmations, records and documents made available to us by the management

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

'Annexure A'

ANNEXURE –IV

To
The Members
Jay Bharat Maruti Limited
601, Hemkunt Chambers ,
89 Nehru Place, New Delhi - 110019

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

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

Place: NOIDA, G.B.Nagar, UP
Date: July 27,2021

Sunita Mathur
Company Secretary in Practice
FCS No. 1743
C P No.: 741
UDIN: F001743C000690640
PR: 1297/2021

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

1. Conservation of Energy

(A) STEPS TAKEN FOR CONSERVATION OF ENERGY

- I) The Company has used electrical operated solenoid valve line wise in axle shop & Press shop having interlocking with machine, with that if machine stop more than 5 minutes, then air will stop automatically.
- II) Interlocking has been done in Clutch & Brake motor so that, motor will be switched off during change of die and air pr. Low condition in press shop.
- III) Distribution panels are switched off in C shift where line not running.
- IV) Air booster has been provided and modification in pipe line has been made to reduce air pressure from 5.0 kg/cm sq to 4.5 kg/cm sq In BIW and axle shop
- V) To reduce the electricity consumption 45 kw motor has been replaced with 30 kw motor at new cooling tower in YNC line.
- VI) Small compressor 25 cfm has been replaced in place of 125 cfm compressor during holiday for salt spray machine in paint shop.
- VII) To save energy in utility sections High pressure Compressor vent air has been utilized after testing to LP air distribution

(B) STEPS TAKEN BY COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY

- (a) Roof top solar systems has also been installed at Plant in Manesar, Haryana, to reduce cost of power.
- (b) Capacity of Solar of plant at Gujarat has been extended to 997 kw from 720 kw.

(C) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS

All energy conservation measures have been taken by process optimization without any major capital investment.

2. Technology absorption

(A) EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

- I) Contact Less Measurement system introduced for Inspection of Rear Axle Toe / camber angle & interlink with heat sensor mechanism.
- II) Light weight spot welding gun introduced in new models.
- III) Combo part handling system introduced with robot welding guns in BIW & also with auto part rotation conveyor system in axle.
- IV) Compact layout design for new projects to save the space & user friendly layouts.
- V) Introduced Advanced Tip dresser system with chip collector.

(B) THE BENEFIT DERIVED LIKE PRODUCTION IMPROVEMENT, COST REDUCTION, QUALITY IMPROVEMENT

- I. Introduction of the contactless measurement system will give good quality results & performance of equipment with less maintenance. And heat sensor will give the automated disciple of cooling control process.
- II. Introduction of light weight technology improve the production results & Equipment life with more accessibility in the process design.
- III. Automated part handling system, Improve the operator fatigue, part quality & productivity.
- IV. To give the scope for more business addition in the plants in terms of space availability & uses of latest technique to introduce compact lay-outing.
- V. To improve the productivity with reduction of defect creation possibility due to improper tip dressing & also increase the tip life

(C) INFORMATION REGARDING IMPORTED TECHNOLOGY (IMPORTED DURING LAST THREE YEARS)

| Detail of Technology Imported | Technology Imported from | Year of Import | Whether the Technology been fully absorbed |
|--|----------------------------|----------------|--|
| For manufacturing of Rear Axle of New Ertiga Model of MSIL | Yorozu corporation , Japan | 2018-19 | Yes |

(D) EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

| Sl No. | Particulars | (₹ In Lakhs) |
|--------|--------------|--------------|
| (a) | Capital | Nil |
| (b) | Revenue | 71.23 |
| | Total | 71.23 |

(E) FOREIGN EXCHANGE EARNINGS AND OUTGO

| Particulars | (₹ In Lakhs) |
|---|---------------|
| Foreign exchange earned in terms of actual inflow | Nil |
| Foreign exchange outgo in terms of actual outflow | 140.99 |
| Total | 140.99 |

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. ECONOMIC SYNOPSIS:****A. Global Economy**

The COVID-19 pandemic has been destructive not just in terms of claiming lives and infecting millions of people but also having a severe impact on the economy with several businesses being hit across industries and sectors, across all economies.

The global economy is projected to grow 6.0 percent in 2021 —its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year's per capita income losses will not be fully unwound in about two-thirds of EMDEs. Euro monitor identifies uneven Coronavirus (COVID-19) economic recovery, rising public debts, globalisation reset, higher value-added activities and shifting market frontiers as the five key factors that are shaping the new global economic era. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth-enhancing reforms.

| (real GDP, annual percent change) | Projections | | |
|--|-------------|------------|------------|
| | 2020 | 2021 | 2022 |
| World Output | -3.2 | 6.0 | 4.9 |
| Advanced Economies | -4.6 | 5.6 | 4.4 |
| United States | -3.5 | 7.0 | 4.9 |
| Euro Area | -6.5 | 4.6 | 4.3 |
| Germany | -4.8 | 3.6 | 4.1 |
| France | -8.0 | 5.8 | 4.2 |
| Italy | -8.9 | 4.9 | 4.2 |
| Spain | -10.8 | 6.2 | 5.8 |
| Japan | -4.7 | 2.8 | 3.0 |
| United Kingdom | -9.8 | 7.0 | 4.8 |
| Canada | -5.3 | 6.3 | 4.5 |
| Other Advanced Economies | -2.0 | 4.9 | 3.6 |
| Emerging Markets and Developing Economies | -2.1 | 6.3 | 5.2 |
| Emerging and Developing Asia | -0.9 | 7.5 | 6.4 |
| China | 2.3 | 8.1 | 5.7 |
| India | -7.3 | 9.5 | 8.5 |
| ASEAN-5 | -3.4 | 4.3 | 6.3 |
| Emerging and Developing Europe | -2.0 | 4.9 | 3.6 |
| Russia | -3.0 | 4.4 | 3.1 |
| Latin America and the Caribbean | -7.0 | 5.8 | 3.2 |
| Brazil | -4.1 | 5.3 | 1.9 |
| Mexico | -8.3 | 6.3 | 4.2 |
| Middle East and Central Asia | -2.6 | 4.0 | 3.7 |
| Saudi Arabia | -4.1 | 2.4 | 4.8 |
| Sub-Saharan Africa | -1.8 | 3.4 | 4.1 |
| Nigeria | -1.8 | 2.5 | 2.6 |
| South Africa | -7.0 | 4.0 | 2.2 |
| Memorandum | | | |
| Emerging Market and Middle-Income Economies | -2.3 | 6.5 | 5.2 |
| Low-Income Developing Countries | 0.2 | 3.9 | 5.5 |

Source: IMF, World Economic Outlook, July 2021

B. Indian Economy

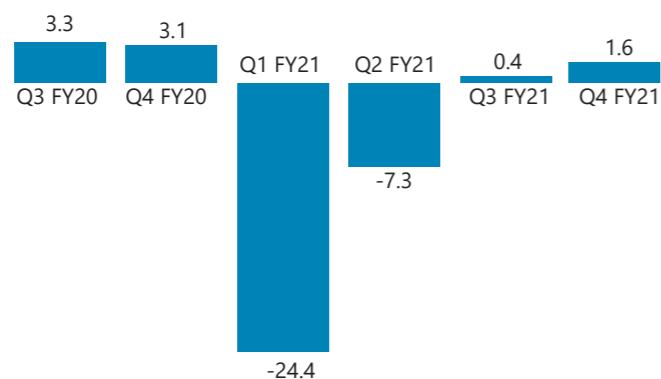
India's gross domestic product (GDP) shrank 7.3% to ₹135.13 trillion in 2020-21 (in real terms adjusted for inflation). It was at ₹145.69 trillion in 2019-20. The contraction in FY21 GDP is worse in more than 40 years.

The Indian economy grew by 0.4 percent in October-December 2020, the third quarter of FY 2020-21. Prior to this, with two straight quarters of GDP contraction, India had fallen into a technical recession – the first since India began releasing quarterly estimates of GDP in FY98. The fourth quarter of 2020-21 recorded a growth of 1.6% in GDP, the second quarter of positive growth, after the country had entered a technical recession in the first half of the year.

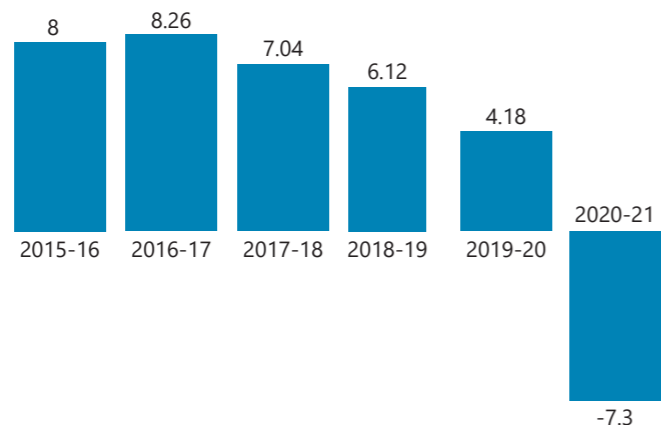
The uptick in the fourth quarter was driven mainly by the manufacturing sector even as services remained comparatively sluggish. Sequentially, in absolute terms, a pickup was seen in gross value added (GVA) for manufacturing and construction sectors. Manufacturing sector jumped 6.9 per cent in January-March as against 1.7 per cent growth in the previous quarter and 4.2 per cent contraction in the same period last year. GVA — which is GDP minus net product taxes, and reflects growth in supply — contracted 6.2 per cent in 2020-21 as against earlier estimates of 6.5 per cent and 4.1 per cent growth in the previous year.

India's economy had contracted during the first half of FY21, before returning to positive territory in October-December. GDP had seen revival, albeit marginally, as economic activities resumed after a long and arduous lockdown and overall sentiment improved with the rollout of vaccination drive.

GDP Growth in last 5 quarters GDP (%)



GDP Growth in last 5 years GDP (%)



Source: MOSPI

2. INDIAN AUTOMOTIVE INDUSTRY:

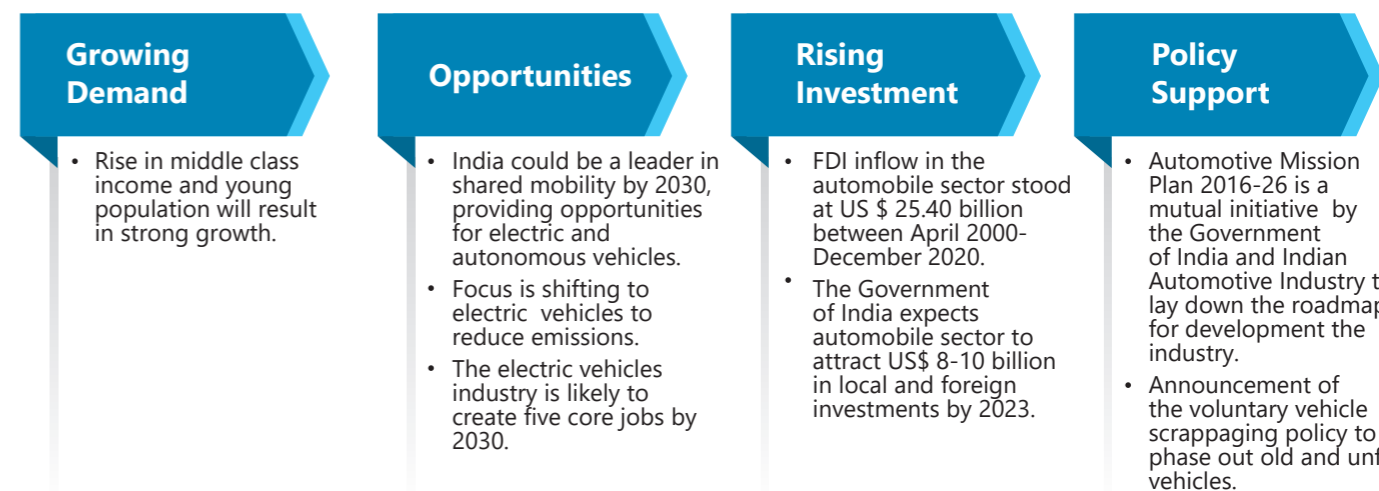
FY2021 has been one of the toughest years in the history of the Indian automotive industry with the outbreak of the Covid-19 pandemic putting a spanner in the works. The automobile industry, which was already facing headwinds of a slowing-down economy, was brought to a standstill with the nationwide lockdown in April 2020. The auto industry recorded a turnover of \$15.9 billion during the first half of 2020-21 against \$26.2 billion in 2019-20, which itself was lower than \$29 billion in the same period of 2018-19.

While India Auto Inc closed FY2021 with an overall (across segments) year-on-year sales decline of 13.6 percent and registered cumulative sales of 18,615,588 units (FY2020: 21,545,551), the last few months been relatively better with Q4 FY2021 registering an uptick of 25.89 percent with total sales of 5,583,149 units (FY2020: 4,434,934).

The Government of India encouraging foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route. Some of the recent initiatives taken by the Government of India are -

- 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. India has a ratio of merely 22 cars per thousand individuals, while in the US and UK, 980 and 850 per 1,000 individuals have car respectively. The index per thousand individuals reveals that New Zealand has 774, Australia 740, Canada 662, Japan 591, and China has 164 motor vehicles which will also eventually surge the demand & supply in Indian Automotive Industry.
- The Union Cabinet outlaid Rs. 57,042 crore (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.

ADVANTAGE INDIA



Source: IBEF

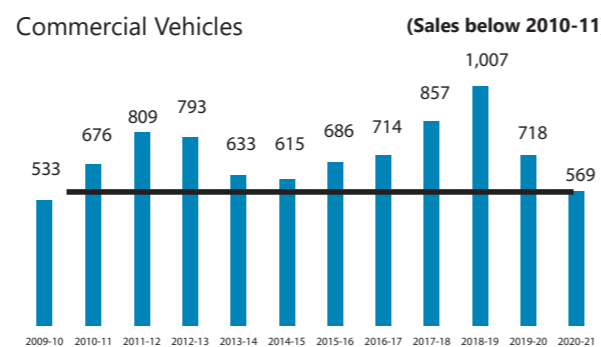
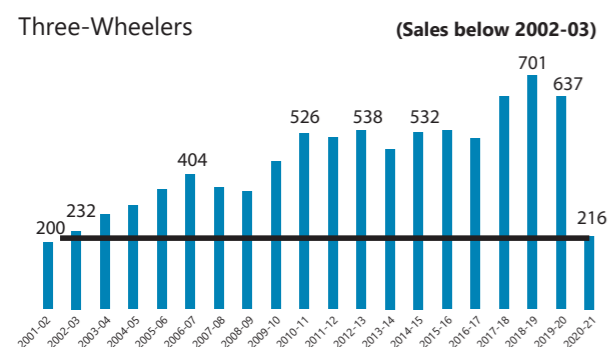
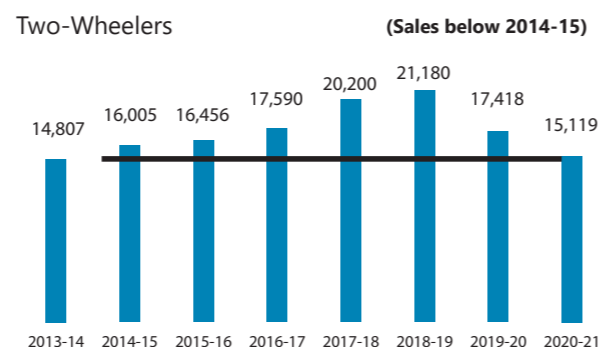
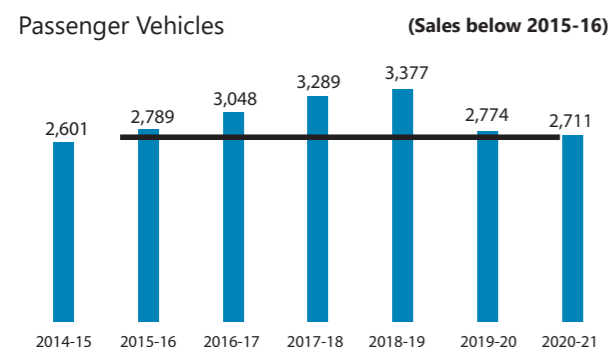
3. THE AUTOMOBILE PRODUCTION, DOMESTIC SALES AND EXPORTS:

Segment-wise automobile production trends in 2020-21:

| SN. | Category | Production | | | Domestic Sales | | | Exports | | |
|-----|--------------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|
| | | 2019-20 (In Mn) | 2020-21 (In Mn) | % Change | 2019-20 (In Mn) | 2020-21 (In Mn) | % Change | 2019-20 (In Mn) | 2020-21 (In Mn) | % Growth |
| 1 | Passenger Vehicle | 3.42 | 3.06 | -10.58 | 2.77 | 2.71 | -2.24 | 0.66 | 0.40 | -38.92 |
| 2 | Commercial Vehicle | 0.76 | 0.62 | -17.42 | 0.72 | 0.57 | -20.77 | 0.06 | 0.05 | -16.64 |
| 3 | Three Wheelers | 1.13 | 0.61 | -46.06 | 0.64 | 0.22 | -66.06 | 0.50 | 0.39 | -21.67 |
| 4 | Two Wheelers | 21.03 | 18.35 | -12.76 | 17.42 | 15.12 | -13.19 | 3.52 | 3.28 | -6.87 |
| | Total | 26.35 | 22.65 | -14.04 | 21.55 | 18.62 | -13.60 | 4.75 | 4.13 | -13.05 |

In the financial year FY20-21, there was a de-growth in sales of all segments compared to the previous years. -2.24% for Passenger Vehicles with sales of 27.11 Lakhs units; -13.19% for Two-Wheelers with sales of 151.19 Lakhs units; -20.77% for Commercial Vehicles with sales 5.69 Lakhs units and -66.06% for Three-Wheelers with sales of 2.16 Lakhs units.

Domestic Sales: April 2020- March 2021- Comparison with Past Years (Numbers in Thousand)



Source: SIAM

Current Scenario

The Indian automobile industry continues to work hard amidst challenges of a second Covid wave, to maximise production and sales, while ensuring safety of its people, partners and customers. On the sales front, a deep structural slowdown in the industry even before the pandemic, combined with the impact of the pandemic in 2020-21, has pushed all vehicle segments back by many years. Recovery from here will require time and efforts by all stakeholders.

The second wave of COVID-19 has not only spread fast, but also destabilized the growth which the country achieved in the past few months. The impending lockdown might severely hamper the momentum of the auto industry's efforts to come out of the woods.

Prospects for the vehicle sector hang on the monsoon season and a successful vaccination campaign. India's auto industry is currently valued at \$118 bn and is expected to be the world's third-largest automotive market in terms of volume by 2026. The Indian government is also taking adequate measures to boost the auto industry. The Government has offered production-linked incentives, which will total \$7.5 billion over the next five years, and encourage exports. This will enable automotive suppliers to leverage their strengths, including their competitive costs, process expertise, high quality, and innovation focus, to pursue international growth and leverage the recent tailwinds. These initiatives by the government and the contribution by raw materials manufacturers will pave the way for a robust outlook for the auto sector and reach an estimated \$300 bn by 2026.

4. INDIAN AUTO COMPONENT INDUSTRY:

The automotive component industry that forms the backbone of India's \$100 billion automobile industry, suffered a de-growth of 3 per cent over the previous year. The turnover of the automotive component industry stood at ₹3.40-lakh crore (\$45.9 billion) for the period April 2020 to March 2021. The pandemic piled on more misery on an industry that was anyway reeling under an unprecedented slowdown.

The Indian auto component sales to original equipment manufacturers (OEMs), also declined by three per cent in the domestic market to ₹2.79-lakh crore (\$37.7 billion) as compared to the previous year. The exports of auto components also witnessed de-growth of 8 per cent to ₹98,000 crore (\$13.3 billion) in 2020-21 from ₹1.02-lakh crore (\$14.5 billion) in 2019-20. Slowdown in the domestic market also reflected on imports of component into India, component imports fell by 11 per cent to ₹1.02-lakh crore (\$13.8 billion) in 2020-21 from ₹1.09-lakh crore (\$15.4 billion) in 2019-20.

Almost every segment of the industry has suffered during the year though some have faced worse. The share of OEMs purchase, which accounts for a giant share of the industry's business, declined by 42 per cent at \$11.6 billion. Exports registered a 23.6 per cent drop at \$5.2 billion while imports dropped even more sharply by 32.7 per cent at \$5 billion. Like in the case of India's overall economy, which had become trade surplus in the middle of the year, the automotive component industry has also become foreign exchange positive for the first time ever.

While the first half year witnessed a complete washout of sales, your company recorded healthy recovery in second half of the financial year, owing to pent up increased demand for personal mobility. Your company showed remarkable resilience and strength during the initial part of FY21. H2 FY21 saw us seizing the prevalent opportunities on the back of a strong revival of the industry which almost compensated the losses of first Half of the financial year 2021. This helped us immensely in posting solid financial performance. While the auto parts industry has de-grown less than the vehicle industry in FY 2020-21, the industry is further anticipated to witness significant improvement on a sequential basis and register strong growth in FY 2021-22.

5. OPPORTUNITIES:

- (a) **FDI in India's automobile industry:** The Government of India encouraging foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route.
- (b) **Government regulations will provide growth impetus:** Through the Automotive Mission Plan 2016-26, the National Electric Mobility Mission Plan 2020 and other initiatives, the government seeks to achieve two objectives—facilitate long-term growth in the industry and reduce emissions and oil dependence.
- (c) **Vehicle scrappage policy:** 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.
- (d) **Strategic Market:** The automobile industry is supported by various factors such as availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour. Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.
- (e) **Electric Vehicles:** With new technologies, focus on electric vehicles, autonomous driving, the automotive industry is witnessing structural and rapid changes. According to estimates, the global electric vehicle market is expected to grow at a CAGR of 29% from 2021 to 2026. The major drivers for this market are increasing fuel prices, government subsidies as tax benefits to promote electric vehicles and growing concerns for environmental pollution. The opportunity to drive EV adoption will provide immense opportunities for EV companies and component manufacturers in India. The EV boom is already in progress and the transition to electric is inevitable for India. The electric vehicle industry is still at a nascent stage in the country and the next two-three years will see faster growth and more adoption due to aligned public policy, industry investment and consumer demand to move EVs supply towards an elusive inflection point.

6. CHALLENGES:

- Rise in digital distribution channels and market entry of established international players is transforming the industry.
- While the wheels of the economy as well as automotive sector have started to turn again, the fear of a third-Covid wave still continues to loom large.
- Many big challenges stand in front of the automotive industry, including significant increase in raw material prices, along with acute global shortage of semiconductors.
- The commodity prices have seen a major increase, wherein high strength (HR) Steel has registered an 87 percent hike in June 2021 compared to June 2020. Moreover, cold rolled (CR) Steel too has shot up by almost 88 percent.
- Furthermore, there has been an uptick in the prices of precious metals too with Rhodium (+149 percent), Palladium (+33 percent) and Platinum (+29 percent) registering significant hikes. The advent of BS VI norms last year has made the amount of these elements grow in the exhaust system of vehicles to meet the stringent emission standards.

7. RISKS AND MITIGATION MEASURES:

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.

- 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.
- 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 on unsafe conditions and unsafe act to improve safety culture
- 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 like MSIL according to norms and requirements of customer. Company ensures that quality processes are adequately equipped and are in control.
- 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.
- 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.
- 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 pile 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.
- 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.

The Management is of the opinion that while risk factors may impact the profitability of the Company, these do not threaten the existence of the Company.

8. STANDALONE FINANCIAL REVIEW:

During the FY 20-21, Your Company recorded total Income of ₹ 1503.60 crores as compared to ₹ 1659.41 crore in the previous year showing a decrease of 9.39%. The Profit Before Tax for the financial year 2020-21 amounts to ₹ 41.54 Crores as against ₹ 42.14 Crores for the previous year, showing a decrease of 1.42%. The profit after tax has gone down in the financial year 2020-21 to ₹ 26.06 Crores as compared to ₹ 28.02 Crores in the previous year, showing a decrease of 6.99%.

The rapid outbreak of pandemic across the country forced Government of India to declare nation-wide lockdown of all non-essential business and impose restrictions on movement of goods/ materials travel etc. from March 24, 2020. The inevitable impact of the pandemic continued during most of the first half of the year that not only impacted the manufacturing industries but also lead to a worrisome situation for all sectors. During the lockdown, production was suspended at all the plants of the Company gravely impacting Company's operations and financial results for the first half of the year. Revenues and profitability of the Company for the first half year were extremely low. However, Company gradually resumed operations with requisite precautions in phased manner and due to continuous increase in demand of our main customer Maruti Suzuki India Ltd. (MSIL) and effective control on expenses, the Company has been able to resurge its revenue and profitability in the second half of the financial year & reached to a level that was almost equal to the profitability of the previous year. The rising awake over Social Distancing whereby general public was more derived towards the idea of travelling in personal vehicles instead of using public transport that lead to resurgence in sale of personal vehicles.

The summarized financial performance and key financial ratios are as under:

₹ In Crores

| PARTICULARS | FY2021 | FY2020 | CHANGE (%) |
|---|----------------|----------------|---------------|
| Revenue from operations | 1499.07 | 1657.71 | -9.57% |
| Other Income | 4.53 | 1.70 | 166.47% |
| TOTAL INCOME | 1503.60 | 1659.41 | -9.39% |
| EXPENSE | | | |
| Material cost | 1147.27 | 1252.34 | -8.39% |
| Changes in Inventory of Finished Goods, Work-in-progress | -14.18 | 15.70 | -190.31% |
| Employee Benefit Expense | 135.96 | 142.08 | -4.30% |
| Finance Cost | 32.96 | 38.08 | -13.44% |
| Depreciation and Amortization cost | 65.94 | 62.52 | 5.47% |
| Other Expense | 94.11 | 106.55 | -11.67% |
| TOTAL EXPENSE | 1462.06 | 1617.27 | -9.60% |
| PROFIT BEFORE TAX | 41.54 | 42.14 | -1.42% |
| TAX EXPENSE | 15.48 | 14.12 | 9.63% |
| PROFIT AFTER TAX | 26.06 | 28.02 | -6.99% |
| Total Comprehensive Income for the period (Net of Tax) | 3.24 | -2.48 | 230.64% |
| Total Comprehensive Income for the period [Comprising profit/(loss) for the period (after tax) and other comprehensive income (net of tax)] | 29.30 | 25.54 | 14.72% |
| Earnings Per Share (In ₹) | 12.04 | 12.94 | -6.95% |

Financial Performance Ratios [As a percentage of Total Income]

| PARAMETERS | FY21 | FY20 | CHANGE (%) |
|---|--------|--------|------------|
| Material Cost | 75.36% | 76.42% | -1.06% |
| Employee Cost | 9.04% | 8.56% | 0.48% |
| Manufacturing, Administrative and other Expense | 6.26% | 6.42% | -0.16% |
| Financial Charges | 2.19% | 2.29% | -0.10% |

| | | | | |
|---------------------------------|-------------|-------------|-------------------|---|
| Depreciation | 4.39% | 3.77% | 0.62% | |
| EBITDA | 9.34% | 8.60% | 0.74% | |
| Profit Before Tax | 2.76% | 2.54% | 0.22% | |
| Profit After Tax | 1.73% | 1.69% | 0.04% | |
| PARAMETERS | FY21 | FY20 | CHANGE (%) | Remarks where change more than 25% |
| Debtors Turnover (No. of Times) | 24.37 | 31.93 | -23.67% | |
| Inventory/ Net Turnover (Times) | 9.81 | 13.52 | -27.44% | Inventory Turnover is higher due to lower sales as compared to last year |
| RONW (PAT/Net Worth)* | 5.97% | 6.78% | -11.95% | Return of Net Worth is lower due to lower Net Profit as compared to last year |
| Interest Coverage | 2.26 | 2.11 | 7.10% | |
| Current Ratio | 0.50 | 0.48 | 4.16% | |
| Debt Equity Ratio | 0.81 | 1.04 | -22.12% | |
| Operating Profit Margin (%) | 9.34% | 8.60% | 8.60% | |
| Net Profit Margin (%) | 1.73% | 1.69% | 2.37% | |

*The market capitalization of the Company as on 31st March, 2021 stood to 493.18 Crores.

9. EXPANSION OF PLANT AT VITHALAPUR, GUJARAT

Phase III expansion of plant at Vithalpur, Gujarat set up for SMG got completed & has commenced commercial production from April, 2021. The plant is now able to cater to 750000 vehicles requirements of SMG.

10. ARTIFICIAL INTELLIGENCE

AI based Industry 4.0 or Smart factory solution has been implemented in the manufacturing facilities essentially with two-fold objective of keeping a safe & compliant eco-system and secondly create an agile manufacturing set up which is able to help make a customer happy with desired deliverables and internally help create very efficient & productive manufacturing processes based on real time production & maintenance information leading to higher productivity & utilization.

In covid times, your company has successfully implemented covid solutions like touch less Facial Recognition for attendance, Temperature monitoring through sensor and Aarogya setu status linked from Govt of India App. This integrated approach lead to quick monitoring and ensuring safety & compliance. Further social distancing, Mask compliance, manufacturing PPE compliance etc. have been monitored through AI based solution. Further, complete machine monitoring through Industry 4.0 technology has been enabled for real time production monitoring, enhancing productivity & utilization, doing predictive maintenance, and energy management of the machines & plant. Complete quality assurance through Vision based & AI based solution for inspection of all products has been deployed.

AI solution has helped your company improve productivity, enable enhanced inventory management, quality assurance, improved machine utilization and end to end tracking inside manufacturing setup. This AI based Industry 4.0 based solution has lead to seamless communication with all our stakeholders based on real time information. This has also lead to minimize the impact of COVID on our business and has helped in business continuity.

11. TREASURY OPERATIONS:

During the covid period the company has put its main focus on company cost & cash flow management. Short term & medium term dynamic forecasting simulates were done & monitoring for taking adequate productive actions in the current VUCA environment. The Company ensures the ultimate goal of managing its liquidity and mitigating its operational, financial, currency and reputational risk. The Company manages its funds efficiently using its non-Recourse Receivable Discounting facilities. The company restructured its financing strategy & banking operation. The Company has created adequate buffer to meet any exigencies for requirement of funds. The Company also has adequate credit facilities to manage the short term, medium term & long term liquidity.

The Credit Rating awarded by ICRA for the short term borrowing including CP is A1. Further, the long term borrowing rating is A+. Your Company is also rated for Commercial Paper (CP) to the tune of Rs. 75 Crores which helps in the reduction of Working capital borrowing cost.

12. INTERNAL CONTROL SYSTEMS, INTERNAL AUDIT AND ITS ADEQUACY:

Your Company has robust internal financial control (IFC) systems, which facilitates orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal control system ensures compliance with all applicable laws & regulations, key controls, significant business challenges, fraud prevention and controls. Our internal control system facilitates in optimum utilization of available resources and protect the interests of all stakeholders.

The Company's Internal Audit is carried out by M/s Mehra Goel & Co., Internal Auditors of the Company. The Company is constantly strengthening its Internal Audit function inline with business requirement to ensure wide coverage and timely implementation of audit observation. As a digitization initiative, the Company is under process to implement Internal Audit Analytics Tool which will automate the Internal Audit process, help to pre-empt any Potential Risk, and develop mitigation plan well in time.

The Internal Auditors' Reports are regularly reviewed by the Senior Management and the Audit Committee of the Board for its implementation and effectiveness. The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal team test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting.

13. RESEARCH & DEVELOPMENT

Your Company is continuously evolving and working on Technologies to increase efficiency, accuracy and digitize operations and has filed its first process patent registration application with Controller General of Patents, Designs & Trademarks.

14. HUMAN RESOURCE:

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.

At JBML, 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 more than 3500+ 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) 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. We appointed Acharya Mukesh, a very learned Yogacharya as the "Happiness & Wellness Coach". 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.

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.

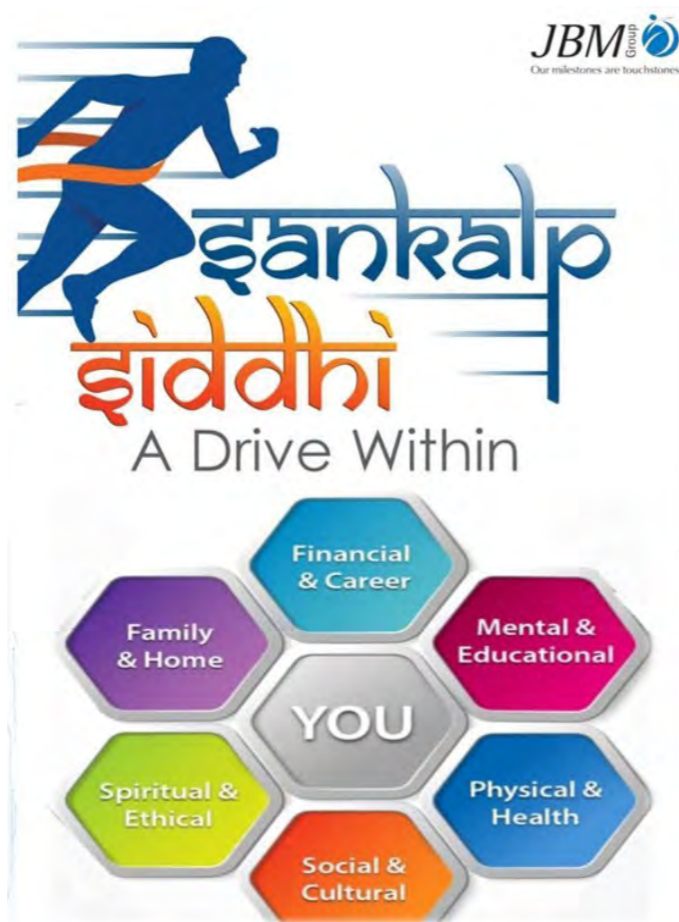
Our Chairman Mr. Surendra Kumar Arya brought out a unique visionary concept to create possibilities and positivity during the lockdown that was named "Sankalp Siddhi", a program that not only energised all JBMITes and their family members but also paved the way to look at one's life more holistically. 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 for employees and their family members. These COVID Special sessions in JBM are 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. Your company is registered with Ministry of Skill Development and Entrepreneurship, Government of India. Training is provided on Earn & Learn concept under the flagship program i.e. National Apprenticeship Promotion Scheme.

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.



15. ENVIRONMENT, HEALTH, AND SAFETY (EHS):

JBML 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 JBML 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 fire Mock drills, safety and health awareness through competitions, campaigns and events to ensure preparedness for emergencies. JBML is committed to ensure continuous improvement in its Environmental Management System as per ISO-14001:2015 and Occupational Health and Safety Management System as per ISO 45001: 2018 systems through periodic audits by the American Systems Registrar (USA). JBML's Quality Management system is certified for IATF 16949:2016 standard. Periodical Internal assessments for compliance is also done by senior Plant teams and certified Internal Auditors.

As witnessed globally, JBML, 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 JBML 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.

JBML performs the re-assessment of its Quality, Environment and Safety systems at regular intervals from an accredited third-party agency M/s ASR certifications. Integrity, Safety & Quality have been adopted as three non-negotiating values of the Company in its work culture which are driven as ISQ momentum to make it a part of our DNA.

Further MSIL has developed a Comprehensive Excellence (CE) programme. Your company has incorporated all the parameters of this CE programme in its periodical review and is working extensively to achieve and maintain the status. These nine pillars are:- Top management focus on excellence, Maintenance capability, Scale and capability for future investment, Tier-2 development, Manufacturing process control, Safety management, Human resource development, Manufacturing and testing facilities and Risk management.

16. OUTLOOK:

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 highly 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 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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

| | | |
|----|---|--|
| 1 | Corporate Identity Number (CIN) of the Company | L29130DL1987PLC027342 |
| 2 | Name of the Company | Jay Bharat Maruti Limited |
| 3 | Registered address | 601 Hemkunt Chambers 89, Nehru Place New Delhi 110019 |
| 4 | Website | www.jbmgroupp.com |
| 5 | E-mail id | Jbml.investor@jbmgroupp.com |
| 6 | Financial Year reported | 2020-21 |
| 7 | Sector(s) that the Company is engaged in (industrial activity code-wise) Name and Description of main product/ services | NIC Code of the Product/Service |
| | (i) Sheet Metal Components assemblies & sub-assemblies for Automobiles | (i) 25910 |
| | (ii) Rear Axle for automobiles | (ii) 29301 |
| 8 | List three key products/services that the Company manufactures/provides (as in balance sheet) | Sheet Metal Components assemblies & sub-assemblies, Real Axle and Fuel Neck Filler |
| 9 | Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations | NIL 5 |
| 10 | Markets served by the Company – Local/State/National/International | National |

SECTION B: FINANCIAL DETAILS OF THE COMPANY

₹ In Crs.

| Particulars | 2020-21 | 2019-20 |
|-----------------------------|-----------|-----------|
| 1. Equity Share Capital | ₹ 10.83 | ₹ 10.83 |
| 2. Total Turnover | ₹ 1499.07 | ₹ 1657.71 |
| 3. Total Profit after Taxes | ₹ 26.06 | ₹ 28.02 |

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

₹ 142.40 Lakhs has been spent during financial year 2020-21 which is 2% of average profits of previous three years of the Company.

5. List of activities in which expenditure in 4 above has been incurred

Community Development- Apprenticeship Program (under Apprenticeship Training Scheme of Skill development and Industrial Training Deptt. Haryana)

SECTION C: OTHER DETAILS

| SN. | Particulars | |
|-----|--|---|
| 1. | Does the Company have any Subsidiary Company/ Companies? | No |
| 2. | Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) | NA |
| 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%] | 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 entity. |

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

| | | |
|----|-------------|------------------------------|
| 1. | DIN Number | 00004626 |
| 2. | Name | Mr. Surendra Kumar Arya |
| 3. | Designation | Chairman & Managing Director |

b. Details of the BR head:

| | | |
|----|---------------|-----------------------------|
| 1. | Name | Mr. Anand Swaroop |
| 2. | Designation | Whole Time Director & CFO |
| 3. | Telephone No. | 0124-4674500 |
| 4. | Email Id | Jbml.investor@jbmgroupp.com |

List of Principles

| | | |
|---|--|---|
| Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability | Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle | Principle 3: Businesses should promote the wellbeing of all employees |
| Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. | Principle 5: Businesses should respect and promote human rights | Principle 6: Business should respect, protect, and make efforts to restore the environment |
| Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner | Principle 8: Businesses should support inclusive growth and equitable development | Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner |

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

a. Details of compliance (Reply in Y/N)

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

*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:
NA

3. Governance related to BR

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

Annually and from time to time.

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

The Company has published business responsibility report as a part of its Annual Report and is available on Company's website: www.jbmgroup.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company has articulated a comprehensive Code of Conduct which is applicable to the Group. Further our supplier and contractors are made aware of this policy before entering in to any transaction with the Company.

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.

During the past financial year NIL Complaints were received. The Company has proper mechanism to address the complaints and management review the same in its monthly review meetings.

PRINCIPLE 2

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

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 the leading manufacturer of key auto components and assemblies such as BIW parts, exhaust systems, fuel neck fillers (fuel pipe), and suspension parts. These products have insignificant social or environmental concern or risk. However, the Company continuously monitor its operational activities effectively, with respect to usage of raw materials and other natural resources so that there should be no adverse impact on the environment, general health and safety.

The Company has been mandated by its prime consumer i.e., Maruti Suzuki India Ltd (MSIL) that all material to finished good shall be free from 'Substances of Concern' i.e. Lead, Mercury, Hexavalent Chrome, Asbestos & Cadmium. The Company has been certified in A Grade marking in the Annual audit conducted by MSIL.

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 optimized designs and technologies resulted in saving of raw materials and power consumption, directly and indirectly in entire supply chain. Other details for technology absorption and conservation of energy are detailed in Board Report.

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

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

The Company continuously monitors its processes with respect to usage of raw materials and other natural resources in terms of sales. The optimized designs and technologies resulted in saving of raw materials and power consumption, directly at the company and indirectly in entire supply chain.

The Company do make Environment Management Programme for each manufacturing Plant of the Company on yearly basis where all risks pertaining to environment are considered and actions to mitigate the risks are taken immediately.

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

Yes. The Company has Integrated System Procedure (ISP) for sustainable sourcing of material including transportation.

(a) If yes, what percentage of your inputs was sourced sustainably?

The Company has an environment, Health 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?

The Company keeps on developing local vendors, visit their facilities, analyze quality related aspects, and create action plans jointly with the suppliers, customers and monitors performance. The Company being a Tier 1 Company of MSIL follows broad validation process as framed by MSIL for procuring goods & services from any producer. Vendor Quality Manual given by MSIL is followed for new vendor.

5. Does the company have a mechanism to recycle products and waste?

The nature of the Company's business is such that there are no significant emissions from Raw materials and all wastes are related to process only. The Company do have Value yards based on 3R- Reduce, Reuse, Recycle - for its scraps and wastes, where segregations are made and hazardous wastes are separately kept for sending to State pollution board authorized recyclers. Company disposes those materials which cannot be reused, in a manner in compliance with applicable statutory provisions.

PRINCIPLE 3

Business should promote the wellbeing of all employees.

The following stated is as on 31st March, 2021.

1. Please indicate the Total number of employees.
5909

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
4556

3. Please indicate the Number of permanent women employees.
8

4. Please indicate the Number of permanent employees with disabilities
NIL

5. Do you have an employee association that is recognized by management.
Yes, we have Employee Union in our one Plant at Gurgaon which is recognised by the management.

6. What percentage of your permanent employees is members of this recognized employee association?
9.62%

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.
NIL

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

| | |
|--|---|
| (a) Permanent Employees | All categories of employees are given training on safety & skill up-gradation on periodic basis. We have DOJO skill centers in all our plants that take care of all kinds of training requirement |
| (b) Permanent Women Employees | |
| (c) Casual/Temporary/Contractual Employees | |
| (d) Employees with Disabilities | |

PRINCIPLE 4

Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

- Has the company mapped its internal and external stakeholders?**
Yes
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**
Yes
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**

The Company carries out various CSR initiatives for the upliftment / growth & development of people living in the villages around its manufacturing facilities as detailed at principle No. 8.

PRINCIPLE 5

Business should respect and promote Human Rights

- 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 does not have a separate human right policy. However, these factors are covered under various HR Policies of the Company, which includes welfare, environment, health and safety and is applicable to Group.

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

The Company has not received any complaints from any stakeholders pertaining to human rights and there were NIL complaints under Whistle-blower complaints and Sexual Harassment Act during the last Financial Year.

PRINCIPLE 6

Business should respect, protect and make efforts to restore the environment

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

Environmental Health and Safety Policy of the company is applicable to the whole group comprising of all the business units and also encourage our business partners including suppliers, vendors and contractors to follow this policy. This policy is displayed prominently across all JBML plants & offices.

- 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.**

Yes, the Company has an Environmental Policy as per the international standard of ISO 14001:2015, that outlines sustainability requirements including conservation of natural resources. The Company works continuously to reduce the waste.

- Does the company identify and assess potential environmental risks? Y/N**

Yes, the Company maintains Environmental Aspect Impact Analysis (EAIA) and Hazard Identification and Risk Assessment (HIRA) through which the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

- 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 has implemented various Environmental Management Projects that focus on clean Development. We use controls on ETP/STP and dispose hazardous waste as per law of land. We follow international Quality standards based on the requirement of IATF 16949:2016. During the year, Environmental Management System surveillance was carried out by M/s American System Registrar, LLC and the auditors recommended the continuation of the ISO 14001. Apart from the above, the Company is also ISO 45001:2018 and ISO-14001:2015 certified. Management system ensures that the corrective actions are closed looped and issues are addressed within a reasonable time frame. The Company do file its annual return with State Pollution Board of respective state where the Plants of the Company operates.

- 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.**

Details are covered under Board's Report which forms a part of the Annual Report.

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

All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB. All plants have Information of Red Board displayed outside its Main Gate, as mandated by Supreme court. Annual Reporting is done as per the requirements of respective pollution Control boards.

- 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.**

None.

PRINCIPLE 7

Business when engaged in influencing public and regulatory policy, should do so in a responsible manner.

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

Yes, the Company is a member of following association.

- Confederation of Indian Industry (CII)
- Automotive Component Manufacturers Association of India (ACMA)
- The Federation of Indian Chambers of Commerce and Industry (FICCI)
- PHD Chambers
- Gurgaon Chamber of Commerce and Industry

- 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)**

Yes, the Company is an active participant in the committees set up by the above association and engages with industry bodies and associations to influence public and regulatory policy in a responsible manner and advocating best practices for auto sector.

PRINCIPLE 8

Business should support inclusive growth and equitable development

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

The Company has aligned its CSR programmes with the requirements of the Companies Act, 2013. The CSR programmes are mentioned in the CSR policy. Details of expenditure made on CSR activities during the financial year 2020-21 are mentioned in CSR Report which forms part of the Annual Report.

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

The CSR programmes of the Company were undertaken both, through in-house as well as in co-ordination with external NGOs.

- Have you done any impact assessment of your initiative?**

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

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

The Company spends amount on CSR activities directly and through Trusts, amount of contribution during the year is given in Annexure II to the Board Report as Annual report to CSR Activities.

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

The Company has taken steps to ensure that community development initiatives are adopted by the Community. The CSR initiatives of the Company are executed to ensure impact-focused implementation, monitoring, and reporting. For more details, please refer Corporate Social Responsibility section in this Annual Report

PRINCIPLE 9

Business should engage with and provide value to their customers and consumers in a responsible manner

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

The Company has a strong system for addressing customer complaints, which are resolved promptly in a time framed manner. The Company has Customer Complaint Handling Procedures and defined SOPs. The Company do have escalation mechanism where complaints if any received are resolved within 7 days.

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, as the Company supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

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, regular feedback are received from the customers and corrective actions are taken. The Company do take annual customer surveys and appropriate actions are taken with in proper timeline as suggested by its customers.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value and its own image. An effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Your company believes in the concept of good Corporate Governance involving transparency, empowerment, accountability, equity and integrity with a view to enhance stakeholder's value in order to achieve its mission to continually enhance the stakeholders' value through global competitiveness while contributing to society.

We, at Jay Bharat Maruti, believe that good Corporate Governance is a key contributor to sustainable corporate growth and creating superior value for our stakeholders. For us, Corporate Governance is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value-driven growth. The commitment of the Company to the highest standards of good corporate governance practices predates SEBI and the provisions of the SEBI Listing Regulations.

The objective of the Company is not only to meet the statutory requirements of the Code of Corporate Governance as prescribed under Listing Regulations, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable, thereby enhancing the stakeholders value and protecting the interest of stakeholders.

A report on compliances with the Corporate Governance provisions as prescribed under Listing Regulations is given hereunder.

2. BOARD OF DIRECTORS:

(a) Composition of the Board

As on March 31, 2021, the Company has an optimum combination of Executive, Non-Executive and Independent Directors.

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations. The maximum tenure of Independent Directors is in compliance of the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors of the Company have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149 (6) of the Act. Except getting sitting fees none of the Independent Directors have any other pecuniary relationships with your Company, its associates or its promoters or directors.

Necessary disclosures regarding committee positions in other companies as on March 31, 2021 have been made by the Directors. None of the Directors is related to each other except Mr. S. K. Arya, Ms. Esha Arya and Mr. Nishant Arya, who are promoter directors and related to each other. Based on the declaration received from Independent Directors, has confirmed that they meet the criteria of independence as mentioned in the Listing Regulations and that they are independent of management.

As on 31st March, 2021, the total strength of the Board of Directors of the Company is Eight (8) Directors (i.e. Three Promoter Directors, One Nominee Director and Four Independent Directors) comprising of an Executive Chairman, one Non-Executive Nominee Director, two Non-Executive Directors and Four Non-Executive Independent Directors including one Non-Executive Independent Woman Director. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities

The composition of Board of Directors as on 31st March, 2021, their attendance at the Board Meetings held during the Financial Year 2020-21, attendance in the last Annual General Meeting and also the Directorship in listed entities along with category of directorship and Membership/ chairmanship of the Board Committees (including this Entity) are as follows:

| SN. | Name of Directors | Relationship with other Directors | Category | No. of meetings attended (Total Meetings held : 4) | Attendance at the last AGM held on 10th September, 2020 | No. of other Directorship(s)** | | No. of Committee(s)* | | Name of the Listed Entity in which Director Including this entity as on 31.03.2021 | Number of shares and convertible instruments held by non-executive directors as on 31.03.2021 |
|-----|-------------------------------------|---|------------------------------------|--|---|--------------------------------|---------|----------------------|----------|---|---|
| | | | | | | Public | Private | Member | Chairman | | |
| 1. | Mr. S. K. Arya (DIN: 00004626) | Father of Mr. Nishant Arya and Ms. Esha Arya | Chairman & Managing Director | 4 | Yes | 6 | 10 | 2 | 1 | 1. Jay Bharat Maruti Limited: Chairman and Managing Director 2. JBM Auto Limited: Non Executive-Director and Chairman | 177350 |
| 2. | Mr. Nishant Arya (DIN: 00004954) | Son of Mr. S. K. Arya and brother of Ms. Esha Arya | Non-Executive Director | 4 | Yes | 8 | 5 | 2 | - | 1. Jay Bharat Maruti Limited : Non Executive Director 2. JBM Auto Limited: Non Executive Director | 4000 |
| 3. | Ms. Esha Arya (DIN: 00004836) | Daughter of Mr. S. K. Arya and Sister of Mr. Nishant Arya | Non- Executive Woman Director | 4 | Yes | 2 | 1 | - | - | 1. Jay Bharat Maruti Limited : Non Executive Director | NIL |
| 4. | Mr. Rajiv Gandhi (DIN: 07231734) | NA | Non- Executive Nominee Director | 4 | Yes | 2 | - | - | - | 1. Jay Bharat Maruti Limited: Non- Executive Nominee Director | NIL |
| 5. | Mr. Dharmpal Agawal (DIN: 00084105) | NA | Non Executive-Independent Director | 4 | Yes | 6 | 1 | 1 | 1 | 1. Jay Bharat Maruti Limited : Independent Director 2. TCI Express Limited : Chairman Non-Executive Non- Independent Director 3. TCI Developers Limited : Chairman Non-Executive Non- Independent Director 4. Transport Corporation Of India Limited : Chairman & Managing Director 5. TCI Industries Limited: Non Executive Director | NIL |

| SN. | Name of Directors | Relationship with other Directors | Category | No. of meetings attended (Total Meetings held : 4) | Attendance at the last AGM held on 10th September, 2020 | No. of other Directorship(s)** | | No. of Committee(s)* | | Name of the Listed Entity in which Director Including this entity | Number of shares and convertible instruments held by non-executive directors |
|-----|--------------------------------------|-----------------------------------|--|--|---|--------------------------------|---------|----------------------|----------|---|--|
| | | | | | | Public | Private | Member | Chairman | | |
| 6. | Mr. Achintya Karati (DIN: 00024412) | NA | Non Executive-Independent Director | 4 | Yes | 5 | 2 | 4 | 4 | 1. Jay Bharat Maruti Limited : Independent Director 2. Sangam (India) Limited: Independent Director 3. J. K. Cement Limited : Independent Director 4. Delton Cables Limited:Independent Director 5. Uflex Limited: Independent Director | NIL |
| 7. | Mr. Dhanendra Kumar (DIN: 05019411) | NA | Non Executive-Independent Director | 4 | No | 3 | - | 2 | 1 | 1. Jay Bharat Maruti Limited : Independent Director 2. Indo Rama Synthetics (India) Limited: Independent Director | NIL |
| 8. | Mrs. Pravin Tripathi (DIN: 06913463) | NA | Non Executive Independent Woman Director | 4 | Yes | 6 | 1 | 4 | 2 | 1. Jay Bharat Maruti limited: Independent Woman Director 2. Multi Commodity Exchange Of India Limited: Independent Director 3. PTC India Financial Services Limited: Independent Director 4. Minda Industries Limited: Independent Director 5. JBM Auto Limited: Independent Director | NIL |

* Committee means Audit Committee and Stakeholders Relationship Committee.
** Section 8 Companies not included.

Further, Your Board of Directors in their Board Meeting held on 29th April, 2021 have appointed Mr. Anand Swaroop (DIN: 00004816) as Whole Time Director & CFO of the Company With effect From 1st June, 2021 and Mr. Madhusudan Prasad (DIN: 02665954) has been appointed as an Independent Director of the Company vide circular resolution dated 25th May, 2021 passed by the Board of Directors.

The said appointments of Directors is placed for regularization and approval of members in the ensuing Annual General Meeting of the Company. A brief profile and other details of Director pursuant to Regulation 36 of the Listing Regulations is given in Notice to the Annual General Meeting.

(b) Board Meetings

During the year 4 (Four) meetings of the Board of Directors of the Company were held. The Board meets at least once in a quarter with a time gap of not more than one hundred and twenty days between two consecutive meetings. However for the first Board Meeting of FY 2020-21 held on 26th June, 2020, the meeting was conducted after the gap of 120 days which was in compliance with the relaxations given by SEBI vide its circular dated March 19, 2020 and June 26, 2020 and MCA vide its Circular dated 24th March, 2020 wherein relaxation owing to the CoVID-19 Pandemic was provided.

The necessary quorum was present for all the meetings. Agenda papers were circulated to the Directors in advance for each meeting. All relevant information as required under Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 was placed before the Board from time to time. The details of Board Meetings are given below:

| Date of Board Meeting | Total Strength of the Board on the date of Board Meeting | No. of Directors present at the Board Meeting |
|-----------------------|--|---|
| 26th June, 2020 | 8 | 8 |
| 10th September, 2020 | 8 | 8 |
| 30th October, 2020 | 8 | 8 |
| 27th January, 2021 | 8 | 8 |

The attendance of the Directors at the meeting above was as under:

| Name of the Directors | Attendance at the Board Meetings | | Whether attended the AGM held on 10.09.2020 |
|-----------------------|----------------------------------|----------|---|
| | Held | Attended | |
| Mr. S. K. Arya | 4 | 4 | Yes |
| Mr. Nishant Arya | 4 | 4 | Yes |
| Ms. Esha Arya | 4 | 4 | Yes |
| Mr. D. P. Agrawal | 4 | 4 | Yes |
| Mr. Achintya Karati | 4 | 4 | Yes |
| Mr. Dhanendra Kumar | 4 | 4 | Yes |
| Mr. Rajiv Gandhi | 4 | 4 | Yes |
| Mrs. Pravin Tripathi | 4 | 4 | Yes |

(c) Change in Composition of Board

There was no change in Composition of Board of Directors as on 31st March, 2021.

(d) Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on January 27, 2021. The Independent Directors, inter-alia, reviewed the performance of Non- Independent Directors, Board as a whole and Chairman of the company, taking in to account of views of Executive Directors and Non- Executive Directors. All Independent Directors were present in the meeting.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory.

(e) Familiarization Programmes

The Company has in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. They are updated on all business related issues and new initiatives.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's business and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization Programmes for Directors are available on the Company's website under the web link: www.jbm-group.com

(f) Skills / Expertise/ Competencies of Board of Directors

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board.

| Nature of Skill/ Competence/Experience | Mr. S. K. Arya | Mr. Dhanendra Kumar | Mr. Dharmpal Agarwal | Mr. Madhusudan Prasad | Mr. Rajiv Gandhi | Mrs. Pravin Tripathi | Mr. Achintya Karati | Mr. Nishant Arya | Mr. Anand Swaroop | Ms. Esha Arya |
|---|----------------|---------------------|----------------------|-----------------------|------------------|----------------------|---------------------|------------------|-------------------|---------------|
| Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Strategic thinking and decision making | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Financial Skills/ Understanding of regulatory environment/ Economic knowhow | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Professional skills and knowledge to assist the ongoing aspects of the business | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |

3. CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the value of the Company. The Code has been circulated to all concerned and the same is posted on the website of the Company which may be accessed at the web link: www.jbm-group.com

The Code is circulated to all the members of the Board and Senior Management and affirmations have been taken for compliance with the Code. A declaration signed by the Chairman & Managing Director to this effect is forming part of this report.

4. AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee. There is no change in the Composition of Audit Committee during FY 2020-21. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. The Audit Committee functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

(a) Composition, Category and Attendance record during the year

The composition of Audit Committee, category and record of attendance is given below:

| SN. | Name | Category | Designation | Attendance (No. of meeting held: 4) | Date of Audit Committee Meeting |
|-----|---------------------|--------------------------------|------------------|-------------------------------------|----------------------------------|
| 1. | Mr. Achintya Karati | Independent | Member/ Chairman | 4 | 26th Jun, 2020 |
| 2. | Mr. Dharpal Agarwal | Independent | Member | 4 | 10th Sep, 2020 |
| 3. | Mr. Nishant Arya | Non- Executive Non Independent | Member | 4 | 30th Oct, 2020 27th Jan, 2021 |

The Chairman & Managing Director, President & CFO and the representative of the Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. Mr. Ravi Arora, Company Secretary of the Company is the Secretary of the Audit Committee.

First meeting of Audit Committee for FY 2020-21 was held on 26th June, 2020, the meeting was conducted after the gap of 120 days which was in compliance with a permissible time gap as per SEBI circular dated March 19, 2020 and June 26, 2020 and MCA Circular dated 24th March, 2020 wherein relaxation owing to the CoVID-19 Pandemic was provided.

(b) Terms of Reference

The powers and role of the Committee encompasses accounting matters, financial reporting and internal controls. The terms of reference of the Audit Committee are in line with the Section 177 of the Act and Part C of Schedule II of the Listing Regulations. In fulfilling the above role, the Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations. The role of the audit committee includes the following:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommendation for appointment, re-appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- iv. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion (s) in the draft audit report;
- v. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

MANAGEMENT REPORT

- xiv. Discussion with the Internal Auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force.

5. NOMINATION AND REMUNERATION COMMITTEE:

The Board has framed the Nomination and Remuneration policy for its Directors, Key Managerial Personnel and other employees which ensures that level and composition of remuneration is reasonable and meets the performance benchmarks. There was no change in the composition of the committee during the last financial year. The Composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

(a) Composition, Category and Attendance record during the year

The composition and of Nomination and Remuneration Committee, category and record of attendance is given below:

| SN. | Name | Category | Designation | Attendance (No. of meeting held : 1) | Date of Nomination and Remuneration Committee Meeting |
|-----|---------------------|----------------|------------------|--------------------------------------|---|
| 1. | Mr. Dhanendra Kumar | Independent | Chairman/ Member | 1 | 27.01.2021 |
| 2. | Mr. Dharpal Agarwal | Independent | Member | 1 | |
| 3. | Mr. Achintya Karati | Independent | Member | 1 | |
| 4. | Mr. Nishant Arya | Non- Executive | Member | 1 | |

(b) Terms of reference

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for Directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become Directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The power, role, responsibilities and terms of reference of the Nomination and Remuneration Committee are as prescribed under Section 178 of the Companies Act, 2013 and also as provided in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Ravi Arora, Company Secretary of the Company is Secretary of the Nomination and Remuneration Committee.

(c) Role of Nomination and Remuneration Committee

The role of Nomination and Remuneration committee includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying 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 of Directors their appointment and removal.
- v. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- vi. To recommend to the board, all remuneration, in whatever form, payable to senior management.

(d) Detail of remuneration and sitting fee paid to Directors during the Financial Year 2020-21

| Remuneration paid to the Chairman & Managing Director | | Sitting Fees paid to Non-Executive Directors | | No. of equity shares held |
|---|---------------------|--|---|---------------------------|
| Particulars* | Amount (₹ In Lakhs) | Name of Directors | Board /Committee Meetings Amount (₹ In Lakhs) | |
| Salary & allowances | 201.62 | Mrs. Pravin Tripathi | 1.40 | - |
| Other Perquisites | 39.77 | Mr. Dharmpal Agarwal ¹ | - | - |
| Commission | 83.00 | Mr. Rajiv Gandhi ² | 1.40 | - |
| | | Mr. Nishant Arya | 2.40 | 4000 |
| | | Mr. Achintya Karati | 2.40 | - |
| | | Ms. Esha Arya ³ | - | - |
| | | Mr. Dhanendra Kumar | 1.65 | - |
| Total: | 324.39 | Total: | 9.25 | 4000 |

* Contribution to PF do not included in computation of overall managerial remuneration.

1. Fee was waived w.e.f. 14th July 2005;

2. Fee was paid in the name of MSIL, being its nominee director.

3. Fee was waived w.e.f. 20th April, 2016

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted a Stakeholder Relationship Committee which oversees and review all matters relating to transfer/transmission of shares, issue of duplicate share certificates (including transfer of Investor Education and Protection Fund) and also monitor redressal of the grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

(a) Composition: The Stakeholders Relationship Committee comprises of the following Directors:

| Sl. No. | Name | Category | Designation |
|---------|----------------------|------------------------------|-------------|
| 1. | Mr. Dharmpal Agarwal | Independent Director | Chairman |
| 2. | Mr. S. K. Arya | Chairman & Managing Director | Member |
| 3. | Mr. Dhanendra Kumar | Independent Director | Member |

The Board has appointed Mr. Ravi Arora, Company Secretary, as the Compliance Officer, as required under the Listing Regulations and the Nodal Officer to ensure compliance with the IEPF rules

The constitution of the Stakeholders' Relationship Committee and terms of reference are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year one meeting of committee was held on 27th January, 2021. All committee members were present at the meeting.

(b) Role of the Committee:

The role of the Committee include the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(c) Name and address of Compliance Officer:

Mr. Ravi Arora,
Company Secretary & Compliance Officer
Plot No.9, Institutional Area
Sector - 44, Gurgaon -122 003
Haryana.
Ph.: 0124 - 4674500 – 50;
Fax: 0124 - 4674559
E-mail: jbml.investor@jbmgroup.com; ravi.arora@jbmgroup.com

(d) Prevention of insider trading

'The Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in securities of the Company as amended from 01st April, 2019, is in line and conformity with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

The Code lays down guidelines, procedures to be followed and disclosure to be made while dealing with the shares of the Company and cautioning them of its consequences of non-compliance. The said code may be accessed on the Company's website at the link: <http://www.jbmgroup.com>

(e) Shareholders grievances / complaints received and resolved during the year

| | | |
|-------|---|-----|
| (i) | Number of Shareholders complaints received during the year | Nil |
| (ii) | Number of complaints not resolved to the satisfaction of shareholders | Nil |
| (iii) | Number of complaints pending at the end of the year | Nil |

(f) Registrar and Share Transfer Agent (RTA)

The Company has appointed M/s MCS Share Transfer Agent Limited as Registrar and Share Transfer Agent (RTA) to take care of share transfer related matters, dematerialization / re-materialization of Shares, etc. Investor may contact the RTA at the below mentioned address:

MCS Share Transfer Agent Limited

(Unit: Jay Bharat Maruti Limited)
F-65, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel.: 011-41609386; 41406149; 41709885 | Fax: 011-41709881
E-mail: admin@mcsregistrars.com; helpdesk@mcsregistrars.com

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee's constitution is in line and conformity with the Listing Regulations and the Companies Act, 2013.

The Corporate Social Responsibility Committee consists of three Directors. During the year, Two (2) meeting of the committee was held on 26th June, 2020 and 27th January, 2021. The Composition of the Committee is mentioned below:

(a) Composition and Category

| SN. | Name | Category | Designation |
|-----|----------------------|-------------------------|------------------|
| 1. | Mr. Dharmpal Agarwal | Independent Director | Chairman/ Member |
| 2. | Mr. Dhanendra Kumar | Independent Director | Member |
| 3. | Ms. Esha Arya | Non- Executive Director | Member |

(b) Role & Responsibilities

The role of the CSR Committee includes the following:

- Formulate and recommend to the Board, Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the Rules made thereunder.
- Recommend the amount of expenditure to be incurred on the activities under Corporate Social Responsibilities.
- Monitor Corporate Social Responsibility Policy of the Company.
- To carry out all other duties as may be required under the Companies Act, 2013 and rules made thereunder.

The Corporate Social Responsibility Committee has adopted a Corporate Social Responsibility Policy which is posted on the website of the Company. The same may be accessed at the web link: <http://www.jbmgroup.com/pdf/policies/CSR-policy.pdf> The Corporate Social Responsibility Report for the year ended 31st March, 2021 is given in the Directors' Report.

8. RISK MANAGEMENT COMMITTEE:

Composition of the Risk Management Committee:

- i. Mr. S. K. Arya, Chairman/ Member
- ii. Mr. Nishant Arya, Member
- iii. Mr. Anand Swaroop, Member

The prime responsibility of the Risk Management Committee is to implement and monitor the risk management plan and policy of the Company.

The role and responsibilities of the Committee includes the following:

- i. Framing of Risk Management Plan and Policy
- ii. Develop, implement and maintain a sound system of Risk Management
- iii. Assess and recommend to the Board acceptable level of risk.
- iv. Execute such other related functions as it may deem fit.
- v. Monitoring of Risk Management Plan and Policy.

The said committee was constituted on voluntary basis by the Board of Directors on 14th January, 2015. However, pursuant to provisions of SEBI Listing Regulations, 2015 vide its notification dated 5th May, 2021, the requirement of framing the Risk Management Committee with atleast one Independent Director and is compulsorily applicable from FY 2021-22 onwards.

In compliance of the said Notification, Board of Directors vide their meeting dated 27th July, 2021 reconstituted the committee in the following manner w.e.f. the date of Board Meeting:-

1. Mr. S. K. Arya, Chairman/ Member
2. Mr. Dharmpal Agarwal, Member
3. Mr. Anand Swaroop, Member

9. SHARES ALLOTMENT COMMITTEE

The Board of Directors for the Bonus Issue of 2,16,50,000 Equity Shares of the Company recommended in the ratio of 1:1. (i.e., 1 (One) new fully paid-up equity share of Rs. 5/- (Rupees Five) each for every 1 (One) existing fully paid-up equity shares of Rs. 5/- (Rupees Five) by the Board and for the ease of operation of the allotment of said equity shares to the members of Company, had constituted a committee named as Shares Allotment Committee of the Board which is authorized to do all operation in regard to the allotment of shares by the Company pursuant to Bonus Issue.

Composition of the Shares Allotment Committee:

- i. Mr. S. K. Arya, Chairman/ Member
- ii. Mr. Anand Swaroop, Member
- iii. Mr. Ravi Arora, Member

The Committee is authorized to issue and allot securities of the Company and to do all post allotment formalities relating to Bonus Issue including issuance of physical Share Certificates to respective Shareholder thereof.

10. GENERAL BODY MEETINGS:

I. Details of last three Annual General Meeting (AGMs):

| Financial Year | Date & Time of AGM | Venue | Special Resolution passed |
|----------------|------------------------------------|--|--|
| 2019-20 | 10th September, 2020 At 2:00 P.M. | Video Conferencing/ Other Audio-Visual Means (VC/OAVM) | <ul style="list-style-type: none"> • Revision in the period of appointment of Mr. S.K. Arya (DIN:00004626), Chairman and Managing Director. • Continuation of Directorship of Mr. Dhanendra Kumar (DIN:05019411) as an Independent Director of the Company • To consider and approve Proposal for Issue of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013. |
| 2018-19 | 14th September, 2019 At 10:30 A.M. | Air Force Auditorium, Subroto Park, New Delhi - 110010 | <ul style="list-style-type: none"> • Reappointment of Mr. Dharmpal Agarwal (DIN: 00084105) as an Independent Director of the Company. • Reappointment of Mr. Achintya Karati (DIN: 00024412) as an independent Director of the Company. • Approval the transactions with related parties pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. • Consideration and approval Proposal for Issue of Securities in terms of Section 42, 62 and 71 of the Companies Act, 2013. |
| 2017-18 | 4th September, 2018 At 10:30 A.M. | Air Force Auditorium, Subroto Park, New Delhi - 110010 | <ul style="list-style-type: none"> • Re-appointment of Mr. S.K. ARYA (DIN : 00004626) as Chairman & Managing Director • Issue of Non –Convertible Debentures on private placement basis |

II. No resolution was either required or passed through postal ballot in last year.

III. As on date of this report, no resolution is proposed through postal ballot in this year;

However, on the recommendation of your Board of Directors in their meeting held on 29th April, 2021, members of the Company in their Extra Ordinary General Meeting held on 31st May, 2021, has authorized for capitalization of free reserves & surplus for the issuance of Bonus Equity shares in the ratio of 1:1. The Shares Allotment Committee of the Board on 10th June, 2021 has allotted 21650000 equity shares to eligible members of the company appearing on Record Date as on 08.06.2021 fixed for this purpose.

11. DISCLOSURES:

- I. No material related significant transaction were entered during the year which might have potential conflicts with the interests of listed entity at large.
- II. No penalties or strictures were imposed on the Company by stock exchange(s), or the board or any statutory authority, on any matter related to capital markets, during the last three years;
- III. During the year all recommendation by all committees which were mandatorily required were accepted.
- IV. The Company do not have any subsidiary company.
- V. Policy on dealing with related party transaction is available at web link <http://www.jbmgroup.com/pdf/policies/JBML-Policy-on-Related-Party-Transaction.pdf>
- VI. The Company does not deal in commodities and hence the disclosure is not required to be given. However, the details of foreign currency exposure are disclosed in Note No. 48 to the Standalone Financial Statements.
- VII. Disclosure under Regulation 32 (7A) is not applicable for the year ended 31.03.2021.
- VIII. The details of payment made to Statutory Auditors for their services are mentioned in the Note No. 38 of Standalone Financial Statements and Note No. 38 of Consolidated Financial Statements. The company had not paid any other network entity for any other service in which Statutory Auditor is a part.
- IX. The Senior Management Personnel has made disclosure to the Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company.

- X. The financial statements have been prepared in accordance with the Generally Accepted Accounting Policies (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.
- XI. The Company has a Code of Conduct for its Board and Senior Management Personnel (as per Code of Corporate Governance), which is available on the Company's website. The Company has obtained a compliance certificate from all concerned.
- XII. The Company has made a policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company and the same can be accessed at the web link: www.jbmggroup.com
- XIII. The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also ensured the implementation of non-mandatory items such as:
- (a) Unmodified audit opinions / reporting
(b) Internal auditor reporting directly to the audit committee
- XIV. During the year the Company has not raised any fund through preferential allotment or qualification institutions, hence details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) is not required.
- XV. Company has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.
- XVI. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- XVII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:
- | | | |
|----|---|-----|
| a. | Number of complaints filed during the financial year : | NIL |
| b. | Number of complaints disposed of during the financial year : | NIL |
| c. | Number of complaints pending as on end of the financial year: | NIL |

12. MEANS OF COMMUNICATION:

The Company publishes unaudited quarterly/half yearly financial results and audited annual financial results reviewed by auditor, in newspapers like Business Standard, Financial Express and Jansatta. The said results are also informed to the Stock Exchanges where the shares of the Company are listed. The quarterly & half yearly results are not being sent separately to any of the shareholder. The Company also issues news releases on significant corporate decisions/ activities and posts them on the website.

The financial results of the Company are displayed on the website of the Company i.e., www.jbmggroup.com. The Company does not make presentations for institutional investors or to the analysts

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.

Corporate Filing and Dissemination System (Corp-filing) & NEAPS (NSE Electronic Application Processing System)

All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through Corp-filing and NEAPS respectively. The disclosures are also mailed to the exclusive e-mail IDs of these Stock Exchanges.

Exclusive e-mail ID for Investors

Pursuant to SEBI Circular, the Company has created an e-mail ID exclusively for redressal of investors' grievances. The investors may post their grievances to the specific e-mail ID i.e. jbml.investor@jbmggroup.com

13. 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.

14. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis report has been given separately in the Annual Report.

15. SHAREHOLDERS:

The detail relating to appointment / re-appointment of Directors is provided in the Notice of the Annual General Meeting.

16. GENERAL SHAREHOLDER INFORMATION:

(i) Annual General Meeting

Date and Time : Monday, 27th September, 2021
Venue/ Mode : Through VC/OAVM

(ii) Financial year

: 1st April to 31st March

Financial reporting for the Financial Year 2020-21

1st quarter ended 30th June, 2020 : September, 2020
2nd quarter ended 30th September, 2020 : October, 2020
3rd quarter ended 31st December, 2020 : January, 2021
Year ended 31st March, 2021 : April, 2021

(iii) Date of Book Closure

21st September, 2021 to 27th September, 2021 (both days inclusive)

(iv) Dividend Payment Date

The dividend, if declared, will be paid within 30 days from the date of Annual General Meeting. Physical warrants shall be dispatched to the shareholders, who have not registered their ECS mandates, upon normalization of postal services

(v) Listing on Stock Exchanges

The equity shares of the Company are listed and traded on the following Stock Exchanges:

| Sl. No. | Name & Address of Stock Exchanges | Stock / Scrip Code |
|--|---|--------------------|
| 1. | BSE Limited ("BSE") Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Tel. No. 022-22721233/34, Fax: 022-22721919 | 520066 |
| 2. | National Stock Exchange of India Limited ("NSE") Exchange Plaza, 5th Floor, Plot No.- C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, Tel.: 022-26598100-14, Fax : 022-26598120 | JAYBARMARU |
| ISIN No. for CDSL and NSDL: INE 571B01028 | | |

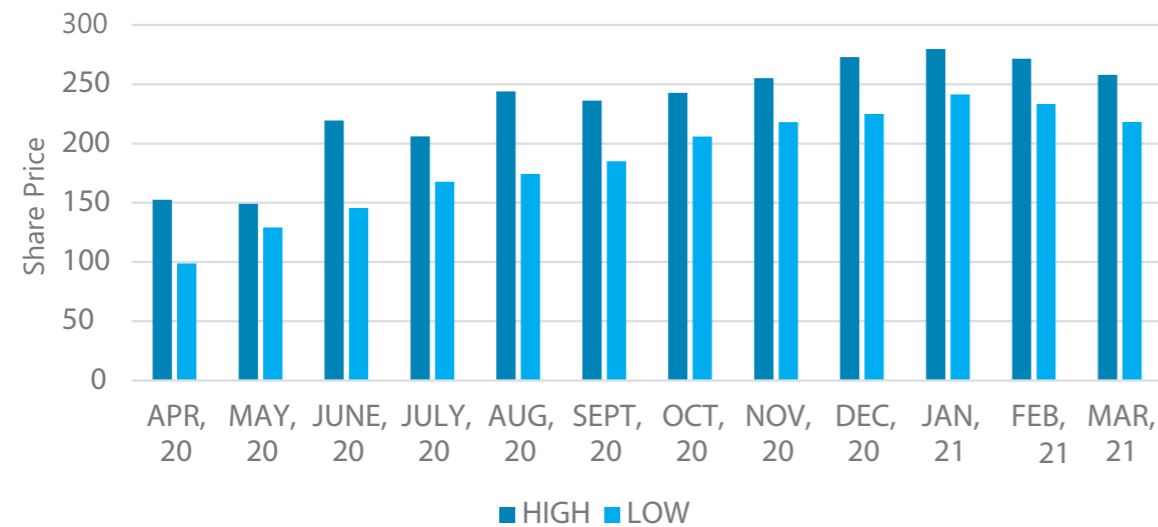
The Annual listing fee for the financial year 2020-21 has been paid by the Company to BSE and NSE and the Annual Custodian Fee has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2020-21.

17. STOCK MARKET DATA:

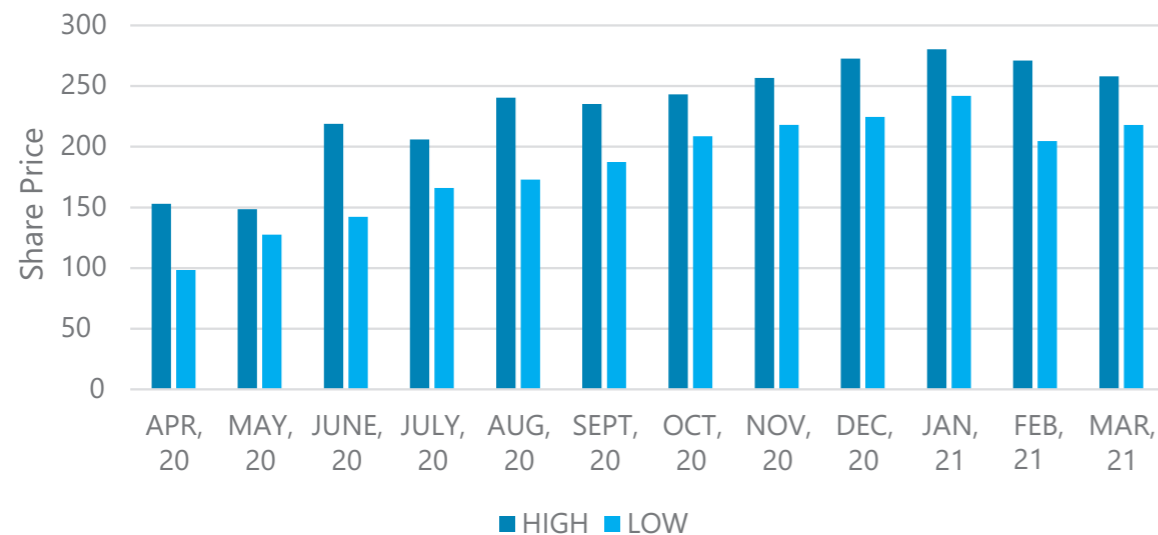
(A) SHARE PRICE MOVEMENT: The monthly High/Low Prices and Volume during the financial year 2020-21:

| Months | BSE Limited ("BSE") | | | National Stock Exchange of India Ltd. ("NSE") | | |
|-----------------|---------------------|---------|--------------------|---|---------|--------------------|
| | High (₹) | Low (₹) | Turnover (In Lacs) | High (₹) | Low (₹) | Turnover (In Lacs) |
| April, 2020 | 152.00 | 98.50 | 91.88 | 152.40 | 98.00 | 810.12 |
| May, 2020 | 148.80 | 128.00 | 71.50 | 148.40 | 127.25 | 450.20 |
| June, 2020 | 218.25 | 145.00 | 328.26 | 218.15 | 142.20 | 3545.55 |
| July, 2020 | 204.85 | 167.00 | 87.74 | 204.70 | 165.10 | 830.58 |
| August, 2020 | 243.50 | 174.20 | 439.12 | 239.80 | 172.10 | 4367.63 |
| September, 2020 | 234.80 | 185.00 | 216.61 | 234.80 | 186.80 | 2369.42 |
| October, 2020 | 242.00 | 205.35 | 225.49 | 242.00 | 208.10 | 2016.58 |
| November, 2020 | 254.80 | 216.90 | 344.85 | 255.00 | 217.25 | 4569.07 |
| December, 2020 | 272.00 | 224.05 | 402.12 | 272.00 | 224.05 | 4187.59 |
| January, 2021 | 278.35 | 240.85 | 469.91 | 279.00 | 240.50 | 4733.29 |
| February, 2021 | 270.90 | 233.00 | 168.84 | 269.70 | 203.30 | 1443.01 |
| March, 2021 | 256.85 | 217.00 | 100.59 | 257.05 | 216.60 | 1131.94 |

MONTHLY HIGH AND LOW AT BSE LTD.



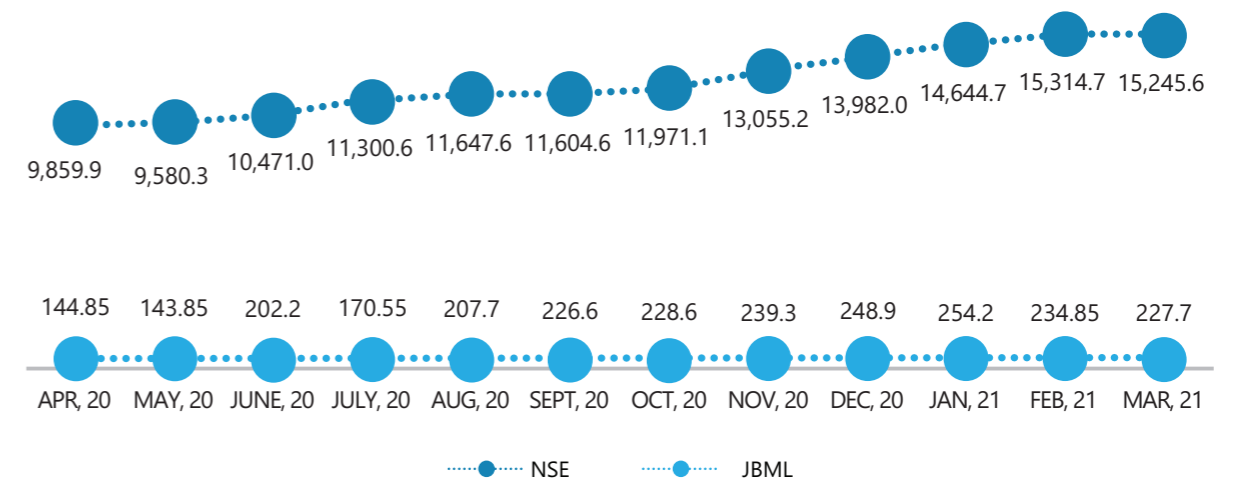
MONTHLY HIGH AND LOW AT NSE LTD.



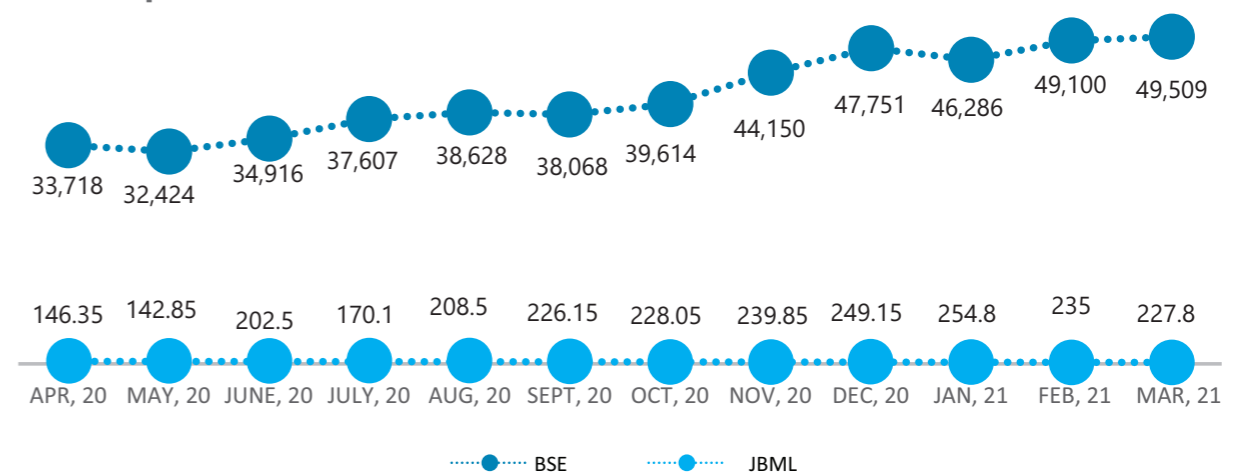
(B) PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO NIFTY AND BSE SENSEX DURING FY 2020-21:

A comparison of monthly closing share price at BSE and NSE with monthly closing BSE Sensex & NSE Nifty (S & P CNX Nifty) are as follows:

Comparison of the Share Price of JBML with NSE Nifty



Comparison of the Share Price of JBML with BSE Sensex



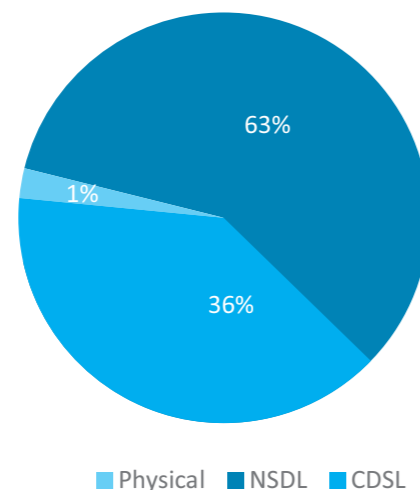
(C) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021

| Category (Shares) | Folios | | Shares | |
|-------------------|--------------|----------------|--------------------|----------------|
| | Numbers | Percentage (%) | Numbers | Percentage (%) |
| 1 – 500 | 16302 | 93.53 | 1465412 | 6.77 |
| 501 – 1000 | 585 | 3.36 | 454962 | 2.10 |
| 1001 – 2000 | 299 | 1.72 | 457093 | 2.11 |
| 2001 – 3000 | 77 | 0.44 | 194212 | 0.90 |
| 3001 – 4000 | 48 | 0.28 | 174731 | 0.81 |
| 4001 – 5000 | 22 | 0.13 | 102784 | 0.48 |
| 5001 – 10000 | 41 | 0.23 | 295231 | 1.36 |
| 10001 – 50000 | 32 | 0.18 | 661335 | 3.05 |
| 50001 – 100000 | 3 | 0.02 | 193375 | 0.89 |
| 100001 & above | 20 | 0.11 | 17650865 | 81.53 |
| Total | 17429 | 100.00 | 2,16,50,000 | 100.00 |

(D) CATEGORY OF SHAREHOLDERS HOLDING SHARES IN COMPANY AS ON 31ST MARCH, 2021

| Category | No. of shareholder | Percentage (%) | Shares held | Percentage (%) |
|--------------|--------------------|----------------|-----------------|----------------|
| Physical | 1249 | 7.17 | 290207 | 1.34 |
| NSDL | 8823 | 50.62 | 13552723 | 62.60 |
| CDSL | 7357 | 42.21 | 7807070 | 36.06 |
| Total | 17,429 | 100 | 21650000 | 100 |

SHAREHOLDING PATTERN



The shares of the Company are available for trading with both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The name and addresses of the depositories are as under:

| National Securities Depository Limited | Central Depository Services (India) Limited |
|--|---|
| Trade World, 4th Floor Kamala Mills Compound Senapathi Bapat Marg Lower Parel, Mumbai - 400013 Tel. No. 022 - 24994200 Fax No. 022 - 24976351 E Mail : info@nsdl.co.in | Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400023 Tel No. 022 - 22723333; Fax: 022 - 22723199 / 22722072 E-Mail: investor@cdslindia.com; helpdesk@cdslindia.com |

(E) VALUATION OF SHARES: The closing price of the Company's share as on 31st March, 2021 on the Stock Exchanges are given below:

| Sl. No. | Name of the stock exchanges | Share price |
|---------|---|-------------|
| 1. | BSE Limited ("BSE") | 227.80 |
| 2. | National Stock Exchange of India Ltd. ("NSE") | 227.70 |

(F) MARKET CAPITALIZATION: Market Capitalization as on 31st March, 2021 is Rs. 49318.70 Lakhs.

(G) DEMATERIALIZATION OF SHARES & LIQUIDITY:

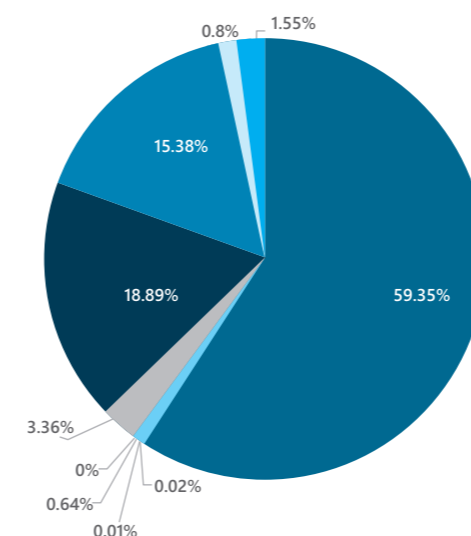
The shares of the Company are in compulsory demat segment and are available for trading on NSE and BSE. As at 31st March, 2021, 21359793 equity shares out of 216,50,000 equity shares of the company, representing 98.66% of the Company's paid up capital are held in dematerialized form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE571B01028

(H) 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 SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 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 Share Transfer Committee of the Board of Directors 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.

(I) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2021

| Category code | Category of Shareholder | Number of Shares | Percentage (%) |
|---|--|--------------------|----------------|
| (A) Shareholding of Promoter and Promoter Group | | | |
| 1 | Indian | 12848679 | 59.35 |
| 2 | Foreign | - | - |
| Sub Total (A): | | 12848679 | 59.35 |
| (B) Public shareholding | | | |
| 1 | Institutions | | |
| (a) | Mutual Funds/ UTI | 3800 | 0.02 |
| (b) | Financial Institutions / Banks | 1200 | 0.01 |
| (c) | Insurance Companies | 1000 | 0.00 |
| (d) | Foreign Portfolio Investors | 726908 | 3.36 |
| Sub-Total (B)(1): | | 732908 | 3.39 |
| 2 | Central Government/ State Government(s) | 138456 | 0.64 |
| Sub-Total (B)(2): | | 138456 | 0.64 |
| 3 | Non-institutions | | |
| (a) | Bodies Corporate | 4090208 | 18.89 |
| (b) | Individual shareholders holding nominal share capital up to ₹ 2 lakh | 3330343 | 15.38 |
| (c) | Individual shareholders holding nominal share capital in excess of ₹ 2 lakh. | 172831 | 0.80 |
| (e) | NRI with & without REPAT | 336575 | 1.55 |
| Sub-Total (B)(3): | | 7929957 | 36.62 |
| Total Public Shareholding (B)(1)+(B)(2) +(B)(3): | | 8801321 | 40.65 |
| Grand Total: | | 2,16,50,000 | 100.00 |



Shareholding Pattern

- Promoter
- Mutual Funds/ UTI
- Financial Institutions / Banks
- Central Government/ State Government(s)
- Insurance Companies
- Foreign Portfolio Investors
- Bodies Corporate
- Individual shareholders holding nominal share capital up to Rs 2 lakh
- Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.
- NRI with & without REPAT

(J) OUTSTANDING GDR/ADR/WARRANTS OR ANY OTHER CONVERTIBLE INSTRUMENTS

The Company has no outstanding GDR/ADR/Warrants or any other convertible Instruments as on 31st March, 2021.

(K) CREDIT RATINGS OBTAINED DURING THE FINANCIAL YEAR

ICRA has reaffirmed its credit rating of A1 for short term instruments and the rating for long term debt Instruments is A+ and indicating the outlook on the long term rating as "Stable".

18. UNPAID / UNCLAIMED DIVIDEND OF THE COMPANY FOR PREVIOUS YEARS:

As per Section 123 of the Companies Act, 2013, the Company is required to transfer the balance amount of dividends remaining unpaid/unclaimed for a period of 7 years from the due date to the Investor Education Protection Fund (IEPF) set up by the Central Government. Given below are the tentative due dates for transfer of unpaid/unclaimed dividends to IEPF by the Company. It is important to note that no claim shall lie against the Company or IEPF, once amount is transferred to IEPF.

| Financial Year | Rate of Dividend | Proposed date for transfer to IEPF |
|----------------|------------------|------------------------------------|
| 2013-14 | 25% | 18th September, 2021 |
| 2014-15 | 40% | 23rd September, 2022 |
| 2015-16 | 40% | 2nd October, 2023 |
| 2016-17 | 50% | 23rd September, 2024 |
| 2017-18 | 50% | 10th October, 2025 |
| 2018-19 | 50% | 20th October, 2026 |
| 2019-20 | 25% | 8th November, 2027 |

19. PLANT LOCATION:

| | | |
|--------------------|---|---|
| Plant - I | : | Plot No. 5, Maruti Joint Venture Complex, Gurgaon -122015, Haryana. |
| Plant - II | : | Sector 36, Mohammadpur Jharsa, Near Khandsa Village, Gurgaon -122001, Haryana. |
| Plant - III | : | Plot No. 15 & 22, Sector 3A, Maruti Supplier Park, IMT Manesar, Gurgaon -122050 Haryana. |
| Plant - IV | : | Sector 36, Mohammadpur Jharsa, Near Khandsa Village, Gurgaon -122001, Haryana. |
| Plant - V | : | Survey No.62, Paiki, 6 & 7, GIDC Extension Road, Village Vithlapur, Taluka Mandal, District Ahmedabad Gujarat -382130 |

20. ADDRESSES:

Investors/ shareholders correspondence may be addressed either to the Company at its corporate office or to its share transfer agent at the following respective address(s):

Mr. Ravi Arora
Company Secretary
 Jay Bharat Maruti Limited,
 Plot No. 9, Institutional Area,
 Sector -44, Gurgaon, Haryana -122 003.
 Tel.: 0124 - 4674500
 Fax: 0124 - 4674599
 E-mail: ravi.arora@jbmgroup.com
 jbml.investor@jbmgroup.com

MCS Share Transfer Agent Limited
(Unit: Jay Bharat Maruti Limited)
 F - 65,1st Floor
 Okhla Industrial Area, Phase - I
 New Delhi-110 020.
 Tel.: 011-41609386, 41406149, 41709885
 Fax: 011-41709881
 E-mail: admin@mcsregistrars.com
 helpdeskdelhi@mcsregistrars.com

21. WEB SITE:

The following updates and information can be accessed through the company's website i.e. www.jbmgroup.com

- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate disclosures made to the Stock exchanges
- Unpaid Dividend
- Various Policies, etc.

22. 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.jbm-group.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited 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.

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)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulation 2015, (LODR) in respect to Jay Bharat Maruti Limited (CIN: : L29130DL1987PLC027342) I hereby certify that :

*On the basis of written representation /declarations received from the Directors and taken on record by the Board of Directors as on March 31, 2021 , none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authorities.

Where ever 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. Our Certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Noida
Date: July 27,2021

Sunita Mathur
FCS No.: 1743 / C P No.: 741
UDINF001743C000690717
PR: 1297/2021

*Disclaimer Note: During this challenging time of COVID 19 outbreak, the Audit for this "Certificate" has been undertaken by verification of relevant documents that could be made available for online verification, consequent to lockdown and offices being closed.

CODE OF CONDUCT COMPLIANCE CERTIFICATE FOR FY 2020-21

To the best of my knowledge and belief and information available with me, I hereby declare that all the Board Members and Senior Management Personnel of M/s Jay Bharat Maruti Limited have complied with the Code of Conduct during the financial year 2020-21 (as applicable on them).

Place: New Delhi
Date: April 29, 2021

For Jay Bharat Maruti Limited
Sd/-
S. K. Arya
Chairman & Managing Director
DIN:00004626

CEO AND CFO CERTIFICATION

The Board of Directors
Jay Bharat Maruti Limited
601, Hemkunt Chambers
89, Nehru Place
New Delhi 110019

Date: April 29, 2021

Sub: Annual Certificate of Compliance for FY 2020-21

Sir(s),

We, S. K. Arya, Chairman & Managing Director and Anand Swaroop, President & CFO of the Company hereby states that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2021 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee:
 - i. significant changes in 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; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system for financial reporting.

Thanking you,

Sd/-
(S. K. Arya)
Chairman & Managing Director
DIN: 00004626

Sd/-
(Anand Swaroop)
President & CFO

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
JAY BHARAT MARUTI LIMITED
CIN : L29130DL1987PLC027342.
601, Hemkunt Chamber,
89 Nehru Place, New Delhi - 110019

I, have examined the compliance of conditions of Corporate Governance by Jay Bharat Maruti Limited (hereinafter referred to as "the Company"), for the year ended 31st March, 2021 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the period 1st April, 2019 to 31st March, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

*In my opinion and to best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Where ever 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. Our Certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: July 27, 2021
Place: Noida

Sd/-
Sunita Mathur
Company Secretary in Practice
FCS No. 1743 / CP No.: 741
ICSI UDIN:UDINF001743C000690673

*Disclaimer Note: During this challenging time of COVID 19 outbreak, the Audit for this "Certificate" has been undertaken by verification of relevant documents that could be made available for online verification, consequent to lockdown and offices being closed.

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF JAY BHARAT MARUTI LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **JAY BHARAT MARUTI 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 Matter | 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. 2.4 and 27 of the Standalone 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 Standalone Financial Statements. - Tested the related disclosures made in notes to the Standalone Financial Statements in respect of the revenue from operations. |

FINANCIAL STATEMENTS

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 37 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**

**Sd/-
Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAAABZ8674**

**Place: New Delhi
Date: April 29, 2021**

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF JAY BHARAT MARUTI 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:
- The Company has maintained proper records showing the full particulars including quantitative details and situation of fixed assets.
 - 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.
 - 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.
- (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 our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013
- (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, the maintenance of the cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) In respect of the statutory and other dues:
- 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.
 - 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 | Amount due (net of deposit *) (Rs. In Lakhs) | Year to which amount relates | Forum where dispute is pending |
|-------|------------------------------|--|--|------------------------------|--------------------------------|
| 1 | The Central Excise Act, 1944 | Excise Duty (Interest on Supplementary Bill) | 115.48 | FY 2001- 2009 | Supreme Court |
| 2 | Finance Act, 1994 | Service Tax | 2.51 | FY 2011-2016 | CGST-Appeal-Gurugram |
| 3 | Income Tax Act, 1961 | Income Tax | 995.46 | FY 2004-2005 to 2013-14 | Income Tax Appellate Tribunal |

*Total amount deposited in respect of disputed Service Tax demands is ₹ 1.42 Lakhs.

- (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 banks. The Company has not borrowed from Financial Institutions, 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**

**Sd/-
Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAAABZ8674**

**Place: New Delhi
Date: April 29, 2021**

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF JAY BHARAT MARUTI 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 **JAY BHARAT MARUTI 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**

**Sd/-
Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAABZ8674**

**Place: New Delhi
Date: April 29, 2021**

CIN L29130DL1987PLC027342
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

₹ In Lakhs

| Particulars | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|---|----------|----------------------|----------------------|
| ASSETS | | | |
| 1. Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 85,939.40 | 81,676.00 |
| (b) Capital Work-in-Progress | 4 | 8,340.96 | 14,312.10 |
| (c) Intangible Assets | 5 | 38.64 | 60.94 |
| (d) Financial Assets | | | |
| (i) Investments | 6 | 2,400.44 | 2,073.05 |
| (ii) Loans | 7 | 361.57 | 361.59 |
| (e) Other Non-Current Assets | 8 | 3,884.83 | 3,592.72 |
| | | 1,00,965.84 | 1,02,076.40 |
| 2. Current Assets | | | |
| (a) Inventories | 9 | 15,286.96 | 12,257.81 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 10 | 6,151.80 | 5,191.87 |
| (ii) Cash and Cash Equivalents | 11 | 219.99 | 151.52 |
| (iii) Bank Balances other than (ii) above | 12 | 40.28 | 41.80 |
| (iv) Other Financial Assets | 13 | 186.49 | 242.49 |
| (c) Other Current Assets | 14 | 438.82 | 712.82 |
| | | 22,324.34 | 18,598.31 |
| TOTAL | | 1,23,290.18 | 1,20,674.71 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 15 | 1,082.50 | 1,082.50 |
| (b) Other Equity | 16 | 43,884.59 | 41,225.34 |
| | | 44,967.09 | 42,307.84 |
| Liabilities | | | |
| 1. Non-Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 23,423.65 | 27,911.74 |
| (ii) Other Financial Liabilities | 18 | - | 3,145.75 |
| (b) Provisions | 19 | 904.43 | 1,197.67 |
| (c) Deferred Tax Liabilities (Net) | 20 | 8,229.26 | 7,404.64 |
| (d) Other Non-Current Liabilities | 21 | 1,551.17 | - |
| | | 34,108.51 | 39,659.80 |
| 2. Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 22 | 4,600.00 | 11,269.27 |
| (ii) Trade Payables | 23 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 617.85 | 301.51 |

FINANCIAL STATEMENTS

| Particulars | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|--|----------|----------------------|----------------------|
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 19,980.82 | 16,183.74 |
| (iii) Other Financial Liabilities | 24 | 15,352.54 | 8,509.57 |
| (b) Other Current Liabilities | 25 | 3,495.19 | 2,243.52 |
| (c) Provisions | 26 | 168.18 | 199.46 |
| | | 44,214.58 | 38,707.07 |
| TOTAL | | 1,23,290.18 | 1,20,674.71 |
| Significant Accounting Policies | 2 | | |

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

CIN L29130DL1987PLC027342
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31ST MARCH, 2021

| Particulars | Note No. | ₹ In Lakhs | |
|--|-----------|-----------------------------------|-----------------------------------|
| | | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
| I. Revenue from Operations | 27 | 1,49,906.79 | 1,65,771.34 |
| II. Other Income | 28 | 453.44 | 169.85 |
| III. Total Income (I + II) | | 1,50,360.23 | 1,65,941.19 |
| IV. Expenses | | | |
| Cost of Materials Consumed | | 1,14,727.09 | 1,25,234.47 |
| Changes in Inventories of Finished Goods and Work in Progress | 29 | (1,418.18) | 1,569.89 |
| Employee Benefits Expense | 30 | 13,596.30 | 14,207.74 |
| Finance Costs | 31 | 3,295.89 | 3,807.95 |
| Depreciation and Amortization Expense | 32 | 6,594.30 | 6,252.02 |
| Other Expenses | 33 | 9,410.53 | 10,655.24 |
| Total Expenses (IV) | | 1,46,205.93 | 1,61,727.31 |
| V. Profit before tax (III-IV) | | 4,154.30 | 4,213.88 |
| VI. Tax Expense: | 34 | | |
| (1) Current Tax | | 721.31 | 747.14 |
| (2) Deferred Tax | | 773.57 | 710.82 |
| (3) Earlier Years Tax | | 53.14 | (46.08) |
| | | 1,548.02 | 1,411.88 |
| VII. Profit after tax for the year (V-VI) | | 2,606.28 | 2,802.00 |
| VIII. Other Comprehensive Income | 35 | | |
| (A) Items that will not be reclassified subsequently to profit or Loss | | | |
| - Remeasurement of the net defined benefit liability/asset | | (5.84) | 95.32 |
| - Income tax effect | | 2.04 | (33.31) |
| - Fair value changes on Investment | | 327.39 | (309.56) |
| (B) Items that will be reclassified subsequently to profit or Loss | | - | - |
| Total Other Comprehensive Income (A)+ (B) | | 323.59 | (247.55) |
| IX. Total Comprehensive Income (VII+VIII) | | 2,929.87 | 2,554.45 |
| X. Earnings per equity share (Face Value of ₹ 5/- each) : | 36 | | |
| (1) Basic | | 12.04 | 12.94 |
| (2) Diluted | | 12.04 | 12.94 |
| Significant Accounting Policies | 2 | | |

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

CIN L29130DL1987PLC027342

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

| A. Equity Share Capital | | | | | ₹ In Lakhs |
|--|-----------------------------|--|--|--|-------------------------------------|
| Particulars | Balance as at 01 April 2019 | Change in equity share capital during the year | Balance at the end of 31 March 2020 | Change in equity share capital during the year | Balance at the end of 31 March 2021 |
| Equity Share Capital | 1,082.50 | - | 1,082.50 | - | 1,082.50 |
| B. Other Equity | | | | | ₹ In Lakhs |
| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total | |
| | General Reserve | Retained Earnings | Equity Instrument through other Comprehensive Income | | |
| Balance as at 1 April 2019 | 2,516.75 | 35,735.39 | 1,071.26 | 39,323.40 | |
| Profit for the year | - | 2,802.00 | - | 2,802.00 | |
| Remeasurement of defined benefit obligations (net of income tax) | - | 62.01 | - | 62.01 | |
| Fair valuation of investments | - | - | (309.56) | (309.56) | |
| Dividend distributed during the year (₹ 2.50 per share) | - | (541.25) | - | (541.25) | |
| Corporate dividend tax | - | (111.26) | - | (111.26) | |
| Balance as at 31 March 2020 | 2,516.75 | 37,946.89 | 761.70 | 41,225.34 | |
| Profit for the year | - | 2,606.28 | - | 2,606.28 | |
| Remeasurement of defined benefit obligations (net of income tax) | - | (3.80) | - | (3.80) | |
| Fair valuation of investments | - | - | 327.39 | 327.39 | |
| Dividend distributed during the year (₹ 1.25 per share) | - | (270.63) | - | (270.63) | |
| Corporate dividend tax | - | - | - | - | |
| Balance as at 31 March 2021 | 2,516.75 | 40,278.75 | 1,089.09 | 43,884.59 | |

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

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Place: New Delhi
Date : April 29, 2021

Ravi Arora
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M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
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New Delhi

CIN L29130DL1987PLC027342

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

| Particulars | ₹ In Lakhs | |
|--|--------------------------|--------------------------|
| | Year ended March 31,2021 | Year ended March 31,2020 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 4,154.30 | 4213.88 |
| Adjustments for : | | |
| Depreciation and amortisation | 6,594.30 | 6,252.02 |
| Finance cost | 3,295.89 | 3,807.95 |
| Interest income | (69.87) | (29.24) |
| Dividend income | (10.44) | (15.30) |
| Rental income | (28.92) | (28.92) |
| Balances written back | (67.70) | (34.83) |
| Unpaid exchange fluctuation | (78.13) | 211.58 |
| Profit/Loss on sale of property,plant and equipment | 14.71 | 9,649.84 |
| Operating Profit before working Capital changes | 13,804.14 | 14,334.30 |
| Adjustments for : | | |
| Trade and other receivables | (628.39) | 3,274.55 |
| Inventories | (3,029.15) | 4,663.72 |
| Trade and other payables | 6,946.07 | 3,288.53 |
| Cash generated from operating activities | 17,092.67 | 17,325.91 |
| Direct taxes paid | (752.73) | (752.73) |
| Net Cash from Operating Activities | 16,339.94 | 15,404.53 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Capital expenditure on property,plant and equipment and intangible assets including capital advances | (5,167.00) | (13,893.40) |
| Proceeds from sale of property,plant and equipment | 68.11 | 103.11 |
| Purchase of Investments | - | (666.89) |
| Rent received | 28.92 | 28.92 |
| Interest received | 69.87 | 29.24 |
| Dividend received | 10.44 | 15.30 |
| Net cash used in Investing Activity | (4,989.66) | (14,383.72) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Non Current borrowings | 5,379.35 | 9,776.08 |
| Repayments of Non Current borrowings | (6,372.24) | (9,641.89) |
| Current borrowings(Net) | (6,697.36) | 3,329.60 |
| Interest paid | (3,320.93) | (3,772.02) |
| Dividend paid | (270.63) | (541.25) |
| Corporate dividend tax | - | (111.26) |
| Net cash used in financing activities | (11,281.81) | (960.74) |
| Net increase in Cash and Cash equivalents | 68.47 | 60.07 |
| Cash and Cash equivalents at the beginning of the year | 151.52 | 91.45 |
| Cash and Cash equivalents at the end of the year | 219.99 | 151.52 |

The accompanying notes are forming part of these financial statements

CIN L29130DL1987PLC027342
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

NOTES:

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the IND AS-7 "Statement of Cash Flows".
2. During the year the Company spent ₹ 142.40 Lakhs (P.Y ₹ 164.20 Lakhs) on CSR Expenses in accordance with the provisions of the Companies Act, 2013
3. Cash and Cash Equivalents include Bank Balances and Cash in Hand (Refer Note No. 11)
4. Figures in bracket represents cash outflow.
5. IND AS 7 cash flow statements 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 requirement following disclosure is made:

| | As at 1st April 2020 | Recognised During the Year | Cash Inflows/ (Outflows) | Acquisition/Foreign Exchange Movement/Fair Value Changes | As at 31st March 2021 |
|-------------------------|----------------------|----------------------------|--------------------------|--|-----------------------|
| Borrowings- Non Current | 32,632.24 | - | (856.48) | | 31,775.76 |
| Borrowings- Current | 11,269.27 | - | (6,669.27) | - | 4,600.00 |
| Lease liabilities | 594.65 | - | (136.40) | 50.54 | 508.79 |

₹ In Lakhs

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. - 002816N

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**1. GENERAL INFORMATION**

Jay Bharat Maruti Limited (JBML) ("The Company") is a public limited company incorporated in India, listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is 601, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019. The Company is a Associate of Maruti Suzuki India Limited. The principal activities of the Company are manufacturing of sheet metal components, rear axle, muffler assemblies, fuel neck and tools & dies for motor vehicles, components and spare parts.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorize for issue on 29-04-2021.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1. Statement of Compliance**

The Financial Statements have been prepared as a going concern 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.

The principal accounting policies are set out below.

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 realization 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.

2.3. Use of Estimates & Judgment's

The preparation of financial statements in conformity with Ind AS requires management to make judgment's, 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 is recognized for sale of products when the Company transfer control over such products to the customer which is generally on dispatch from the factory.

Sale of Services

Revenue from services are recognized as related services are performed.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses. 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.

2.5. Leases

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
- 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 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

2.6. 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 rates at the dates 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 the 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 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).

2.7. 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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. Re-measurements 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 are administered through Trust set up by the LIC. 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.

Re-measurement 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 Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund administered through Life Insurance Corporation of India. The Company's contribution are 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 and Employees' Pension Scheme 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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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. Freehold land is measured at cost and is not depreciated.

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.

Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option available in Ind AS 101.

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.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

| Property, plant and equipment | Useful lives based on technical evaluation |
|--|--|
| Plant & machinery | 20 years |
| Electric Installation | 20 years |
| Factory Building (Including Tube well) | 28-29 Years |
| Vehicles | 5 years |
| Office Building | 60 years |
| Furniture & Fixtures | 5 years |
| Trolleys & Bins (Dies, Fixtures & Special Purpose Machine) | 5 years |
| Dies, Fixtures & Jigs | 3-9 Years |
| Computers | 3 Years |
| Office Equipment | 5 Years |

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing ₹ 5000/- or less are depreciated in full in the year of purchase. Plant & Machinery and other assets the written down value of which at the beginning of the year is ₹ 5000/- or less and ₹ 1000/- or less respectively are depreciated at the rate of 100%.

Freehold land is not amortised.

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.

Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an intangible asset at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option in Ind AS 101.

Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows.

Residual Value is considered as Nil in the below cases:

| Nature of Assets | Life |
|-------------------|---------|
| Technical knowhow | 3 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 de-recognition 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, less any provisions for obsolescence. Cost is determined on the following basis:-

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis;

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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.

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. 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 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.

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in the Statement of Profit and Loss.

(iv). Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are 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 recognising 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 Cash Flow Statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet and forms part of financing activities in the Cash Flow Statement. Book overdrafts are shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the Cash Flow Statement.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**(vii). 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.

(viii). De-recognition of financial assets

A financial asset is de-recognised 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.

(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 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.

(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 Company 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 the Statement of Profit and Loss.

(xiii). 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.

(xiv). Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the 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 the 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). De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(xvii). 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 re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the 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 the 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 Company or the counterparty.

2.15. 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 are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 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.

2.16. 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 would be anti-dilutive.

2.17. Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.18. Royalty

The Company pays/accrues for royalty in accordance with the relevant licence agreements.

2.19. 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.

2.20. Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lacs as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE-3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

| Description | Freehold Land # | Leasehold Land (Right of use Asset) | Buildings | Plant and Equipment | Furniture & Fixtures | Office Equipment | Computers & Computer System | Vehicles | Total |
|-------------------------------|-----------------|-------------------------------------|-----------|---------------------|----------------------|------------------|-----------------------------|----------|-------------|
| Gross Block* | | | | | | | | | |
| As at 01 April 2019 | 1,855.76 | 29.16 | 9,389.73 | 88,843.96 | 176.43 | 291.97 | 209.00 | 448.11 | 1,01,244.10 |
| Additions | - | 690.91 | 1,050.33 | 2,740.73 | 7.60 | 23.06 | 5.39 | 345.70 | 4,863.73 |
| Disposals | - | - | (7.10) | (78.72) | - | - | (2.08) | (134.12) | (222.02) |
| As at 31 March 2020 | 1,855.76 | 720.07 | 10,432.96 | 91,505.97 | 184.03 | 315.03 | 212.30 | 659.69 | 1,05,885.80 |
| Additions | - | - | 1,616.34 | 9,199.27 | 62.09 | 4.85 | 23.13 | 12.54 | 10,918.22 |
| Disposals | - | - | - | (102.14) | (0.04) | - | (4.21) | (50.96) | (157.35) |
| As at 31 March 2021 | 1,855.76 | 720.07 | 12,049.30 | 1,00,603.10 | 246.08 | 319.88 | 231.22 | 621.27 | 1,16,646.67 |
| Accumulated Depreciation* | | | | | | | | | |
| As at 01 April 2019 | - | 29.16 | 932.68 | 16,794.54 | 103.92 | 120.41 | 100.11 | 182.68 | 18,263.51 |
| Charge for the year | - | 104.27 | 367.85 | 5,429.03 | 25.82 | 41.85 | 41.55 | 97.68 | 6,108.04 |
| Adjustments on disposals | - | - | (0.15) | (62.64) | - | - | (0.92) | (98.04) | (161.75) |
| As at 31 March 2020 | - | 133.43 | 1,300.38 | 22,160.93 | 129.74 | 162.26 | 140.73 | 182.31 | 24,209.80 |
| Charge for the year | - | 104.27 | 394.01 | 5,858.95 | 23.05 | 42.35 | 35.48 | 113.88 | 6,572.00 |
| Adjustments on disposals | - | - | - | (42.93) | - | - | (3.84) | (27.76) | (74.53) |
| As at 31 March 2021 | - | 237.70 | 1,694.39 | 27,976.95 | 152.79 | 204.61 | 172.37 | 268.43 | 30,707.27 |
| Net block as at 31 March 2020 | 1,855.76 | 586.64 | 9,132.59 | 69,345.03 | 54.28 | 152.77 | 71.55 | 477.38 | 81,676.00 |
| Net block as at 31 March 2021 | 1,855.76 | 482.37 | 10,354.91 | 72,626.15 | 93.29 | 115.26 | 58.85 | 352.84 | 85,939.40 |

Includes a small portion of Freehold Land of the Company situated at Gurugram is provided on cancellable operating lease.

* For Property, Plant and Equipment - charged as security - refer Note No. 17 & 22

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

₹ In Lakhs

NOTE-4 : CAPITAL WORK IN PROGRESS

| | 31-Mar-21 | 31-Mar-20 |
|---------------------------|-----------------|------------------|
| Capital Work in Progress* | 8,340.96 | 14,312.10 |
| | 8,340.96 | 14,312.10 |

* Including Pre-operative expenses ₹ 462.78 Lakhs (As at March 31, 2020 ₹ 957.10 Lakhs)

Pre-operative expense pending allocation :

₹ In Lakhs

| Nature of Expense | 31-Mar-21 | 31-Mar-20 |
|------------------------------------|-----------------|---------------|
| Opening Balance | 957.10 | 143.15 |
| Additions During the Year : | | |
| Salary & Wages | 77.74 | 97.56 |
| Travelling & Conveyance | - | 42.17 |
| Other Miscellaneous Expenses | 2.90 | 34.42 |
| Interest Expenses | 678.82 | 644.82 |
| Total | 1,716.56 | 962.12 |
| Less : Capitalised during the year | (1,253.78) | (5.02) |
| Closing Balance | 462.78 | 957.10 |

NOTE-5 : INTANGIBLE ASSETS

₹ In Lakhs

| | Technical Knowhow | Computer Software | Total |
|------------------------------------|-------------------|-------------------|--------|
| Gross Block | | | |
| As at 01 April 2019 | 647.61 | 222.67 | 870.28 |
| Additions | - | 7.77 | 7.77 |
| Balance as at 31 March 2020 | 647.61 | 230.45 | 878.06 |
| Additions | - | - | - |
| Balance as at 31 March 2021 | 647.61 | 230.45 | 878.06 |
| Accumulated Amortisation | | | |
| As at 01 April 2019 | 514.22 | 158.92 | 673.14 |
| Charge for the year | 99.48 | 44.50 | 143.98 |
| Balance as at 31 March 2020 | 613.70 | 203.42 | 817.12 |
| Charge for the year | - | 22.30 | 22.30 |
| Balance as at 31 March 2021 | 613.70 | 225.72 | 839.42 |
| Net book value as at 31 March 2020 | 33.91 | 27.03 | 60.94 |
| Net book value as at 31 March 2021 | 33.91 | 4.73 | 38.64 |

FINANCIAL ASSETS

₹ In Lakhs

NOTE 6 : INVESTMENTS

| | Units as at March 31,2021 | Units as at March 31,2020 | 31-Mar-21 | 31-Mar-20 |
|--|---------------------------|---------------------------|-----------------|-----------------|
| Investment in Equity Instruments | | | | |
| Joint Venture (At cost) (Fully paid up)* | | | | |
| - Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in JBM Ogihara Die Tech Private Limited | 1,07,28,118 | 1,07,28,118 | 1,072.81 | 1,072.81 |
| | | | 1,072.81 | 1,072.81 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| "In Others" | | | | |
|---|-----------|-----------|-----------------|-----------------|
| (in Equity Instruments at Fair Value through Other Comprehensive Income) | | | | |
| Unquoted (Fully paid up) | | | | |
| | | | | ₹ In Lakhs |
| - Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Nagata India Private Limited | 20,85,000 | 20,85,000 | 514.37 | 493.42 |
| | | | 514.37 | 493.42 |
| Quoted (Fully paid up) | | | | |
| - Equity Shares Face value of ₹ 5/- (P.Y ₹ 5/-) each in Maruti Suzuki India Limited | 11,150 | 11,150 | 764.86 | 478.08 |
| - Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Haryana Financial Corporation | 19,300 | 19,300 | - | - |
| - Equity Shares Face value of ₹ 10/- (P.Y ₹ 10/-) each in Canara Bank | 31,790 | 31,790 | 48.40 | 28.74 |
| | | | 813.26 | 506.82 |
| Total Investment | | | 2,400.44 | 2,073.05 |
| Aggregate Market Value of Quoted Investments | | | 813.26 | 506.82 |
| Aggregate amount of Quoted Investments (At Cost) | | | 36.79 | 36.79 |
| Aggregate amount of Unquoted Investments | | | 1,587.18 | 1,566.23 |
| Aggregate amount of impairment in value of Investment | | | - | - |

* Disclosure u/s 186(4) of the Companies Act, 2013: During the year the Company has invested ₹ Nil (P.Y ₹ 666.89 Lakhs (No. of Shares: Nil, PY 66,68,900) in JBM Ogihara Die Tech Private Limited. The Company is having 49% stake in the said company.

| | | | | ₹ In Lakhs |
|---|------------------|--|---------------|------------------|
| NOTE 7 : LOANS (Carried at Amortised Cost) | 31-Mar-21 | | | 31-Mar-20 |
| Unsecured, considered good | | | | |
| Security Deposits | | | 361.57 | 361.59 |
| | | | 361.57 | 361.59 |

| | | | | ₹ In Lakhs |
|--|------------------|--|-----------------|------------------|
| NOTE 8 : OTHER NON CURRENT ASSETS | 31-Mar-21 | | | 31-Mar-20 |
| Unsecured, considered good | | | | |
| Capital Advances | | | 423.43 | 162.69 |
| Income Tax Refundable | | | 3,461.40 | 3,430.03 |
| | | | 3,884.83 | 3,592.72 |

| | | | | ₹ In Lakhs |
|----------------------------|------------------|--|------------------|------------------|
| CURRENT ASSETS | | | | |
| NOTE 9: INVENTORIES | 31-Mar-21 | | | 31-Mar-20 |
| Raw Materials | | | 4,885.43 | 4,283.84 |
| Raw Materials in Transit | | | 306.62 | 47.28 |
| Work In Progress | | | 3,205.57 | 2,323.01 |
| Finished Goods | | | 1,428.92 | 893.30 |
| Inventory-Dies | | | 2,723.57 | 2,480.39 |
| Stores & Spares | | | 2,590.97 | 2,110.36 |
| Scrap | | | 145.88 | 119.63 |
| | | | 15,286.96 | 12,257.81 |

- Inventories have been secured against certain bank borrowings of the Company as at 31 March 2021 (Refer Note No. 22)
- The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 1,17,423.60 Lakhs (P.Y ₹ 1,30,621.57 Lakhs)
- The mode of valuation of inventories has been stated in Note No. 2.12 of Accounting Policy

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

FINANCIAL ASSETS (Carried at Amortised Cost, unless stated otherwise)

| | | | | ₹ In Lakhs |
|------------------------------------|------------------|--|-----------------|------------------|
| NOTE 10 : TRADE RECEIVABLES | 31-Mar-21 | | | 31-Mar-20 |
| - Unsecured, considered good | | | 6,151.80 | 5,191.87 |
| | | | 6,151.80 | 5,191.87 |

- Trade receivables have been given as collateral towards borrowings of the Company (refer Note No. 22).

- Includes Amount due from Related Parties (Refer Note No. 46)

- Includes ₹ Nil (P.Y ₹ Nil Lakhs) debts due from Private Company in which Director is a Director or Member

| | | | | ₹ In Lakhs |
|--|------------------|--|---------------|------------------|
| NOTE 11 : CASH AND CASH EQUIVALENTS | 31-Mar-21 | | | 31-Mar-20 |
| (a) Balances with Banks | | | | |
| - In Current Account | | | 217.26 | 146.15 |
| (b) Cash in hand | | | | |
| | | | 2.73 | 5.37 |
| | | | 219.99 | 151.52 |

| | | | | ₹ In Lakhs |
|---|------------------|--|--------------|------------------|
| NOTE 12 : BANK BALANCES OTHER THAN ABOVE | 31-Mar-21 | | | 31-Mar-20 |
| - In Unclaimed Dividend Account | | | 40.28 | 41.80 |
| | | | 40.28 | 41.80 |

| | | | | ₹ In Lakhs |
|--|------------------|--|---------------|------------------|
| NOTE 13 : OTHER FINANCIAL ASSETS | 31-Mar-21 | | | 31-Mar-20 |
| (Unsecured, considered good) | | | | |
| Carried at Amortised Cost | | | | |
| Advances to Employees | | | 87.56 | 95.25 |
| Insurance claim recoverable | | | 59.39 | - |
| Others | | | 39.54 | 72.40 |
| Carried at Fair Value through Profit and Loss | | | | |
| Hedging Gain Recoverable | | | - | 74.84 |
| | | | 186.49 | 242.49 |

| | | | | ₹ In Lakhs |
|---|------------------|--|---------------|------------------|
| NOTE 14 : OTHER CURRENT ASSETS | 31-Mar-21 | | | 31-Mar-20 |
| (Unsecured, considered good) | | | | |
| Prepaid Expenses | | | 243.57 | 295.29 |
| Advances to Suppliers | | | 132.06 | 369.02 |
| Balance with Statutory/Government Authorities | | | 63.19 | 48.51 |
| | | | 438.82 | 712.82 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 15 : EQUITY SHARE CAPITAL

₹ In Lakhs

| | No. of Shares as on 31st Mar 2021 | No. of Shares as on 31st Mar 2020 | 31-Mar-21 | 31-Mar-20 |
|--|-----------------------------------|-----------------------------------|--------------------|-----------------|
| Authorised | | | | |
| Equity Shares of ₹ 5/- (P.Y ₹ 5/-) each | 5,40,00,000 | 5,40,00,000 | 2,700.00 | 2,700.00 |
| Preference Shares of ₹ 10/- (P.Y ₹ 10/-) each | 30,00,000 | 30,00,000 | 300.00 | 300.00 |
| | | | 3,000.00 | 3,000.00 |
| Issued, Subscribed and Fully Paid Up | | | | |
| Equity Shares of ₹ 5/- (P.Y ₹ 5/-) each | 2,16,50,000 | 2,16,50,000 | 1,082.50 | 1,082.50 |
| | | | 1,082.50 | 1,082.50 |
| Reconciliation of the number of Equity Shares outstanding | | | | |
| Particulars | 31-Mar-21 | | 31-Mar-20 | |
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the year | 2,16,50,000 | 1,082.50 | 2,16,50,000 | 1,082.50 |
| Add: issued/cancelled during the year | - | - | - | - |
| Balance at the end of the year | 2,16,50,000 | 1,082.50 | 2,16,50,000 | 1,082.50 |

Rights, preferences and restrictions attached to shares

The Company has one class of equity shares with a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. Each shareholder is having similar dividend rights for each share held. 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.

Details of Shareholders holding more than 5% of the Equity Share Capital

Refer Note No. 43

NOTE 16. OTHER EQUITY

₹ In Lakhs

| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total |
|--|----------------------|-------------------|--|------------------|
| | General Reserve | Retained Earnings | Equity Instrument through Other Comprehensive Income | |
| Balance as at April 01, 2019 | 2,516.75 | 35,735.39 | 1,071.26 | 39,323.40 |
| Profit for the year | - | 2,802.00 | - | 2,802.00 |
| Remeasurement of defined benefit obligations (net of income tax) | - | 62.01 | - | 62.01 |
| Fair valuation of investments | - | - | (309.56) | (309.56) |
| Dividend distributed during the year (₹ 2.50 per share) | - | (541.25) | - | (541.25) |
| Corporate dividend tax | - | (111.26) | - | (111.26) |
| Balance as at March 31, 2020 | 2,516.75 | 37,946.89 | 761.70 | 41,225.34 |
| Profit for the year | - | 2,606.28 | - | 2,606.28 |
| Remeasurement of defined benefit obligations (net of income tax) | - | (3.80) | - | (3.80) |
| Fair valuation of investments | - | - | 327.39 | 327.39 |
| Dividend distributed during the year (₹ 1.25 per share) | - | (270.63) | - | (270.63) |
| Corporate dividend tax | - | - | - | - |
| Balance as at March 31, 2021 | 2,516.75 | 40,278.75 | 1,089.09 | 43,884.59 |

In respect of the year ended March 31, 2021, the Directors propose that a final dividend of 25% i.e ₹ 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 270.63 Lakhs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NON CURRENT LIABILITIES

FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise)

₹ In Lakhs

| NOTE :17 BORROWINGS | 31-Mar-21 | 31-Mar-20 |
|---|------------------|------------------|
| A. Term Loans From Banks (Secured) | | |
| -In Rupee | | |
| - Term Loan * | 31,540.92 | 32,302.38 |
| - Vehicle Loans ** | 234.84 | 329.86 |
| B. Finance Lease Obligations (Unsecured) | 508.79 | 594.65 |
| | 32,284.55 | 33,226.89 |
| Less:- Current Maturities of Long Term Loans | (8,724.50) | (5,178.75) |
| Less:- Current Maturities of Finance Lease Obligation | (136.40) | (136.40) |
| Total | 23,423.65 | 27,911.74 |

*Term loan of ₹ 20,149.11 Lakhs is secured by First Pari-Passu charge on the movable assets of the new plant set up at Vitthapur Gujarat.

*Term loan of ₹ 125.00 Lakhs & ₹ 6680.81 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X & 1.30X respectively coverage of the term loan value.

*Term loan of ₹ 4586.00 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X coverage of the term loan value and Secondary collateral of Exclusive charge on Land & Building located at Sector 36, Mohammadpur Jharsa, Gurgaon providing a minimum coverage of 1.5x

**Secured by hypothecation of respective vehicle financed.

Terms of Repayment of Term Loans

| I IN RUPEES | | | | | |
|-------------|---------------------|---------------------|--------------------------------------|--|--|
| S. No. | Amount (₹ In Lakhs) | Interest Rate Terms | No. of Quarterly/Monthly Instalments | Balance No. of Quarterly/Monthly Instalment as on 31.03.2021 | Balance No. of Quarterly Instalment as on 31.03.2020 |
| 1 | 125.00 | MCLR Linked Rate | 16 Quarterly | 2 | 5 |
| 2 | 1750.00 | MCLR Linked Rate | 18 Quarterly | 9 | 12 |
| 3 | 2,222.23 | MCLR Linked Rate | 18 Quarterly | 10 | 13 |
| 4 | 2,774.06 | MCLR Linked Rate | 16 Quarterly | 11 | 15 |
| 5 | 2,845.97 | MCLR Linked Rate | 18 Quarterly | 10 | 12 |
| 6 | 1,533.89 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 7 | 1,487.88 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 8 | 813.07 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 9 | 2,607.21 | MCLR Linked Rate | 20 Quarterly | 17 | 19 |
| 10 | 869.07 | MCLR Linked Rate | 20 Quarterly | 17 | 19 |
| 11 | 1,244.44 | MCLR Linked Rate | 18 Quarterly | 14 | 17 |
| 12 | 291.67 | MCLR Linked Rate | 18 Quarterly | 15 | 18 |
| 13 | 3,679.89 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 14 | 920.22 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 15 | 2,299.92 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 16 | 1,490.40 | MCLR Linked Rate | 18 Quarterly | 14 | 18 |
| 17 | 4,586.00 | MCLR Linked Rate | 54 Monthly | 51 | 0 |
| | 31,540.92 | Total | | | |

III Vehicle Loans from banks are payable in 36 monthly equal installments respectively from the date of disbursements carrying interest rate @ 8.76% to 9.51% per annum.

IV There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 18 : OTHER FINANCIAL LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Payable for Capital Goods | - | 3,145.75 |
| | - | 3,145.75 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 19 : PROVISIONS | 31-Mar-21 | 31-Mar-20 |
| Provision for Employee Benefits | | |
| (a) Provision for Gratuity | 262.06 | 542.90 |
| (b) Provision for Leave Encashment and Compensated Absences | 642.37 | 654.77 |
| | 904.43 | 1,197.67 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 20 : DEFERRED TAX LIABILITIES (Net) | 31-Mar-21 | 31-Mar-20 |
| Major components of deferred tax arising on account of timing differences as at 31 March 2021 are:- | | |

| (i) Deferred Tax Liability | | |
|---|------------------|------------------|
| - Difference between book depreciation & depreciation under Income Tax Act 1961 | 11,889.25 | 11,009.61 |
| | 11,889.25 | 11,009.61 |

| (ii) Deferred Tax Assets | | |
|--|-----------------|-----------------|
| -Disallowance under Income Tax Act,1961 | 458.26 | 488.21 |
| -Unabsorbed Depreciation under Income Tax Act,1961 | - | 77.17 |
| -MAT Credit Entitlement | 3,201.73 | 3,039.59 |
| | 3,659.99 | 3,604.97 |

| | | |
|---|-----------------|-----------------|
| (iii) Net Deferred Tax liability* (i-ii) | 8,229.26 | 7,404.64 |
|---|-----------------|-----------------|

| | ₹ In Lakhs | | |
|--|------------------|---------------------------------|------------------|
| Reconciliation of Deferred Tax Liabilities (Net) | 31-Mar-20 | Movement during the year | 31-Mar-21 |
| Deferred Tax Liability: | | | |
| Impact of difference between tax depreciation and depreciation charged for the financial reporting | 11,009.61 | 879.64 | 11,889.25 |
| Total Deferred Tax Liabilities (A) | 11,009.61 | 879.64 | 11,889.25 |
| Deferred Tax Assets: | | | |
| MAT Credit entitlement | 3,039.59 | 162.14 | 3,201.73 |
| Unabsorbed Depreciation under Income Tax Act,1961 | 77.17 | (77.17) | - |
| Disallowance under the Income Tax Act, 1961 | 488.21 | (29.95) | 458.26 |
| Total Deferred Tax Assets (B) | 3,604.97 | 55.02 | 3,659.99 |
| Deferred Tax Liability (Net) (A - B) | 7,404.64 | 824.62 | 8,229.26 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | | |
|--|------------------|---------------------------------|------------------|
| Reconciliation of Deferred Tax Liabilities (Net) | 31-Mar-19 | Movement during the year | 31-Mar-20 |
| Deferred Tax Liability: | | | |
| Impact of difference between tax depreciation and depreciation charged for the financial reporting | 9,424.14 | 1,585.47 | 11,009.61 |
| Total Deferred Tax Liabilities (A) | 9,424.14 | 1,585.47 | 11,009.61 |
| Deferred Tax Assets: | | | |
| MAT Credit entitlement | 2,246.39 | 793.20 | 3,039.59 |
| Unabsorbed Depreciation under the Income Tax Act, 1961 | - | 77.17 | 77.17 |
| Disallowance under the Income Tax Act, 1961 | 471.19 | 17.02 | 488.21 |
| Total Deferred Tax Assets (B) | 2,717.58 | 887.39 | 3,604.97 |
| Deferred Tax Liability (Net) (A - B) | 6,706.56 | 698.08 | 7,404.64 |

* Deferred Tax Liability and Deferred tax Assets have been offset as they relate to same governing taxation laws.

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 21 : OTHER NON-CURRENT LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Advances From Customers | 1,551.17 | - |
| | 1,551.17 | - |

CURRENT LIABILITIES

FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise) ₹ In Lakhs

| NOTE 22 : BORROWINGS | 31-Mar-21 | 31-Mar-20 |
|---|------------------|------------------|
| Secured* | | |
| Loans Repayable on Demand From Banks | | |
| -Cash Credit | - | 722.52 |
| Other Loans From Banks | | |
| -Working Capital Demand Loans & Others | 4,600.00 | 10,546.75 |
| | 4,600.00 | 11,269.27 |

* Secured by first charge on book debts, stock and other current assets of the Company ranking parri passu inter se between the Company's bankers and are further secured by second charge on movable Property, Plant and Equipment of the Company.

- There have been no breach of covenants mentioned in the loan agreements during the reporting period.

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 23 : TRADE PAYABLES | 31-Mar-21 | 31-Mar-20 |
| Total outstanding dues of micro enterprises and small enterprises | 617.85 | 301.51 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 19,980.82 | 16,183.74 |
| (Refer Note No. 41) | 20,598.67 | 16,485.25 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 24 : OTHER FINANCIAL LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Current Maturities of Long Term Debts (Refer Note No.17) | 8,724.50 | 5,178.75 |
| Current Maturities of Finance Lease Obligation (Refer Note No.17) | 136.40 | 136.40 |
| Interest Accrued on borrowings | 208.02 | 283.61 |
| Payable for Capital Goods | 4,774.76 | 1,694.42 |
| Employees' related Liabilities | 1,030.16 | 232.92 |
| Unclaimed Dividends | 40.28 | 41.80 |
| Accrual of Expenses | 431.26 | 912.88 |
| Others | 7.16 | 28.79 |
| | 15,352.54 | 8,509.57 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 25 : OTHER CURRENT LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Statutory Dues Payable | 2,048.52 | 1,279.95 |
| Advances from Customers | 1,284.99 | 825.00 |
| Other current liabilities (including advance from employees for vehicles) | 161.68 | 138.57 |
| | 3,495.19 | 2,243.52 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 26 : PROVISIONS | 31-Mar-21 | 31-Mar-20 |
| Provision for Employee Benefits | | |
| (a) Provision for Gratuity | 55.23 | 90.47 |
| (b) Provision for Leave Encashment and Compensated Absences | 112.95 | 108.99 |
| | 168.18 | 199.46 |

| | ₹ In Lakhs | |
|---|--------------------|--------------------|
| NOTE 27: REVENUE FROM OPERATIONS | 31-Mar-21 | 31-Mar-20 |
| Sale of products | 1,39,161.35 | 1,55,775.51 |
| Sale of services | 850.66 | 1,026.23 |
| Other operating revenue | 9,868.53 | 9,050.27 |
| Increase/(decrease) in scrap stock | 26.25 | (80.68) |
| | 1,49,906.79 | 1,65,771.34 |

Disaggregation of Revenue: The Company is primarily engaged in the business of "manufacturing of components" for automobiles for Indian market. Hence there is only one business and geographical segment. The amounts receivables from customers become due after expiry of credit period which on an average is 30 days. There is no significant financing component in any transaction with the customers.

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 28: OTHER INCOME | 31-Mar-21 | 31-Mar-20 |
| Interest Income (calculated using the effective interest method)* | 69.87 | 29.24 |
| Dividend received on investments carried at fair value through Other Comprehensive Income | 10.44 | 15.30 |
| Profit on Disposal of Property, Plant and Equipment (Net) | - | 42.84 |
| Rent Income | 28.92 | 28.92 |
| Exchange Gain (Net) | 63.91 | - |
| Electricity duty exemption grant | 212.60 | - |
| Other Non Operating Income | 67.70 | 53.55 |
| | 453.44 | 169.85 |

* In relation to Financial Assets classified at Amortised Cost

| | ₹ In Lakhs | |
|---|-------------------|------------------|
| NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS | 31-Mar-21 | 31-Mar-20 |
| Work in Progress | | |
| Opening Stock | 2,323.01 | 3,767.59 |
| Less:- Closing Stock | 3,205.57 | (882.56) |
| Finished Goods | | |
| Opening Stock | 893.30 | 1,018.60 |
| Less:- Closing Stock | 1,428.92 | (535.62) |
| (Increase)/Decrease in stocks of Finished Goods and work in progress | (1,418.18) | 1,569.89 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 30: EMPLOYEE BENEFITS EXPENSE | 31-Mar-21 | 31-Mar-20 |
| Salaries & Wages* | 12,268.04 | 12,828.13 |
| Contribution to Provident and other Funds | 586.84 | 577.81 |
| Staff Welfare | 616.23 | 693.81 |
| Group/Medicaid Insurance | 125.19 | 107.99 |
| | 13,596.30 | 14,207.74 |

* Includes Payment amounted ₹ 142.40 Lakhs (P.Y. ₹ 81.60 Lakhs) made on account of Corporate Social Responsibility under Apprenticeship Training scheme (ATs), under Corporate Social Responsibility (Refer Note-40)

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 31: FINANCE COST (at effective interest rate) | 31-Mar-21 | 31-Mar-20 |
| Interest on Borrowings*# | 3,268.22 | 3,798.91 |
| Interest on Others | 19.61 | 0.29 |
| Other Financial Charges | 8.06 | 8.75 |
| | 3,295.89 | 3,807.95 |

* In relation to Financial Liabilities classified at Amortised Cost

Interest capitalised during the year is ₹ 678.82 Lakhs (PY: ₹ 644.82 Lakhs) (refer Note No.4)

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 32 : DEPRECIATION AND AMORTISATION EXPENSE | 31-Mar-21 | 31-Mar-20 |
| Depreciation/Amortisation on | | |
| Property, Plant and Equipment | 6,572.00 | 6,108.04 |
| Amortisation on | | |
| Intangible Assets | 22.30 | 143.98 |
| | 6,594.30 | 6,252.02 |

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 33: OTHER EXPENSES | 31-Mar-21 | 31-Mar-20 |
| Stores Consumed | 2,212.54 | 2,422.92 |
| Power & Fuel | 2,999.39 | 3,269.74 |
| Royalty | 284.45 | 360.30 |
| Technical Services | 4.74 | 53.36 |
| Repair & Maintenance | | |
| -Machinery & Others | 1,902.16 | 1,851.28 |
| -Building | 25.10 | 25.00 |
| Rent | 58.84 | 96.04 |
| Rates & Taxes | 34.68 | 18.50 |
| Insurance | 188.58 | 114.39 |
| Loss on sale/Discarding of Fixed Assets | 14.71 | - |
| Corporate Social Responsibility Expenditure* | - | 82.60 |
| Exchange Fluctuation (net) | - | 199.74 |
| Freight & Forwarding Charges | 824.93 | 1,169.07 |
| Other Miscellaneous Expenses | 860.41 | 992.30 |
| | 9,410.53 | 10,655.24 |

* Expenditure on account of Corporate Social Responsibility under Apprenticeship Training scheme (ATs) is clubbed under Note-30 Employee Benefit Expense. Also Refer Note-40

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 34 : TAX EXPENSE | 31-Mar-21 | 31-Mar-20 |
| (a) Income Tax expense recognised in Statement of Profit and Loss | | |
| Current tax In respect of the current year | 721.31 | 747.14 |
| Minimum alternate tax credit entitlement | (215.24) | (747.14) |
| Deferred tax In respect of the current year | 988.81 | 1,457.96 |
| Earlier Years | 53.14 | (46.08) |
| | 1,548.02 | 1,411.88 |
| (b) Income Tax on Other Comprehensive Income | | |
| Deferred Tax Benefit | | |
| Arising on income and expenses recognised in Other Comprehensive Income: | | |
| Remeasurement of Defined Benefit Obligations | (2.04) | 33.31 |
| Total income tax expense recognised in Other Comprehensive Income | (2.04) | 33.31 |
| | 1,545.98 | 1,445.19 |

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:

| | 31-Mar-21 | 31-Mar-20 |
|--|------------------|------------------|
| Profit before Income Tax | 4,154.30 | 4,213.88 |
| At country's statutory income tax rate of 34.944% (31 March 2020: 34.944%) | 1,451.68 | 1,472.50 |
| Impact of changes in Tax rate | - | - |
| Adjustments in respect of taxes earlier years | 53.14 | (46.08) |
| Disallowances | 143.65 | 49.34 |
| Allowances | (102.49) | (30.57) |
| | 1,545.98 | 1,445.19 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 35 : OTHER COMPREHENSIVE INCOME | 31-Mar-21 | 31-Mar-20 |
| (A) Items that will not be reclassified subsequently to profit or loss | | |
| - Re-measurement gains (losses) on defined benefit liability/asset | (5.84) | 95.32 |
| - Income tax effect | 2.04 | (33.31) |
| - Fair value changes on Investment | 327.39 | (309.56) |
| (B) Items that will be reclassified subsequently to profit or loss | | |
| | - | - |
| | 323.59 | (247.55) |

NOTE 36: EARNING PER SHARE

Basic 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:

| | ₹ In Lakhs | |
|--|-----------------------------------|-----------------------------------|
| Particulars | Year Ended 31 Mar 2021 | Year Ended 31 Mar 2020 |
| Profit After Tax | 2,606.28 | 2,802.00 |
| -Weighted Average Number of Equity Shares (Outstanding during the Year) | 2,16,50,000 | 2,16,50,000 |
| -Face Value of share (₹) | 5.00 | 5.00 |
| Basic Earning per share (Amount in ₹) | 12.04 | 12.94 |
| Diluted Earning per share (Amount in ₹) | 12.04 | 12.94 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 37: CONTINGENT LIABILITIES AND COMMITMENTS | 31-Mar-21 | 31-Mar-20 |
| A. Contingent liabilities | | |
| (Claims against the Company disputed and not acknowledged as debts) | | |
| Particulars | 31-Mar-21 | 31-Mar-20 |
| a. Income Tax Demands | | |
| i. Cases decided in the company's favour by Appellate authorities and for which the department has filed further appeals | 564.50 | 564.50 |
| ii. Cases pending before Appellate authorities in respect of which the Company has filed appeals # | 430.96 | 10,840.26 |
| b. Central Excise | 115.48 | 115.48 |
| c. Service tax* | 3.93 | 3.61 |

* Against this amount of ₹ 1.42 lakhs has been deposited

The Company is having pending demand of ₹ 419.60 Lakhs (P.Y ₹ 10,821.87) 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 ₹ 419.60 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.

The Company has received a show Cause Notice from GST Department amounting to ₹ 4527.97 Lakhs on account of excise duty on Drawing/Design/Specifications received/developed by Maruti Suzuki India Ltd. The Company has filed the detailed reply on dated 06.03.2020 and waiting for personal hearing from department. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such dispute.

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.

| | ₹ In Lakhs | |
|--|------------------|------------------|
| B. Commitments | 31-Mar-21 | 31-Mar-20 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances). | | |
| Property, Plant and Equipment | 4,453.01 | 4,112.00 |

| | ₹ In Lakhs | |
|----------------------------------|------------------|------------------|
| C. Other Commitments | 31-Mar-21 | 31-Mar-20 |
| Particulars | | |
| Letter of Credit issued by banks | 357.96 | 21.92 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 38: AUDITOR'S REMUNERATION (Excluding GST) :- | 31-Mar-21 | 31-Mar-20 |
| Statutory Auditors | | |
| A) Statutory Audit Fees | 16.50 | 16.50 |
| B) Tax Audit Fees | 5.25 | 5.25 |
| C) Taxation Matters | - | - |
| D) Other Services | 6.78 | 5.98 |
| E) Reimbursement of Expenses | - | 0.86 |

NOTE 39: SEGMENT INFORMATION

The Company primarily operates in single segment i.e. manufacturing of components for Automobiles. Hence, no separate segment disclosures as per Ind AS 108 "Operating Segments" has not been disclosed. The said treatment is in accordance with guidance principles enunciated in Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015

Revenue from transactions with a single external customer amounting to 10 percent or more of the Company's revenue is as follows:

| | ₹ In Lakhs | |
|--------------------|------------------|------------------|
| Particulars | 31-Mar-21 | 31-Mar-20 |
| Customer 1 # | 95,339.24 | 1,01,773.94 |
| Customer 2 # | 37,040.42 | 44,547.07 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 40: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

In light of section 135 of the Companies act 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 142.40 Lakhs (P.Y. ₹ 164.20 Lakhs) for CSR activities carried out during the current year.

| Particulars | ₹ In Lakhs | | |
|--|----------------|-------------------------------|--------------|
| | 31-Mar-21 | 31-Mar-20 | |
| (i) Gross amount required to be spent by the Company during the year | 142.40 | 164.20 | |
| (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 | | | |
| – Under Apprentice-ship Training Scheme of Skill development and Industrial Training Deptt. Haryana | 142.40 | - | 142.40 |
| (ii) Amount spent during the year ending on March 31, 2020: | | | |
| 1. Construction / acquisition of any asset | - | - | - |
| 2. On purposes other than (i) above | | | |
| – Education Projects | 50.00 | - | 50.00 |
| – Education Projects Building School Infrastructure | 25.00 | - | 25.00 |
| – Education Projects Production & promotion of CDs on moral/motivation education for distribution at various schools and institutions. | 7.60 | - | 7.60 |
| – Under Apprentice-ship Training Scheme of Skill development and Industrial Training Deptt. Haryana | 81.60 | - | 81.60 |

NOTE 41 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:

| Particulars | ₹ In Lakhs | |
|--|------------|-----------|
| | 31-Mar-21 | 31-Mar-20 |
| (i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | 617.85 | 301.51 |
| (ii) 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 |
| (iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | Nil | Nil |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year | Nil | Nil |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 | 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. This has been relied upon by the auditors.

NOTE 42 : Cost of Materials consumed has been computed by adding purchase to the opening stock and deducting closing stock.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 43 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES IN THE COMPANY

| Name of Share Holders | 31-Mar-21 | | 31-Mar-20 | |
|--|---------------|-----------|---------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| Maruti Suzuki India Limited | 63,40,000 | 29.28 | 63,40,000 | 29.28 |
| ANS Holding Private Limited | 20,29,000 | 9.37 | 20,29,000 | 9.37 |
| Mr. Sanjay Singhal | 19,00,400 | 8.78 | 19,00,400 | 8.78 |

NOTE 44 : LEASES

THE 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 | |
|---|---------------|---------------|
| | 31-Mar-21 | 31-Mar-20 |
| The balance sheet shows the following amounts relating to the leases: | | |
| Right-of-use assets | | |
| Land | 482.37 | 586.64 |
| Total | 482.37 | 586.64 |

Additions to the Right-of-use asset during the year were ₹ Nil (P.Y ₹ 690.91 Lakhs)

| Maturity analysis of lease liabilities | ₹ In Lakhs | |
|---|---------------|---------------|
| | 31-Mar-21 | 31-Mar-20 |
| Lease liabilities (Discounted Cash Flow) | | |
| Current | 136.40 | 136.40 |
| Non-Current | 372.39 | 458.24 |
| Total | 508.79 | 594.65 |

| Maturity analysis – contractual undiscounted cash flows | ₹ In Lakhs | |
|---|---------------|---------------|
| | 31-Mar-21 | 31-Mar-20 |
| Within one year | 136.40 | 136.40 |
| Later than one year but less than five years | 427.36 | 480.91 |
| Later than five years | 93.21 | 176.07 |
| | 656.98 | 793.39 |

| (ii) Amounts recognised in the statement of profit and loss | ₹ In Lakhs | |
|--|---------------|---------------|
| | 31-Mar-21 | 31-Mar-20 |
| The Statement of Profit and Loss shows the following amounts relating to leases: | | |
| Depreciation charge of right-of use assets | | |
| Land | 104.27 | 104.27 |
| Total | 104.27 | 104.27 |

| | | |
|--|---------------|---------------|
| Interest expense on lease liabilities (included in finance cost) | 50.55 | 40.14 |
| Expense relating to short term and low value leases (included in other expense) | 58.84 | 96.04 |
| | 109.39 | 136.18 |

The total cash outflow for leases for the year ended 31 March, 2021 were ₹ 195.24 Lakhs. (P.Y. ₹ 232.44 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(iii) 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.

(iv) There are no restrictions imposed by the lease agreements and there are no sub leases. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(v) Incremental borrowing rate of 8.5% p.a has been applied for measuring the lease liability at the date of initial application.

The Company as a Lessor

The Company has given small portion of freehold land under cancellable operating lease arrangements. Lease rentals under operating leases are recognized on a straight line basis over the term of the lease. Rent income for operating leases for the year ended March 31, 2021 and March 31, 2020 was ₹ 28.92 Lakhs and ₹ 28.92 Lakhs respectively.

NOTE 45 : 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.

₹ In Lakhs

| (i) Amount recognised in the Statement of Profit and Loss is as under: | | |
|---|---------------|----------------|
| Description | 31-March-21 | 31-March-20 |
| Current service cost | 149.81 | 124.24 |
| Interest cost | 43.06 | 48.54 |
| Past Service Cost | - | - |
| Actuarial loss/(gain) recognised during the year | - | - |
| Expected return on planned assets | - | - |
| Amount recognised in the Statement of Profit and Loss | 192.87 | 172.78 |
| (ii) Amount recognised in Other Comprehensive Income is as under: | | |
| Description | 31-March-21 | 31-March-20 |
| Actuarial loss/(gain) recognised during the year | 5.84 | (95.32) |
| Amount recognised in the Other Comprehensive Income | 5.84 | (95.32) |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (iii) Movement in the Present value of Defined Benefit Obligation recognised in the Balance Sheet is as under: | | |
|--|-----------------|----------------|
| Description | 31-March-21 | 31-March-20 |
| Present value of defined benefit obligation as at the start of the year | 957.45 | 907.55 |
| Current service cost | 149.81 | 124.24 |
| Interest cost | 64.88 | 69.65 |
| Actuarial loss/(gain) recognised during the year | 10.71 | (94.22) |
| Benefits paid | (150.05) | (49.77) |
| Past Service Cost | - | - |
| Present value of defined benefit obligation as at the end of the year | 1,032.80 | 957.45 |
| (iv) Movement in the Plan Assets recognised in the Balance Sheet is as under: | | |
| Description | 31-March-21 | 31-March-20 |
| Fair Value of plan assets at beginning of year | 324.07 | 273.06 |
| Interest income plan assets | 21.81 | 21.11 |
| Actual company contributions | 514.79 | 78.58 |
| Actuarial gain/(loss) on plan assets | 4.87 | 1.09 |
| Benefits paid | (150.05) | (49.77) |
| Fair Value of Plan Assets at the end of the year | 715.49 | 324.07 |
| The Scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the Fund is undertaken by the LIC. | | |
| (v) Major Categories of Plan Assets: | | |
| Asset Category | 31-March-21 | 31-March-20 |
| Insurer Managed Funds | 100% | 100% |
| (vi) Analysis of amounts recognised in Other Comprehensive Income at Period End: | | |
| Description | 31-March-21 | 31-March-20 |
| Amount recognized in OCI, beginning of period | (78.26) | 17.06 |
| Actuarial (gain)/loss on arising from change in demographic assumption | - | - |
| Actuarial (gain)/loss on arising from change in financial assumption | 14.99 | (1.59) |
| Actuarial (gain)/loss on arising from experience adjustment | (4.28) | (92.63) |
| Return on plan assets (excluding interest) | (4.87) | (1.09) |
| Total remeasurements recognized in OCI | 5.84 | (95.31) |
| Amount recognized in OCI, End of Period | (72.42) | (78.26) |
| (vii) Reconciliation of Balance Sheet Amount | | |
| Description | 31-March-21 | 31-March-20 |
| Balance Sheet (Asset)/Liability, beginning of period | 633.37 | 634.48 |
| Total charge/(credit) recognised in Profit and Loss | 192.87 | 172.78 |
| Total remeasurements recognised in Other Comprehensive Income | 5.84 | (95.31) |
| Actual company contribution | (514.79) | (78.58) |
| Balance Sheet (Asset)/Liability, End of Period | 317.29 | 633.37 |
| (viii) Current / Non-Current Bifurcation | | |
| Description | 31-March-21 | 31-March-20 |
| Current Benefit Obligation | 55.23 | 90.47 |
| Non - Current Benefit Obligation | 262.06 | 542.90 |
| (Asset)/Liability Recognised in the Balance Sheet | 317.29 | 633.37 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (ix) Actuarial assumptions | | ₹ In Lakhs | |
|--|---------------------|--|-------------|
| Description | 31-March-21 | 31-March-20 | |
| Discount rate | 7.03% | 6.73% | |
| Future basic salary increase | 6.00% | "For First Year : 0% Thereafter : 6%" | |
| Expected rate of return on plan assets | 7.03% | 6.73% | |
| Mortality | As per IALM 2012-14 | As per IALM 2012-14 | |
| Employee turnover/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. | | | |
| (x) Defined Benefit Obligation by Participant Status | | 31-March-21 | 31-March-20 |
| a. Actives | | 1,032.80 | 957.44 |
| b. Vested Deferreds | | - | - |
| c. Retirees | | - | - |
| Total Defined Benefit Obligation | | 1,032.80 | 957.44 |
| (xi) Sensitivity analysis for Gratuity Liability | | 31-March-21 | 31-March-20 |
| Impact of the change in discount rate | | | |
| - Impact due to increase of 1.00 % | | (48.14) | (42.17) |
| - Impact due to decrease of 1.00 % | | 49.98 | 44.73 |
| Impact of the change in salary increase | | | |
| - Impact due to increase of 1.00 % | | 48.43 | 43.40 |
| - Impact due to decrease of 1.00 % | | (44.72) | (41.03) |

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 ₹ 350 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.

| (xii) Maturity profile of Defined Benefit Obligation | | 31-March-21 | 31-March-20 |
|--|--|-------------|-------------|
| Description | | | |
| Within next 12 months | | 186.00 | 141.28 |
| Between 1-5 years | | 560.34 | 505.60 |
| Between 5-10 years | | 450.11 | 472.56 |

B OTHER LONG TERM BENEFITS AS PER IND AS 19 EMPLOYEE BENEFITS:**Leave Encashment and Compensated Absences (Unfunded)**

The leave obligations cover the Company's liability for sick and earned leaves.

| (i) Amount recognised in the Statement of Profit and Loss is as under: | | ₹ In Lakhs | |
|--|---------------|---------------|--|
| Description | 31-Mar-21 | 31-Mar-20 | |
| Current service cost | 93.28 | 86.21 | |
| Interest cost | 50.79 | 53.77 | |
| Remeasurements | (43.29) | 107.81 | |
| Amount recognised in the Statement of Profit and Loss | 100.78 | 247.80 | |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (ii) Movement in the liability recognised in the Balance Sheet is as under: | | 31-Mar-21 | 31-Mar-20 |
|--|--|---------------------|--|
| Description | | | |
| Present value of defined benefit obligation as at the start of the year | | 761.31 | 704.42 |
| Current service cost | | 93.28 | 86.21 |
| Interest cost | | 50.79 | 53.77 |
| Actuarial loss/(gain) recognised during the year | | (43.29) | 107.81 |
| Benefits paid | | (109.21) | (190.91) |
| Present value of defined benefit obligation as at the end of the year | | 752.88 | 761.31 |
| ₹ In Lakhs | | | |
| (iii) Current / Non-Current Bifurcation | | 31-Mar-21 | 31-Mar-20 |
| Current Benefit Obligation | | 110.51 | 106.54 |
| Non - Current Benefit Obligation | | 642.37 | 654.77 |
| (Asset)/Liability Recognised in the Balance Sheet | | 752.88 | 761.31 |
| (iv) Sensitivity analysis | | 31-Mar-21 | 31-Mar-20 |
| Impact of the change in discount rate | | | |
| - Impact due to increase of 1.00 % | | (39.56) | (40.01) |
| - Impact due to decrease of 1.00 % | | 42.13 | 42.61 |
| Impact of the change in salary increase | | | |
| - Impact due to increase of 1.00 % | | 31.74 | 32.10 |
| - Impact due to decrease of 1.00 % | | (30.43) | (30.77) |
| (v) Actuarial assumptions | | 31-Mar-21 | 31-Mar-20 |
| Description | | | |
| Discount rate | | 7.03% | 6.73% |
| Future basic salary increase | | 6.00% | "For First Year : 0% Thereafter : 6%" |
| Expected rate of return on plan assets | | N.A | N.A |
| Mortality | | As per IALM 2012-14 | As per IALM 2012-14 |
| Employee turnover/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. | | | |
| (vi) Defined Benefit Obligation by Participant Status | | 31-Mar-21 | 31-Mar-20 |
| a. Actives | | 752.88 | 761.31 |
| b. Vested Deferreds | | - | - |
| c. Retirees | | - | - |
| Total Defined Benefit Obligation | | 752.88 | 761.31 |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

C DEFINED CONTRIBUTION AND OTHER PLANS

Contributions are made to the Provident Fund, Super Annuation Fund & Other Plans . The contributions are normally based upon a proportion of the employee's salary.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

The Company has recognized the following amounts in the Statement of Profit and Loss :

| Particulars | ₹ In Lakhs | |
|--|------------|-----------|
| | 31-Mar-21 | 31-Mar-20 |
| Employer contribution to Provident & Pension fund* | 365.31 | 361.70 |
| Employers Contribution to Superannuation Fund* | 5.51 | 5.05 |
| Employers contribution to Employee State insurance * | 12.15 | 10.63 |
| Punjab & Haryana Labour Welfare fund* | 4.48 | 4.70 |

*Included in Contribution to Provident and Other Funds Under Employee Benefit Expense (Refer Note No. 30)

NOTE 46 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

| | |
|---|--|
| Joint Venture | - JBM Ogihara Die Tech Private Limited |
| Parties in respect of which the Company is an Associate | - Maruti Suzuki India Limited |
| Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence | - JBM Industries Limited - Neel Metal Products limited - JBM Renewables Private Limited - Arka Overseas |
| Enterprise over which key management personnel and their relative are able to exercise Control | - ANS Holding Private Limited |
| Other Entities (Fellow Subsidiary of Maruti Suzuki India Limited) | - Suzuki Motor Gujarat Private Limited |
| Key Management Personnel | - Mr. S.K. Arya, Chairman and Managing Director - Mr. Anand Swaroop, President & CFO - Mr. Ravi Arora, Company Secretary |
| Relative of Key Management Personnel | - Mrs. Neelam Arya, Spouse of Mr. S.K Arya - Mr. Nishant Arya - S K Arya (HUF) |
| Post Employment Benefit Plan of the Company | - JBM Group Gratuity Trust |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total |
|--------------------------------------|-------------|-------------|--------------------|--------------------|-----------------|-----------------|----------|--------------------|--------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | |
| Purchase of Capital Goods | | | | | | | | | |
| JBM Renewables Private Limited | - | - | 114.00 | - | - | - | - | 114.00 | - |
| Neel Metal Products Limited | - | - | 514.40 | 1,362.62 | - | - | - | 514.40 | 1,362.62 |
| JBM Industries Limited | - | - | - | 159.10 | - | - | - | - | 159.10 |
| Total | - | - | 628.40 | 1,521.72 | - | - | - | 628.40 | 1,521.72 |
| Sale of Goods & Services | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | - | - | - | - | - | - | 95,339.24 |
| Neel Metal Products limited | - | - | 3,128.60 | 3,312.90 | - | - | - | 3,128.60 | 3,312.90 |
| Suzuki Motor Gujarat Private Limited | - | - | 37,040.42 | 44,547.07 | - | - | - | 37,040.42 | 44,547.07 |
| JBM Ogihara Die Tech Private Limited | 4.63 | 1.76 | - | - | - | - | - | 4.63 | 1.76 |
| JBM Industries limited | - | - | 125.18 | 6.30 | - | - | - | 125.18 | 6.30 |
| Total | 4.63 | 1.76 | 1,32,379.66 | 1,46,321.01 | 3,253.77 | 3,319.20 | - | 1,35,638.06 | 1,49,641.96 |
| Sale of Capital goods | | | | | | | | | |
| Neel Metal Products Limited | - | - | - | 21.78 | - | - | - | - | 21.78 |
| JBM Industries Limited | - | - | - | 0.99 | - | - | - | - | 0.99 |
| Total | - | - | - | 22.77 | - | - | - | - | 22.77 |
| Other Income | | | | | | | | | |
| Neel Metal Products limited | - | - | 28.92 | 28.92 | - | - | - | 28.92 | 28.92 |
| Total | - | - | 28.92 | 28.92 | - | - | - | 28.92 | 28.92 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total | |
|---|---------------|---------------|------------------|------------------|------------------|------------------|--------------|--------------|----------|----------|----------|----------|------------------|------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | | |
| ₹ In Lakhs | | | | | | | | | | | | | | |
| Purchase of Goods & Services | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 18,092.72 | 16,289.58 | - | - | - | - | - | - | - | - | 18,092.72 | 16,289.58 |
| Neel Metal products limited | - | - | - | - | 46,009.93 | 49,864.48 | - | - | - | - | - | - | 46,009.93 | 49,864.48 |
| Suzuki Motor Gujarat Private Limited | - | - | 312.98 | 346.37 | - | - | - | - | - | - | - | - | 312.98 | 346.37 |
| Arka Overseas | - | - | - | - | 39.53 | 24.77 | - | - | - | - | - | - | 39.53 | 24.77 |
| JBM Ogihara Die Tech Private Limited | 762.66 | 2.83 | - | - | - | - | - | - | - | - | - | - | 762.66 | 2.83 |
| JBM Industries limited | - | - | - | - | 6,033.05 | 5,945.35 | - | - | - | - | - | - | 6,033.05 | 5,945.35 |
| Total | 762.66 | 2.83 | 18,405.70 | 16,635.94 | 52,082.52 | 55,834.60 | - | - | - | - | - | - | 71,250.87 | 72,473.37 |
| Others Expenses | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 342.11 | 398.90 | - | - | - | - | - | - | - | - | 342.11 | 398.90 |
| Neel Metal Products limited | - | - | - | - | 285.47 | 300.68 | - | - | - | - | - | - | 285.47 | 300.68 |
| JBM Ogihara Die Tech Private Limited | 4.93 | - | - | - | - | - | - | - | - | - | - | - | 4.93 | - |
| Suzuki Motor Gujarat Private Limited | - | - | 2.85 | 1.70 | - | - | - | - | - | - | - | - | 2.85 | 1.70 |
| JBM Industries limited | - | - | - | - | - | 17.94 | - | - | - | - | - | - | - | 17.94 |
| Mrs. Neelam Arya | - | - | - | - | - | - | 16.20 | 16.20 | - | - | - | - | 16.20 | 16.20 |
| Total | 4.93 | - | 344.96 | 400.60 | 285.47 | 318.61 | 16.20 | 16.20 | - | - | - | - | 651.57 | 735.41 |
| Investment in Equity Shares | | | | | | | | | | | | | | |
| JBM Ogihara Die Tech Pvt Limited | - | 666.89 | - | - | - | - | - | - | - | - | - | - | - | 666.89 |
| Total | - | 666.89 | - | - | - | - | - | - | - | - | - | - | - | 666.89 |
| Contribution to Gratuity Trust | | | | | | | | | | | | | | |
| JBM Group Gratuity Trust | - | - | - | - | 514.79 | 78.58 | - | - | - | - | - | - | 514.79 | 78.58 |
| Total | - | - | - | - | 514.79 | 78.58 | - | - | - | - | - | - | 514.79 | 78.58 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total | |
|---|-------------|----------|------------------|-----------------|-----------------|-----------------|---------------|---------------|----------|----------|----------|----------|------------------|------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | | |
| ₹ In Lakhs | | | | | | | | | | | | | | |
| Remuneration paid to KMP's and their relatives | | | | | | | | | | | | | | |
| Mr. S.K.Arya | - | - | - | - | - | - | 344.24 | 298.59 | - | - | - | - | 344.24 | 298.59 |
| Mr. Anand Swaroop | - | - | - | - | - | - | 103.03 | 122.19 | - | - | - | - | 103.03 | 122.19 |
| Mr. Ravi Arora | - | - | - | - | - | - | 29.00 | 36.12 | - | - | - | - | 29.00 | 36.12 |
| Total | - | - | - | - | - | - | 476.28 | 456.90 | - | - | - | - | 476.28 | 456.90 |
| Directors Sitting Fees | | | | | | | | | | | | | | |
| Mr. Nishant Arya | - | - | - | - | - | - | 2.40 | 2.90 | - | - | - | - | 2.40 | 2.90 |
| Maruti Suzuki India Ltd . (Mr. Rejiv Gandhi) | - | - | 1.40 | 2.10 | - | - | - | - | - | - | - | - | 1.40 | 2.10 |
| Total | - | - | 1.40 | 2.10 | - | - | 2.40 | 2.90 | - | - | - | - | 3.80 | 5.00 |
| Amount Recoverable | | | | | | | | | | | | | | |
| Trade & Other Receivables | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 13,956.85 | 6,440.86 | - | - | - | - | - | - | - | - | 13,956.85 | 6,440.86 |
| Neel Metal Products limited | - | - | - | - | 4,328.92 | 2,856.54 | - | - | - | - | - | - | 4,328.92 | 2,856.54 |
| JBM Ogihara Die Tech Private Limited | 0.27 | - | - | - | - | - | - | - | - | - | - | - | 0.27 | - |
| Suzuki Motor Gujarat Private Limited | - | - | 6,449.61 | 3,554.82 | - | - | - | - | - | - | - | - | 6,449.61 | 3,554.82 |
| Total | 0.27 | - | 20,406.46 | 9,995.68 | 4,328.92 | 2,856.54 | - | - | - | - | - | - | 24,735.65 | 12,852.21 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total |
|--|---------------|--|---|--|--|--------------|-------------|--------------|--------------|------------------|------------------|---|-------|
| | Joint Venture | Parties in respect of which the Company is an Associate and Other Entities | Enterprise over which key management personnel & their relative are able to exercise significant influence & Gratuity Trust | Enterprise over which key management personnel and their relatives | Enterprise over which key management personnel & their relative are able to exercise Control | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | | |
| Amount Payable | | | | | | | | | | | | | |
| Trade & Other Payables | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | 4,906.25 | 2,284.17 | - | - | - | - | - | - | 4,906.25 | 2,284.17 | - | |
| Mr. S.K.Arya (Managerial Remuneration) | - | - | - | - | - | 58.49 | - | - | - | 58.49 | - | - | |
| JBM Ojihara Die Tech Private Limited | - | - | - | - | - | - | - | - | - | 533.98 | - | - | |
| Arka Overseas | - | - | 7.06 | 1.36 | - | - | - | - | - | 7.06 | 1.36 | - | |
| Mr Ravi Arora | - | - | - | - | - | 2.50 | - | - | - | 2.50 | - | - | |
| Mr Anand Swaroop | - | - | - | - | - | 3.47 | - | - | - | 3.47 | - | - | |
| Neel Metal Products limited | - | - | - | 12,830.99 | 9,343.63 | - | - | - | - | 12,830.99 | 9,343.63 | - | |
| Suzuki Motor Gujarat Private Limited | - | 11.24 | 5.86 | - | - | - | - | - | - | 11.24 | 5.86 | - | |
| JBM Industries limited | - | - | - | 1,451.61 | 901.64 | - | - | - | - | 1,451.61 | 901.64 | - | |
| Total | - | 533.98 | 2,290.04 | 14,289.66 | 10,246.62 | 64.46 | - | - | - | 19,805.60 | 12,536.66 | - | |
| Dividend Paid | | | | | | | | | | | | | |
| Mr. S.K.Arya | - | - | - | - | - | 2.22 | 4.43 | - | - | 2.22 | 4.43 | - | |
| S K Arya (HUF) | - | - | - | - | - | 0.36 | 0.72 | - | - | 0.36 | 0.72 | - | |
| Mr. Nishant Arya | - | - | - | - | - | 0.05 | 0.10 | - | - | 0.05 | 0.10 | - | |
| Mrs. Neelam Arya | - | - | - | - | - | 1.34 | 2.67 | - | - | 1.34 | 2.67 | - | |
| Mr. Anand Swaroop | - | - | - | - | - | 0.03 | 0.05 | - | - | 0.03 | 0.05 | - | |
| ANS Holding Private Limited | - | - | - | - | - | - | - | 25.36 | 50.72 | - | - | - | |
| JBM Industries limited | - | - | - | 7.70 | 15.40 | - | - | - | - | 7.70 | 15.40 | - | |
| Maruti Suzuki India Limited | - | 79.25 | 158.50 | - | - | - | - | - | - | 79.25 | 158.50 | - | |
| Total | - | 79.25 | 158.50 | 7.70 | 15.40 | 3.99 | 7.97 | 25.36 | 50.72 | 116.30 | 232.59 | - | |
| Dividend Received | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | - | - | - | - | - | - | - | 6.69 | 8.92 | - | |
| Total | - | - | - | - | - | - | - | - | - | 6.69 | 8.92 | - | |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|--|---------------|---------------|----------------------|--------------------------|-----------------------|--------------|
| Remuneration paid to KMP's and their relatives* | | | Mr. S.K. Arya | Mr. Anand Swaroop | Mr. Ravi Arora | |
| (a) short-term employee benefits; | 324.39 | 276.79 | 97.33 | 116.62 | 27.53 | 34.57 |
| (b) post-employment benefits; | 19.85 | 21.80 | 5.70 | 5.57 | 1.47 | 1.55 |
| Total | 344.24 | 298.59 | 103.03 | 122.19 | 29.00 | 36.12 |

* 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 purchases 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 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.

Note 47 : 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 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 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.

Judgments

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 a lease-by-lease basis. In evaluating the lease term, the Company 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 Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is 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.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(i) 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 45.

(ii) 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.

(iii) 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 judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

(iv) Estimates related to useful life of property plant and equipment and 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 all 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.

(v) 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.

(vi) 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 statement.

(vii) 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 TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 48 : 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 | 31-Mar-21 | 31-Mar-20 |
| Net debt | 36,664.55 | 44,344.64 |
| Total equity | 44,967.09 | 42,307.84 |
| Net debt to equity ratio | 0.82 | 1.05 |

(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 following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

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 levels during the period. Following table gives information about how the fair values of these financial assets are determined:

| | ₹ In Lakhs | | |
|--|----------------------------|---------|---------|
| Financial Assets at fair value through OCI | Fair value as at 31-Mar-21 | | |
| | Level 1 | Level 2 | Level 3 |
| Investments in equity instruments | 813.26 | 514.37 | - |
| Financial Assets at fair value through OCI | Fair value as at 31-Mar-20 | | |
| Investments in equity instruments | 506.82 | 493.42 | - |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Financial Assets at fair value through Profit or loss | Fair value as at 31-Mar-21 | | |
|---|----------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 |
| Hedging gain Recoverable | - | - | - |

| Financial Assets at fair value through Profit or loss | Fair value as at 31-Mar-20 | | |
|---|----------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 |
| Hedging gain Recoverable | - | 74.84 | - |

| Particulars | As at 31-Mar-2021 | | As at 31-Mar-2020 | |
|---|-------------------|-----------------|-------------------|-----------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets* | | | | |
| Measured at Amortised Cost | | | | |
| Loans | 361.57 | 361.57 | 361.59 | 361.59 |
| Trade Receivables | 6,151.80 | 6,151.80 | 5,191.87 | 5,191.87 |
| Cash and Cash Equivalents | 219.99 | 219.99 | 151.52 | 151.52 |
| Bank Balances other than Cash and Cash Equivalents | 40.28 | 40.28 | 41.80 | 41.80 |
| Other Financial Assets | 186.49 | 186.49 | 167.66 | 167.66 |
| Total Financial Assets at Amortised Cost (a) | 6,960.13 | 6,960.13 | 5,914.43 | 5,914.43 |

*Does not include investment in Joint venture which is carried at cost in accordance with Ind AS 27 "Separate Financial Statements".

| Measured at Fair Value through Other Comprehensive Income | | | | ₹ In Lakhs |
|--|-----------------|-----------------|-----------------|-----------------|
| Investments | 1,327.63 | 1,327.63 | 1,000.24 | 1,000.24 |
| Total Financial Assets at Fair Value through Other Comprehensive Income (b) | 1,327.63 | 1,327.63 | 1,000.24 | 1,000.24 |
| Measured at Fair value through Profit and Loss | | | | |
| Hedging Gain Recoverable | - | - | 74.84 | 74.84 |
| Total Financial Assets at Fair Value through Profit and Loss (c) | - | - | 74.84 | 74.84 |
| Total Financial Assets (a+b+c) | 8,287.76 | 8,287.76 | 6,989.51 | 6,989.51 |

| Financial Liabilities | | | | |
|--|------------------|------------------|------------------|------------------|
| Measured at Amortised Cost | | | | |
| Non Current Borrowings* | 31,775.76 | 31,777.49 | 32,632.24 | 32,634.61 |
| Finance Lease Liabilities * | 508.79 | 508.79 | 594.65 | 594.65 |
| Payable for Capital Goods | - | - | 3,145.75 | 3,145.75 |
| Current Borrowings | 4,600.00 | 4,600.00 | 11,269.27 | 11,269.27 |
| Trade Payables | 20,598.67 | 20,598.67 | 16,485.25 | 16,485.25 |
| Other Financial Liabilities | 6,491.63 | 6,491.63 | 3,194.42 | 3,194.42 |
| Total Financial Liabilities at Amortised Cost | 63,974.85 | 63,976.58 | 67,321.58 | 67,323.95 |
| * including current maturities of Non Current borrowings & Finance Lease Liabilities | | | | |
| Total Financial Liabilities | 63,974.85 | 63,976.58 | 67,321.58 | 67,323.95 |

Carrying Value of loan, other financial assets, trade receivables, cash and cash equivalents, other bank balances, Non current borrowings (Other than Vehicle loans), current borrowings, Payable for capital goods, other financial liabilities, trade payables are considered to be same as their fair value.

There have been no transfer among levels during the year

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(C) 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.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

C.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 Supplier's credit).

Foreign Currency Exposure that have 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 | - | 41.93 | - | 3,046.75 |

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 | 41.57 | 42.66 | 3,039.54 | 3,228.38 |
| JPY | 69.24 | 195.60 | 45.74 | 136.14 |
| Assets | | | | |
| USD | - | 0.001 | - | 0.08 |

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Impact on Profit / (loss) for the year for a 5% change:

| Particulars | Depreciation in INR | | Appreciation in INR | |
|--------------------|---------------------|-----------|---------------------|-----------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| Payables | | | | |
| USD /INR | (151.98) | (161.42) | 151.98 | 161.42 |
| YEN/INR | (2.29) | (6.81) | 2.29 | 6.81 |
| Particulars | | | | |
| Receivables | | | | |
| USD /INR | - | 0.004 | - | (0.004) |

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 assets and financial liabilities are detailed in the liquidity risk management section of this note

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. In respect of the Foreign Currency Supplier's credit denominated in US Dollars (USD), the Company is having 6 months Libor linked rate.

Interest Rate Sensitivity Analysis

The sensitivity analysis 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:

| | Increase/decrease in basis points | Effect on profit before tax |
|------------------|-----------------------------------|-----------------------------|
| 31-Mar-21 | | |
| INR loans | +50 | -195.90 |
| INR loans | -50 | 195.90 |
| 31-Mar-20 | | |
| INR loans | +50 | -217.86 |
| INR loans | -50 | 217.86 |

c) Security Price Risk

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI

Equity Price Sensitivity Analysis

The Sensitivity Analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March 2021 would increase / decrease by ₹ 66.38 lakhs (for the year ended 31st March 2020: increase / decrease by ₹ 50.01 lakhs) as a result of the change in fair value of equity investment measured at FVTOCI

C.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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

C.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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| | Less than 1 year | 1 to 5 years | > 5 years | Total |
|---|------------------|------------------|-----------------|------------------|
| Year ended 31-Mar-21 | | | | |
| Non Current Borrowings* | 8,724.50 | 23,051.26 | - | 31,775.76 |
| Finance Lease Obligations (Undiscounted) * | 136.40 | 427.36 | 93.21 | 656.98 |
| Current Borrowings | 4,600.00 | - | - | 4,600.00 |
| Trade Payables | 20,598.67 | - | - | 20,598.67 |
| Other Financial Liabilities | 6,491.63 | - | - | 6,491.63 |
| | 40,551.20 | 23,478.62 | 93.21 | 64,123.04 |
| Year ended 31-Mar-20 | | | | |
| Non Current Borrowings* | 5,178.75 | 26,481.93 | 971.56 | 32,632.24 |
| Finance Lease Obligations (Undiscounted) * | 136.40 | 480.91 | 176.07 | 793.39 |
| Current Borrowings | 11,269.27 | - | - | 11,269.27 |
| Other Financial Liabilities-Payable for Capital Goods | - | 3,145.75 | - | 3,145.75 |
| Trade Payables | 16,485.25 | - | - | 16,485.25 |
| Other Financial Liabilities | 3,194.42 | - | - | 3,194.42 |
| | 36,264.09 | 30,108.60 | 1,147.63 | 67,520.32 |

* including current maturities of Non Current borrowings & Finance Lease obligations

NOTE 49 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

NOTE 50 : AMENDMENTS TO STANDARD THAT ARE NOT YET EFFECTIVE AND HAVE NOTE 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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

INDEPENDENT AUDITOR’S REPORT

TO
THE MEMBERS OF JAY BHARAT MARUTI LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **JAY BHARAT MARUTI LIMITED** (“the Company”) and its Joint Venture 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 (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, 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 Company and its Joint Venture 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 Company and its Joint Venture 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 Matter | 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 28 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 |

FINANCIAL STATEMENTS

Information Other than the Consolidated 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 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 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 Company including its Joint Venture 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 Company and of its Joint Venture 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 Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company and of its Joint Venture are responsible for assessing the ability of the Company and of its Joint Venture 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 Company and of its Joint Venture are also responsible for overseeing the financial reporting process of the Company and of its Joint Venture.

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 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 Company and of its Joint Venture 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 Company and its Joint Venture 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 of the Company and of its Joint Venture 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.

We communicate with those charged with governance of the 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.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

- 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.
- 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.
- 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.
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its Joint Venture, none of the directors of the Company and of its Joint Venture 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.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and of its Joint Venture and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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. Further, we report that the Joint Venture company has not paid any managerial remuneration during the year.
- 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:
 - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and of its Joint Venture- Refer Note 38 of the Consolidated Financial Statements.
 - The Company and its Joint Venture Company did not have any material foreseeable losses on long term contracts including derivative contracts.

- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Joint Venture Company incorporated in India during the year ended March 31, 2021.

**For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No.: 002816N**

**Sd/-
Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACA9463**

**Place: New Delhi
Date: April 29, 2021**

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON CONSOLIDATED FINANCIAL STATEMENTS OF JAY BHARAT MARUTI 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 **JAY BHARAT MARUTI LIMITED** (hereinafter referred to as "the Company"), and its Joint Venture Company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and Joint Venture Company, 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 Company and its Joint Venture Company, 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Joint Venture Company, 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, the Company and Joint Venture Company, 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.

**For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No: 002816N**

**Sd/-
Sudhir Chhabra
Partner
Membership No. 083762
UDIN: 21083762AAAACA9463**

**Place: New Delhi
Date: April 29, 2021**

CIN L29130DL1987PLC027342

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

₹ In Lakhs

| Particulars | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|--|----------|----------------------|----------------------|
| ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 85,939.40 | 81,676.00 |
| (b) Capital Work-in-Progress | 4 | 8,340.96 | 14,312.10 |
| (c) Intangible Assets | 5 | 38.64 | 60.94 |
| (d) Investments accounted for using equity method | 6 | 1,097.98 | 1,081.45 |
| (e) Financial Assets | | | |
| (i) Investments | 7 | 1,327.63 | 1,000.24 |
| (ii) Loans | 8 | 361.57 | 361.59 |
| (f) Other Non-Current Assets | 9 | 3,884.83 | 3,592.72 |
| | | 1,00,991.01 | 1,02,085.04 |
| 2 Current Assets | | | |
| (a) Inventories | 10 | 15,286.96 | 12,257.81 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 11 | 6,151.80 | 5,191.87 |
| (ii) Cash and Cash Equivalents | 12 | 219.99 | 151.52 |
| (iii) Bank Balances other than (ii) above | 13 | 40.28 | 41.80 |
| (iv) Other Financial Assets | 14 | 186.49 | 242.49 |
| (c) Other Current Assets | 15 | 438.82 | 712.82 |
| | | 22,324.34 | 18,598.31 |
| TOTAL | | 1,23,315.35 | 1,20,683.35 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 16 | 1,082.50 | 1,082.50 |
| (b) Other Equity | 17 | 43,909.76 | 41,233.98 |
| | | 44,992.26 | 42,316.48 |
| Liabilities | | | |
| 1 Non- Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | 23,423.65 | 27,911.74 |
| (ii) Other Financial Liabilities | 19 | - | 3,145.75 |
| (b) Provisions | 20 | 904.43 | 1,197.67 |
| (c) Deferred Tax Liabilities (Net) | 21 | 8,229.26 | 7,404.64 |
| (d) Other Non-Current Liabilities | 22 | 1,551.17 | - |
| | | 34,108.51 | 39,659.80 |
| 2 Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 23 | 4,600.00 | 11,269.27 |
| (ii) Trade Payables | 24 | | |
| Total outstanding dues of Micro enterprises and small enterprises | | 617.85 | 301.51 |
| Total outstanding dues of creditors other than Micro enterprises and small enterprises | | 19,980.82 | 16,183.74 |

₹ In Lakhs

| Particulars | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------------|----------|----------------------|----------------------|
| (iii) Other Financial Liabilities | 25 | 15,352.54 | 8,509.57 |
| (b) Other Current Liabilities | 26 | 3,495.19 | 2,243.52 |
| (c) Provisions | 27 | 168.18 | 199.46 |
| | | 44,214.58 | 38,707.07 |
| TOTAL | | 1,23,315.35 | 1,20,683.35 |

Significant Accounting Policies

2

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

CIN L29130DL1987PLC027342

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

| ₹ In Lakhs | | | |
|--|----------|-----------------------------------|---------------------------------|
| Particulars | Note No. | For the year ended March 31, 2021 | For the year ended Mar 31, 2020 |
| I Revenue from Operations | 28 | 1,49,906.79 | 1,65,771.34 |
| II Other Income | 29 | 453.44 | 169.85 |
| III Total Income (I + II) | | 1,50,360.23 | 1,65,941.19 |
| IV Expenses | | | |
| Cost of Materials Consumed | | 1,14,727.09 | 1,25,234.47 |
| Changes in Inventories of Finished Goods and Work in Progress | 30 | (1,418.18) | 1,569.89 |
| Employee Benefits Expense | 31 | 13,596.30 | 14,207.74 |
| Finance Costs | 32 | 3,295.89 | 3,807.95 |
| Depreciation and Amortization Expense | 33 | 6,594.30 | 6,252.02 |
| Other Expenses | 34 | 9,410.53 | 10,655.24 |
| Total Expenses (IV) | | 1,46,205.93 | 1,61,727.31 |
| V Profit before share of Joint Venture and tax (III-IV) | | 4,154.30 | 4,213.88 |
| VI Add : Share of Profit/(Loss) of Joint Venture | | 26.69 | 26.31 |
| VII Profit before tax (V+VI) | | 4,180.99 | 4,240.19 |
| VIII Tax Expense: | 35 | | |
| (1) Current Tax | | 721.31 | 747.14 |
| (2) Deferred Tax | | 783.21 | 716.42 |
| (3) Earlier Years Tax | | 53.14 | (46.08) |
| | | 1,557.66 | 1,417.48 |
| IX Profit after tax for the year (VII-VIII) | | 2,623.33 | 2,822.70 |
| X Other Comprehensive Income | 36 | | |
| (A) Items that will not be reclassified subsequently to profit or Loss | | | |
| - Remeasurement of the net defined benefit liability/asset | | (6.53) | 95.32 |
| - Income tax effect | | 2.21 | (33.31) |
| - Fair value changes on Investment | | 327.39 | (309.56) |
| (B) Items that will be reclassified subsequently to profit or Loss | | - | - |
| Total Other Comprehensive Income (A)+ (B) | | 323.07 | (247.55) |
| XI Total Comprehensive Income (IX+X) | | 2,946.40 | 2,575.15 |
| Profit for the year attributable to: | | | |
| Owners of the Company | | 2,623.33 | 2,822.70 |
| Non Controlling Interest | | - | - |

₹ In Lakhs

| Particulars | Note No. | For the year ended March 31, 2021 | For the year ended Mar 31, 2020 |
|---|----------|-----------------------------------|---------------------------------|
| Other Comprehensive Income for the year attributable to: | | | |
| Owners of the Company | | 323.07 | (247.55) |
| Non Controlling Interest | | - | - |
| Total Comprehensive Income for the year attributable to: | | | |
| Owners of the Company | | 2,946.40 | 2,575.15 |
| Non Controlling Interest | | - | - |
| XII Earnings per equity share (Face Value of ₹ 5/- each) : | 37 | | |
| (1) Basic | | 12.12 | 13.04 |
| (2) Diluted | | 12.12 | 13.04 |
| Significant Accounting Policies | 2 | | |

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

CIN L29130DL1987PLC027342

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

| A. Equity Share Capital | | | | | ₹ In Lakhs |
|--|------------------------------|--|--|--|-------------------------------------|
| Particulars | Balance as at 1st April 2019 | Change in equity share capital during the year | Balance at the end of 31st March 2020 | Change in equity share capital during the year | Balance at the end of 31 March 2021 |
| Equity Share Capital | 1,082.50 | - | 1,082.50 | - | 1,082.50 |
| B. Other Equity | | | | | ₹ In Lakhs |
| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total | |
| | General Reserve | Retained Earnings | Equity Instrument through other Comprehensive Income | | |
| Balance as at 1 April 2019 | 2,516.75 | 35,723.33 | 1,071.26 | 39,311.33 | |
| Profit for the year | - | 2,822.70 | - | 2,822.70 | |
| Remeasurement of defined benefit obligations (net of income tax) | - | 62.01 | - | 62.01 | |
| Fair valuation of investments | - | - | (309.56) | (309.56) | |
| Dividend distributed during the year (₹ 2.50 per share) | - | (541.25) | - | (541.25) | |
| Corporate dividend tax | - | (111.26) | - | (111.26) | |
| Balance as at 31 March 2020 | 2,516.75 | 37,955.54 | 761.70 | 41,233.98 | |
| Profit for the year | - | 2,623.33 | - | 2,623.33 | |
| Remeasurement of defined benefit obligations (net of income tax) | - | (4.31) | - | (4.31) | |
| Fair valuation of investments | - | - | 327.39 | 327.39 | |
| Dividend distributed during the year (₹ 1.25 per share) | - | (270.63) | - | (270.63) | |
| Corporate dividend tax | - | - | - | - | |
| Balance as at 31 March 2021 | 2,516.75 | 40,303.93 | 1,089.09 | 43,909.76 | |

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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Place: New Delhi
Date : April 29, 2021

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

CIN L29130DL1987PLC027342

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

| Particulars | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|---|---------------------------|--------------------|---------------------------|--------------------|
| | | | | |
| A CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before taxation | | 4,180.99 | | 4240.19 |
| Adjustments for : | | | | |
| Depreciation and amortisation | 6,594.30 | | 6,252.02 | |
| Finance cost | 3,295.89 | | 3,807.95 | |
| Interest income | (69.87) | | (29.24) | |
| Dividend income | (10.44) | | (15.30) | |
| Rental income | (28.92) | | (28.92) | |
| Balances written back | (67.70) | | (34.83) | |
| Unpaid exchange fluctuation | (78.13) | | 211.58 | |
| Share in Profit/loss of Joint Venture | (26.69) | | (26.31) | |
| Profit/Loss on sale of property, plant and equipment | 14.71 | 9,623.15 | (42.84) | 10,094.11 |
| Operating Profit before working Capital changes | | 13,804.14 | | 14,334.30 |
| Adjustments for : | | | | |
| Trade and other receivables | (628.39) | | 3,274.55 | |
| Inventories | (3,029.15) | | 4,663.72 | |
| Trade and other payables | 6,946.07 | 3,288.53 | (4,946.66) | 2,991.61 |
| Cash generated from operating activities | | 17,092.67 | | 17,325.91 |
| Direct taxes paid | (752.73) | (752.73) | (1,921.38) | (1,921.38) |
| Net Cash from Operating Activities | | 16,339.94 | | 15,404.53 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Capital expenditure on property, plant and equipment and intangible assets including capital advances | (5,167.00) | | (13,893.40) | |
| Proceeds from sale of property, plant and equipment | 68.11 | | 103.11 | |
| Purchase of Investments | - | | (666.89) | |
| Rent received | 28.92 | | 28.92 | |
| Interest received | 69.87 | | 29.24 | |
| Dividend received | 10.44 | | 15.30 | |
| Net cash used in Investing Activity | | (4,989.66) | | (14,383.72) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from Non Current borrowings | 5,379.35 | | 9,776.08 | |
| Repayments of Non Current borrowings | (6,372.24) | | (9,641.89) | |
| Current borrowings(Net) | (6,697.36) | | 3,329.60 | |
| Interest paid | (3,320.93) | | (3,772.02) | |
| Dividend paid | (270.63) | | (541.25) | |
| Corporate dividend tax | - | | (111.26) | |
| Net cash used in financing activities | | (11,281.81) | | (960.74) |
| Net increase in Cash and Cash equivalents | | 68.47 | | 60.07 |
| Cash and Cash equivalents at the beginning of the year | | 151.52 | | 91.45 |
| Cash and Cash equivalents at the end of the year | | 219.99 | | 151.52 |

The accompanying notes are forming part of these financial statements.

CIN L29130DL1987PLC027342

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021**NOTES:**

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the IND AS-7 "Statement of Cash Flows".
2. During the year the Company spent ₹ 142.40 Lakhs (P.Y. ₹ 164.20 Lakhs) on CSR Expenses in accordance with the provisions of the Companies Act, 2013.
3. Cash and Cash Equivalents include Bank Balances and Cash in Hand (Refer Note No. 12)
4. Figures in bracket represents cash outflow.
5. IND AS 7 cash flow statements 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 requirement following disclosure is made:

| | As at 01st April 2020 | Recognised During the Year | Cash Inflows/ (outflows) | Acquisition/ Foreign Exchange Movement/ fair Value Changes | As at 31st March 2021 |
|-------------------------|-----------------------------|----------------------------------|--------------------------------|---|--------------------------|
| Borrowings- Non Current | 32,632.24 | - | (856.48) | | 31,775.76 |
| Borrowings- Current | 11,269.27 | - | (6,669.27) | - | 4,600.00 |
| Lease liabilities | 594.65 | - | (136.40) | 50.54 | 508.79 |

₹ In Lakhs

As per our report of even date attached.

For Sahni Natarajan and BahlChartered Accountants
Firm Registration No. - 002816N**S.K.Arya**Chairman & Managing Director
DIN 00004626
New Delhi**Dharmpal Agarwal**Director
DIN 00084105
New Delhi**Sudhir Chhabra**Partner
M.No-083762**Anand Swaroop**President & CFO
New Delhi**Ravi Arora**Company Secretary
M No. 37075
Gurugram (Haryana)**Vijay Kumar Sharma**CGM-Finance
New DelhiPlace: New Delhi
Date : April 29, 2021**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021****GENERAL INFORMATION**

Jay Bharat Maruti Limited (JBML) ("The Company") is a public limited company incorporated in India, listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is 601, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019. The Company is a Associate of Maruti Suzuki India Limited. The principal activities of the Company are manufacturing of sheet metal components, rear axle, muffler assemblies, fuel neck and tools & dies for motor vehicles, components and spare parts.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorize for issue on 29-04-2021

1. BASIS OF PREPARATION AND PRESENTATION**1.1. Statement of Compliance**

The Consolidated Financial Statements have been prepared as a going concern 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 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.

The principal accounting policies are set out below.

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 realization 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.

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" and other accounting pronouncements of the Institute of Chartered Accountants of India.

The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Jay Bharat Maruti 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 company.

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.

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.

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 company 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 company and its joint ventures are eliminated to the extent of the company 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Changes in Ownership Interests

When the Company ceases to equity account for an investment because of loss of control any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair values become the initial carrying amount for the purposes of subsequent accounting for the retained interest as an joint venture. In addition, any amount previously recognised in other comprehensive income in respect of that entity is accounted for as if the Company had directly disposed of related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If ownership interest in a joint venture is reduced but joint control is retained only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Particulars of Joint Venture consolidated

| Name of the Company | Relationship | Country of Incorporation | % Holding as on 31 March 2021 |
|--------------------------------------|---------------|--------------------------|-------------------------------|
| JBM Ogihara Die Tech Private Limited | Joint Venture | India | 49 |

2. SIGNIFICANT ACCOUNTING POLICIES**2.1. Use of Estimate 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.

2.2. 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 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 is recognized for sale of products when the Company transfer control over such products to the customer which is generally on dispatch from the factory.

Sale of Services

Revenue from services are recognized as related services are performed.

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 amortized or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses. 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.

2.3. Leases

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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
- 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 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 company functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates 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 the 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 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 Company during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are 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.

2.6. 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 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. Re-measurements 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 LIC. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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.

Re-measurement 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 Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund administered through Life Insurance Corporation of India. The Company's contributions are 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 and Employees' Pension Scheme 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.

2.7. 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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. Freehold land is measured at cost and is not depreciated.

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.

Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option available in Ind AS 101

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.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

| Property, plant and equipment | Useful lives based on technical evaluation |
|--|--|
| Plant & machinery | 20 Years |
| Electric Installation | 20 Years |
| Factory Building (Including Tube well) | 28-29 Years |
| Office Building | 60 Years |
| Vehicles | 5 Years |
| Furniture & Fixtures | 5 Years |
| Trolleys & Bins (Dies, Fixtures & Special Purpose Machine) | 5 Years |
| Dies, Fixtures & Jigs | 3-9 Years |
| Computers | 3 Years |
| Office Equipment | 5 Years |

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.

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing ₹ 5000/- or less are depreciated in full in the year of purchase. Plant & Machinery and other assets the written down value of which at the beginning is the year is ₹ 5000/- or less and ₹ 1000/- or less respectively are depreciated at the rate of 100%.

Freehold land is not amortised.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Transition to IND AS

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an intangible asset at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option in Ind AS 101.

Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows.

Residual Value is considered as Nil in the below cases:

| Nature of Assets | Life |
|-------------------|---------|
| Technical knowhow | 3 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 de-recognition 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.

2.10. Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis;

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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.

2.12. 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:

- 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in the Statement of Profit and Loss.

(iv). Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are 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 recognising 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 Re-measurement 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 Cash Flow Statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet and forms part of financing activities in the Cash Flow Statement. Book overdrafts are shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the cash flow statement.

(vii). 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.

(viii). De-recognition of financial assets

A financial asset is de-recognised 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.

(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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Financial liabilities and equity instruments

(x). 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.

(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 Company 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 the Statement of Profit and Loss.

(xiii). 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.

(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 the 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 the 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). De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(xvii). 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 re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the 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 the 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 Company or the counterparty.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2.13. 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 are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are 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.

2.14. 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 would be anti-dilutive.

2.15. Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.16. Royalty

The Company pays/accrues for royalty in accordance with the relevant licence agreements.

2.17. 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.

2.18. 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 of the Companies Act 2013, unless otherwise stated.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE-3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

| Description | Freehold Land # | Leasehold Land (Right of use Asset) | Buildings | Plant and Equipment | Furniture & Fixtures | Office Equipment | Computers & Computer System | Vehicles | Total |
|--------------------------------------|-----------------|-------------------------------------|------------------|---------------------|----------------------|------------------|-----------------------------|---------------|--------------------|
| Gross Block* | | | | | | | | | |
| As at 01 April 2019 | 1,855.76 | 29.16 | 9,389.73 | 88,843.96 | 176.43 | 291.97 | 209.00 | 448.11 | 1,01,244.10 |
| Additions | - | 690.91 | 1,050.33 | 2,740.73 | 7.60 | 23.06 | 5.39 | 345.70 | 4,863.73 |
| Disposals | - | - | (7.10) | (78.72) | - | - | (2.08) | (134.12) | (222.02) |
| As at 31 March 2020 | 1,855.76 | 720.07 | 10,432.96 | 91,505.97 | 184.03 | 315.03 | 212.30 | 659.69 | 1,05,885.80 |
| Additions | - | - | 1,616.34 | 9,199.27 | 62.09 | 4.85 | 23.13 | 12.54 | 10,918.22 |
| Disposals | - | - | - | (102.14) | (0.04) | - | (4.21) | (50.96) | (157.35) |
| As at 31 March 2021 | 1,855.76 | 720.07 | 12,049.30 | 1,00,603.10 | 246.08 | 319.88 | 231.22 | 621.27 | 1,16,646.67 |
| Accumulated Depreciation* | | | | | | | | | |
| As at 01 April 2019 | - | 29.16 | 932.68 | 16,794.54 | 103.92 | 120.41 | 100.11 | 182.68 | 18,263.51 |
| Charge for the year | - | 104.27 | 367.85 | 5,429.03 | 25.82 | 41.85 | 41.55 | 97.68 | 6,108.04 |
| Adjustments on disposals | - | - | (0.15) | (62.64) | - | - | (0.92) | (98.04) | (161.75) |
| As at 31 March 2020 | - | 133.43 | 1,300.38 | 22,160.93 | 129.74 | 162.26 | 140.73 | 182.31 | 24,209.80 |
| Charge for the year | - | 104.27 | 394.01 | 5,858.95 | 23.05 | 42.35 | 35.48 | 113.88 | 6,572.00 |
| Adjustments on disposals | - | - | - | (42.93) | - | - | (3.84) | (27.76) | (74.53) |
| As at 31 March 2021 | - | 237.70 | 1,694.39 | 27,976.95 | 152.79 | 204.61 | 172.37 | 268.43 | 30,707.27 |
| Net block as at 31 March 2020 | 1,855.76 | 586.64 | 9,132.59 | 69,345.03 | 54.28 | 152.77 | 71.56 | 477.38 | 81,676.00 |
| Net block as at 31 March 2021 | 1,855.76 | 482.37 | 10,354.91 | 72,626.15 | 93.29 | 115.26 | 58.85 | 352.84 | 85,939.40 |

Includes a small portion of Freehold Land of the Company situated at Gurugram which is provided on cancellable operating lease.

* For Property, Plant and Equipment charged as security - refer Note No. 18 & 23

FINANCIAL STATEMENTS

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE-4 : CAPITAL WORK IN PROGRESS

₹ In Lakhs

| | 31-Mar-21 | 31-Mar-20 |
|---|------------------|------------------|
| Capital Work in Progress* | 8,340.96 | 14,312.10 |
| | 8,340.96 | 14,312.10 |
| * Including Pre-operative expenses ₹ 462.78 Lakhs (As at March 31, 2020 ₹ 957.10 Lakhs) | | |
| Pre-operative expense pending allocation : | | |
| Nature of Expense | 31-Mar-21 | 31-Mar-20 |
| Opening Balance | 957.10 | 143.15 |
| Additions During the Year : | | |
| Salary & Wages | 77.74 | 97.56 |
| Travelling & Conveyance | - | 42.17 |
| Other Miscellaneous Expenses | 2.90 | 34.42 |
| Interest Expenses | 678.82 | 644.82 |
| Total | 1,716.56 | 962.12 |
| Less : Capitalised during the year | (1,253.78) | (5.02) |
| Closing Balance | 462.78 | 957.10 |

NOTE-5 : INTANGIBLE ASSETS

₹ In Lakhs

| | Technical Knowhow | Computer Software | Total |
|---|-------------------|-------------------|---------------|
| Gross Block | | | |
| As at 01 April 2019 | 647.61 | 222.67 | 870.28 |
| Additions | - | 7.77 | 7.77 |
| Balance as at 31 March 2020 | 647.61 | 230.45 | 878.06 |
| Additions | - | - | - |
| Balance as at 31 March 2021 | 647.61 | 230.45 | 878.06 |
| Accumulated Amortisation | | | |
| As at 01 April 2019 | 514.22 | 158.92 | 673.14 |
| Charge for the year | 99.48 | 44.50 | 143.98 |
| Balance as at 31 March 2020 | 613.70 | 203.42 | 817.12 |
| Charge for the year | - | 22.30 | 22.30 |
| Balance as at 31 March 2021 | 613.70 | 225.72 | 839.42 |
| Net book value as at 31 March 2020 | 33.91 | 27.03 | 60.94 |
| Net book value as at 31 March 2021 | 33.91 | 4.73 | 38.64 |

NOTE 6 : INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

₹ In Lakhs

| | Units as at March 31,2021 | Units as at March 31,2020 | 31-Mar-21 | 31-Mar-20 |
|---|---------------------------|---------------------------|-----------------|-----------------|
| Joint Venture (at cost) (Fully paid up)* | | | | |
| - Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in JBM Ogihara Die Tech Private Limited | 1,07,28,118 | 1,07,28,118 | 1,097.98 | 1,081.45 |
| | | | 1,097.98 | 1,081.45 |

* Disclosure u/s 186(4) of the Companies Act, 2013: During the year the Company has invested ₹ Nil (P.Y. ₹ 666.89 Lakhs (No. of Shares: Nil, PY 66,68,900) in JBM Ogihara Die Tech Private Limited. The Company is having 49% stake in the said company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

FINANCIAL ASSETS

₹ In Lakhs

NOTE 7 : INVESTMENTS

| | Units as at March 31,2021 | Units as at March 31,2020 | 31-Mar-21 | 31-Mar-20 |
|---|------------------------------|------------------------------|-----------------|-----------------|
| Investment In Equity Instruments | | | | |
| "In Others" (in Equity Instruments at Fair Value through Other Comprehensive Income) | | | | |
| Unquoted (Fully paid up) | | | | |
| - Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in Nagata India Private Limited | 20,85,000 | 20,85,000 | 514.37 | 493.42 |
| | | | 514.37 | 493.42 |
| Quoted (Fully paid up) | | | | |
| - Equity Shares Face value of ₹ 5/- (P.Y. ₹ 5/-) each in Maruti Suzuki India Limited | 11,150 | 11,150 | 764.86 | 478.08 |
| - Equity Shares Face value of ₹ 10/- (P.Y. ₹ 10/-) each in Haryana Financial Corporation | 19,300 | 19,300 | - | - |
| - Equity Shares Face value of ₹10/- (P.Y. ₹ 10/-) each in Canara Bank | 31,790 | 31,790 | 48.40 | 28.74 |
| | | | 813.26 | 506.82 |
| Total Investment | | | 1,327.63 | 1,000.24 |
| Aggregate Market Value of Quoted Investments | | | 813.26 | 506.82 |
| Aggregate amount of Quoted Investments (At Cost) | | | 36.79 | 36.79 |
| Aggregate amount of Unquoted Investments | | | 514.37 | 493.42 |
| Aggregate amount of impairment in value of Investment | | | - | - |

₹ In Lakhs

NOTE 8 : LOANS

31-Mar-21 31-Mar-20

(Carried at Amortised Cost)

Unsecured, considered good

| | | |
|-------------------|---------------|---------------|
| Security Deposits | 361.57 | 361.59 |
| | 361.57 | 361.59 |

₹ In Lakhs

NOTE 9 : OTHER NON CURRENT ASSETS

31-Mar-21 31-Mar-20

Unsecured, Considered Good

| | | |
|-----------------------|-----------------|-----------------|
| Capital Advances | 423.43 | 162.69 |
| Income Tax Refundable | 3,461.40 | 3,430.03 |
| | 3,884.83 | 3,592.72 |

CURRENT ASSETS

₹ In Lakhs

NOTE 10: INVENTORIES

31-Mar-21 31-Mar-20

| | | |
|--------------------------|------------------|------------------|
| Raw Materials | 4,885.43 | 4,283.84 |
| Raw Materials in Transit | 306.62 | 47.28 |
| Work In Progress | 3,205.57 | 2,323.01 |
| Finished Goods | 1,428.92 | 893.30 |
| Inventory-Dies | 2,723.57 | 2,480.39 |
| Stores & Spares | 2,590.97 | 2,110.36 |
| Scrap | 145.88 | 119.63 |
| | 15,286.96 | 12,257.81 |

- Inventories have been secured against certain bank borrowings of the Company as at 31st March 2021 (Refer Note No. 23)
- The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 1,17,423.60 Lakhs (P.Y ₹ 1,30,621.57 Lakhs)
- The mode of valuation of inventories has been stated in Note No. 2.10 of Accounting Policy

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

FINANCIAL ASSETS

(Carried at Amortised Cost, unless stated otherwise)

₹ In Lakhs

NOTE 11 : TRADE RECEIVABLES

31-Mar-21 31-Mar-20

| | | |
|------------------------------|-----------------|-----------------|
| - Unsecured, considered good | 6,151.80 | 5,191.87 |
| | 6,151.80 | 5,191.87 |

- Trade receivables have been given as collateral towards borrowings of the Company (refer Note No. 23).
- Includes Amount due from Related Parties (Refer Note No. 48)
- Includes ₹ Nil (P.Y ₹ Nil Lakhs) debts due from Private Company in which Director is a Director or Member

₹ In Lakhs

NOTE 12 : CASH AND CASH EQUIVALENTS

31-Mar-21 31-Mar-20

(a) Balances with Banks

| | | |
|----------------------|--------|--------|
| - In Current Account | 217.26 | 146.15 |
|----------------------|--------|--------|

(b) Cash in hand

| | | |
|--|------|------|
| | 2.73 | 5.37 |
|--|------|------|

219.99 151.52

NOTE 13 : BANK BALANCES OTHER THAN ABOVE

31-Mar-21 31-Mar-20

| | | |
|---------------------------------|--------------|--------------|
| - In Unclaimed Dividend Account | 40.28 | 41.80 |
| | 40.28 | 41.80 |

₹ In Lakhs

NOTE 14 : OTHER FINANCIAL ASSETS

31-Mar-21 31-Mar-20

(Unsecured, considered good)

Carried at Amortised Cost

| | | |
|-----------------------------|-------|-------|
| Advances to Employees | 87.56 | 95.25 |
| Insurance claim recoverable | 59.39 | - |
| Others | 39.54 | 72.40 |

Carried at Fair Value through Profit and Loss

| | | |
|--------------------------|---------------|---------------|
| Hedging Gain Recoverable | - | 74.84 |
| | 186.49 | 242.49 |

₹ In Lakhs

NOTE 15 : OTHER CURRENT ASSETS

31-Mar-21 31-Mar-20

(Unsecured, considered good)

| | | |
|---|---------------|---------------|
| Prepaid Expenses | 243.57 | 295.29 |
| Advances to Suppliers | 132.06 | 369.02 |
| Balance with Statutory/Government Authorities | 63.19 | 48.51 |
| | 438.82 | 712.82 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 16 : EQUITY SHARE CAPITAL

₹ In Lakhs

| | No. of Shares as on 31st Mar 2021 | No. of Shares as on 31st Mar 2020 | 31-Mar-21 | 31-Mar-20 |
|--|--------------------------------------|--------------------------------------|--------------------|-----------------|
| Authorised | | | | |
| Equity Shares of ₹ 5/- (P.Y. ₹ 5/-) each | 5,40,00,000 | 5,40,00,000 | 2,700.00 | 2,700.00 |
| Preference Shares of ₹ 10/- (P.Y. ₹ 10/-) each | 30,00,000 | 30,00,000 | 300.00 | 300.00 |
| | | | 3,000.00 | 3,000.00 |
| Issued, Subscribed and Fully Paid Up | | | | |
| Equity Shares of ₹ 5/- (P.Y. ₹ 5/-) each | 2,16,50,000 | 2,16,50,000 | 1,082.50 | 1,082.50 |
| | | | 1,082.50 | 1,082.50 |
| Reconciliation of the number of Equity Shares outstanding | | | | |
| Particulars | 31-Mar-21 | | 31-Mar-20 | |
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the year | 2,16,50,000 | 1,082.50 | 2,16,50,000 | 1,082.50 |
| Add: issued/(cancelled) during the year | - | - | - | - |
| Balance at the end of the year | 2,16,50,000 | 1,082.50 | 2,16,50,000 | 1,082.50 |

Rights, preferences and restrictions attached to shares

The Company has one class of equity shares with a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. Each shareholder is having similar dividend rights for each share held. 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.

Details of Shareholders holding more than 5% of the Equity Share Capital

Refer Note No. 45

NOTE 17. OTHER EQUITY

₹ In Lakhs

| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total |
|--|----------------------|-------------------|--|------------------|
| | General Reserve | Retained Earnings | Equity Instrument through Other Comprehensive Income | |
| Balance as at 1 April 2019 | 2,516.75 | 35,723.33 | 1,071.26 | 39,311.33 |
| Profit for the year | - | 2,822.70 | - | 2,822.70 |
| Remeasurement of defined benefit obligations (net of income tax) | - | 62.01 | - | 62.01 |
| Fair valuation of investments | - | - | (309.56) | (309.56) |
| Dividend distributed during the year (₹ 2.50 per share) | - | (541.25) | - | (541.25) |
| Corporate dividend tax | - | (111.26) | - | (111.26) |
| Balance as at 31 March 2020 | 2,516.75 | 37,955.54 | 761.70 | 41,233.98 |
| Profit for the year | - | 2,623.33 | - | 2,623.33 |
| Remeasurement of defined benefit obligations (net of income tax) | - | (4.31) | - | (4.31) |
| Fair valuation of investments | - | - | 327.39 | 327.39 |
| Dividend distributed during the year (₹ 1.25 per share) | - | (270.63) | - | (270.63) |
| Corporate dividend tax | - | - | - | - |
| Balance as at 31 March 2021 | 2,516.75 | 40,303.93 | 1,089.09 | 43,909.76 |

In respect of the year ended March 31, 2021, the Directors propose that a final dividend of 25% i.e ₹ 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 270.63 Lakhs.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NON CURRENT LIABILITIES

FINANCIAL LIABILITIES (Carried at Amortised Cost, unless stated otherwise)

₹ In Lakhs

NOTE :18 BORROWINGS

31-Mar-21 31-Mar-20

A. Term Loans From Banks (Secured)

| | | |
|--------------------|-----------|-----------|
| -In Rupee | | |
| - Term Loan * | 31,540.92 | 32,302.38 |
| - Vehicle Loans ** | 234.84 | 329.86 |

B. Finance Lease Obligation (Unsecured)

| | | |
|---|------------------|------------------|
| | 32,284.55 | 33,226.89 |
| Less:- Current Maturities of Long Term Loans | (8,724.50) | (5,178.75) |
| Less:- Current Maturities of Finance Lease Obligation | (136.40) | (136.40) |
| Total | 23,423.65 | 27,911.74 |

*Term loan of ₹ 20,149.11 Lakhs is secured by First Pari-Passu charge on the movable assets of the new plant set up at Vithlapur Gujarat.

*Term loan of ₹ 125.00 Lakhs & ₹ 6680.81 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X & 1.30X respectively coverage of the term loan value.

* Term loan of ₹ 4586.00 Lakhs has exclusive charge on plant & machinery to the tune of 1.50X coverage of the term loan value and Secondary collateral of Exclusive charge on Land & Building located at Sector 36, Mohammadpur Jharsa, Gurgaon providing a minimum coverage of 1.5x

**Secured by hypothecation of respective vehicle financed.

Terms of Repayment of Term Loans

| I In Rupees | | | | | |
|-------------|---------------------|---------------------|--------------------------------------|--|--|
| S. No. | Amount (₹ In Lakhs) | Interest Rate Terms | No. of Quarterly/Monthly Instalments | Balance No. of Quarterly/Monthly Instalment as on 31.03.2021 | Balance No. of Quarterly Instalment as on 31.03.2020 |
| 1 | 125.00 | MCLR Linked Rate | 16 Quarterly | 2 | 5 |
| 2 | 1,750.00 | MCLR Linked Rate | 18 Quarterly | 9 | 12 |
| 3 | 2,222.23 | MCLR Linked Rate | 18 Quarterly | 10 | 13 |
| 4 | 2,774.06 | MCLR Linked Rate | 16 Quarterly | 11 | 15 |
| 5 | 2,845.97 | MCLR Linked Rate | 18 Quarterly | 10 | 12 |
| 6 | 1,533.89 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 7 | 1,487.88 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 8 | 813.07 | MCLR Linked Rate | 20 Quarterly | 15 | 17 |
| 9 | 2,607.21 | MCLR Linked Rate | 20 Quarterly | 17 | 19 |
| 10 | 869.07 | MCLR Linked Rate | 20 Quarterly | 17 | 19 |
| 11 | 1,244.44 | MCLR Linked Rate | 18 Quarterly | 14 | 17 |
| 12 | 291.67 | MCLR Linked Rate | 18 Quarterly | 15 | 18 |
| 13 | 3,679.89 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 14 | 920.22 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 15 | 2,299.92 | MCLR Linked Rate | 20 Quarterly | 18 | 20 |
| 16 | 1,490.40 | MCLR Linked Rate | 18 Quarterly | 14 | 18 |
| 17 | 4,586.00 | MCLR Linked Rate | 54 Monthly | 51 | 0 |
| | 31,540.92 | Total | | | |

III Vehicle Loans from banks are payable in 36 monthly equal installments respectively from the date of disbursements carrying interest rate @ 8.76% to 9.51% per annum.

IV There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 19 : OTHER FINANCIAL LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Payable for Capital Goods | - | 3,145.75 |
| | - | 3,145.75 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 20 : PROVISIONS | 31-Mar-21 | 31-Mar-20 |
| Provision for Employee Benefits | | |
| (a) Provision for Gratuity | 262.06 | 542.90 |
| (b) Provision for Leave Encashment and Compensated Absences | 642.37 | 654.77 |
| | 904.43 | 1,197.67 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 21 : DEFERRED TAX LIABILITIES (Net) | 31-Mar-21 | 31-Mar-20 |
| Major components of deferred tax arising on account of timing differences as at 31 March 2021 are:- | | |
| (i) Deferred Tax Liability | | |
| - Difference between book depreciation and depreciation under Income Tax Act, 1961 | 11,889.25 | 11,009.61 |
| | 11,889.25 | 11,009.61 |

| | | |
|--|-----------------|-----------------|
| (ii) Deferred Tax Assets | | |
| -Disallowance under Income Tax Act,1961 | 458.26 | 488.21 |
| -Unabsorbed Depreciation under Income Tax Act,1961 | - | 77.17 |
| -MAT Credit Entitlement | 3,201.73 | 3,039.59 |
| | 3,659.99 | 3,604.97 |
| (iii) Net Deferred Tax liability* (i-ii) | 8,229.26 | 7,404.64 |

| | ₹ In Lakhs | | |
|--|------------------|---------------------------------|------------------|
| Reconciliation of Deferred Tax Liabilities (Net) | 31-Mar-20 | Movement during the year | 31-Mar-21 |
| Deferred Tax Liability: | | | |
| Impact of difference between tax depreciation and depreciation charged for the financial reporting | 11,009.61 | 879.64 | 11,889.25 |
| Total Deferred Tax Liabilities (A) | 11,009.61 | 879.64 | 11,889.25 |
| Deferred Tax Assets: | | | |
| MAT Credit entitlement | 3,039.59 | 162.14 | 3,201.73 |
| Unabsorbed Depreciation under Income Tax Act,1961 | 77.17 | (77.17) | - |
| Disallowance under the Income Tax Act, 1961 | 488.21 | (29.95) | 458.26 |
| Total Deferred Tax Assets (B) | 3,604.97 | 55.02 | 3,659.99 |
| Deferred Tax Liability (Net) (A - B) | 7,404.64 | 824.62 | 8,229.26 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | | |
|--|------------------|---------------------------------|------------------|
| Reconciliation of Deferred Tax Liabilities (Net) | 31-Mar-19 | Movement during the year | 31-Mar-20 |
| Deferred Tax Liability: | | | |
| Impact of difference between tax depreciation and depreciation charged for the financial reporting | 9,424.14 | 1,585.47 | 11,009.61 |
| Total Deferred Tax Liabilities (A) | 9,424.14 | 1,585.47 | 11,009.61 |
| Deferred Tax Assets: | | | |
| MAT Credit entitlement | 2,246.39 | 793.20 | 3,039.59 |
| Unabsorbed Depreciation under Income Tax Act,1961 | - | 77.17 | 77.17 |
| Disallowance under the Income Tax Act, 1961 | 471.19 | 17.02 | 488.21 |
| Total Deferred Tax Assets (B) | 2,717.58 | 887.39 | 3,604.97 |
| Deferred Tax Liability (Net) (A - B) | 6,706.56 | 698.08 | 7,404.64 |

* Deferred Tax Liability and Deferred tax Assets have been offset as they relate to same governing taxation laws.

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 22 : OTHER NON-CURRENT LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Advances From Customers | 1,551.17 | - |
| | 1,551.17 | - |

CURRENT LIABILITIES

FINANCIAL LIABILITIES

(Carried at Amortised Cost, unless stated otherwise)

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 23 : BORROWINGS | 31-Mar-21 | 31-Mar-20 |
| Secured* | | |
| Loans Repayable on Demand From Banks | | |
| -Cash Credit | - | 722.52 |
| Other Loans From Banks | | |
| -Working Capital Demand Loans & Others | 4,600.00 | 10,546.75 |
| | 4,600.00 | 11,269.27 |

* Secured by first charge on book debts, stock and other current assets of the Company ranking parri passu inter se between the Company's bankers and are further secured by second charge on movable Property, Plant and Equipment of the Company.

- There have been no breach of covenants mentioned in the loan agreements during the reporting period.

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 24 : TRADE PAYABLES | 31-Mar-21 | 31-Mar-20 |
| Total outstanding dues of micro enterprises and small enterprises | 617.85 | 301.51 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 19,980.82 | 16,183.74 |
| (Refer Note No. 43) | 20,598.67 | 16,485.25 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 25 : OTHER FINANCIAL LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Current Maturities of Long Term Debts (Refer Note No.18) | 8,724.50 | 5,178.75 |
| Current Maturities of Finance Lease Obligation (Refer Note No.18) | 136.40 | 136.40 |
| Interest Accrued on borrowings | 208.02 | 283.61 |
| Payable for Capital Goods | 4,774.76 | 1,694.42 |
| Employees' related Liabilities | 1,030.16 | 232.92 |
| Unclaimed Dividends | 40.28 | 41.80 |
| Accrual of Expenses | 431.26 | 912.88 |
| Others | 7.16 | 28.79 |
| | 15,352.54 | 8,509.57 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 26 : OTHER CURRENT LIABILITIES | 31-Mar-21 | 31-Mar-20 |
| Statutory Dues Payable | 2,048.52 | 1,279.95 |
| Advances from Customers | 1,284.99 | 825.00 |
| Other current liabilities (including advance from employees for vehicles) | 161.68 | 138.57 |
| | 3,495.19 | 2,243.52 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 27 : PROVISIONS | 31-Mar-21 | 31-Mar-20 |
| Provision for Employee Benefits | | |
| (a) Provision for Gratuity | 55.23 | 90.47 |
| (b) Provision for Leave Encashment and Compensated Absences | 112.95 | 108.99 |
| | 168.18 | 199.46 |

| | ₹ In Lakhs | |
|---|--------------------|--------------------|
| NOTE 28: REVENUE FROM OPERATIONS | 31-Mar-21 | 31-Mar-20 |
| Sale of products | 1,39,161.35 | 1,55,775.51 |
| Sale of services | 850.66 | 1,026.23 |
| Other operating revenue | 9,868.53 | 9,050.27 |
| Increase/(decrease) in scrap stock | 26.25 | 9,894.78 |
| | 1,49,906.79 | 1,65,771.34 |

Disaggregation of Revenue: The Company is primarily engaged in the business of "manufacturing of components" for automobiles for Indian market. Hence there is only one business and geographical segment. The amounts receivables from customers become due after expiry of credit period which on an average is 30 days. There is no significant financing component in any transaction with the customers.

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 29: OTHER INCOME | 31-Mar-21 | 31-Mar-20 |
| Interest Income (calculated using the effective interest method)* | 69.87 | 29.24 |
| Dividend received on investments carried at fair value through Other Comprehensive Income | 10.44 | 15.30 |
| Profit on Disposal of Property, Plant and Equipment (Net) | - | 42.84 |
| Rent Income | 28.92 | 28.92 |
| Exchange Gain (Net) | 63.91 | - |
| Electricity duty exemption grant | 212.60 | - |
| Other Non Operating Income | 67.70 | 53.55 |
| | 453.44 | 169.85 |

* In relation to Financial Assets classified at Amortised Cost

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|---|-------------------|------------------|
| NOTE 30: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS | 31-Mar-21 | 31-Mar-20 |
| Work in Progress | | |
| Opening Stock | 2,323.01 | 3,767.59 |
| Less:- Closing Stock | 3,205.57 | (882.56) |
| | | 2,323.01 |
| Finished Goods | | |
| Opening Stock | 893.30 | 1,018.60 |
| Less:- Closing Stock | 1,428.92 | (535.62) |
| | | 893.30 |
| Total | (1,418.18) | 1,569.89 |
| (Increase)/Decrease in stocks of Finished Goods and work in progress | (1,418.18) | 1,569.89 |

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 31: EMPLOYEE BENEFITS EXPENSE | 31-Mar-21 | 31-Mar-20 |
| Salaries & Wages* | 12,268.04 | 12,828.13 |
| Contribution to Provident and other Funds | 586.84 | 577.81 |
| Staff Welfare | 616.23 | 693.81 |
| Group/Medicaid Insurance | 125.19 | 107.99 |
| | 13,596.30 | 14,207.74 |

* Includes Payment amounted ₹ 142.40 Lakhs (P.Y. 81.60 Lakhs) made on account of Corporate Social Responsibility under Apprenticeship Training scheme (ATs), under Corporate Social Responsibility (Refer Note-41)

| | ₹ In Lakhs | |
|-------------------------------------|------------------|------------------|
| NOTE 32: FINANCE COST | 31-Mar-21 | 31-Mar-20 |
| (at effective interest rate) | | |
| Interest on Borrowings*# | 3,268.22 | 3,798.91 |
| Interest on Others | 19.61 | 0.29 |
| Other Financial Charges | 8.06 | 8.75 |
| | 3,295.89 | 3,807.95 |

* In relation to Financial Liabilities classified at Amortised Cost

Interest capitalised during the year is ₹ 678.82 Lakhs (PY: ₹ 644.82 Lakhs) (refer Note No.4)

| | ₹ In Lakhs | |
|--|------------------|------------------|
| NOTE 33 : DEPRECIATION AND AMORTISATION EXPENSE | 31-Mar-21 | 31-Mar-20 |
| Depreciation/Amortisation on | | |
| Property,Plant and Equipment | 6,572.00 | 6,108.04 |
| Amortisation on | | |
| Intangible Assets | 22.30 | 143.98 |
| | 6,594.30 | 6,252.02 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| NOTE 34: OTHER EXPENSES | 31-Mar-21 | 31-Mar-20 |
|--|------------------|------------------|
| Stores Consumed | 2,212.54 | 2,422.92 |
| Power & Fuel | 2,999.39 | 3,269.74 |
| Royalty | 284.45 | 360.30 |
| Technical Services | 4.74 | 53.36 |
| Repair & Maintenance | | |
| -Machinery & Others | 1,902.16 | 1,851.28 |
| -Building | 25.10 | 25.00 |
| Rent | 58.84 | 96.04 |
| Rates & Taxes | 34.68 | 18.50 |
| Insurance | 188.58 | 114.39 |
| Loss on sale/Discarding of Fixed Assets | 14.71 | - |
| Corporate Social Responsibility Expenditure* | - | 82.60 |
| Exchange Fluctuation (net) | - | 199.74 |
| Freight & Forwarding Charges | 824.93 | 1,169.07 |
| Other Miscellaneous Expenses | 860.41 | 992.30 |
| | 9,410.53 | 10,655.24 |

* Expenditure on account of Corporate Social Responsibility under Apprenticeship Training Scheme (ATs) is clubbed under Note No. 31 Employee Benefit Expense. Also refer Note No. 41

| NOTE 35 : TAX EXPENSE | 31-Mar-21 | 31-Mar-20 |
|--|------------------|------------------|
| (a) Income Tax expense recognised in Statement of Profit and Loss | | |
| Current tax In respect of the current year | 721.31 | 747.14 |
| Minimum alternate tax credit entitlement | (215.24) | (747.14) |
| Deferred tax In respect of the current year | 998.46 | 1,463.57 |
| Earlier Years | 53.14 | (46.08) |
| | 1,557.66 | 1,417.48 |

(b) Income Tax on Other Comprehensive Income

| | | |
|---|-----------------|-----------------|
| Deferred Tax Benefit | | |
| Arising on income and expenses recognised in Other Comprehensive Income: | | |
| Remeasurement of Defined Benefit Obligations | (2.21) | 33.31 |
| Total income tax expense recognised in Other Comprehensive Income | (2.21) | 33.31 |
| | 1,555.45 | 1,450.79 |

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 | |
|--|------------------|------------------|
| | 31-Mar-21 | 31-Mar-20 |
| Profit before Income Tax | 4,180.99 | 4,240.19 |
| At country's statutory income tax rate of 34.944% (31 March 2020: 34.944%) | 1,461.01 | 1,481.69 |
| Impact of change in Tax Rate | - | - |
| Due to different tax rate of Joint Venture Company | (4.09) | (2.57) |
| Adjustments in respect of taxes earlier years | 53.14 | (46.08) |
| Disallowances | 143.65 | 49.66 |
| Allowances | (98.26) | (31.91) |
| | 1,555.45 | 1,450.79 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | ₹ In Lakhs | |
|---|------------------|------------------|
| NOTE 36 : OTHER COMPREHENSIVE INCOME | 31-Mar-21 | 31-Mar-20 |
| (A) Items that will not be reclassified subsequently to profit or loss | | |
| - Re-measurement gains (losses) on defined benefit liability/asset | (6.53) | 95.32 |
| - Income tax effect | 2.21 | (33.31) |
| - Fair value changes on Investment | 327.39 | (309.56) |
| (B) Items that will be reclassified subsequently to profit or loss | - | - |
| Total | 323.07 | (247.55) |

NOTE 37: EARNING PER SHARE

Basic 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:

| | ₹ In Lakhs | |
|--|-------------------------------|-------------------------------|
| Particulars | Year Ended 31 Mar 2021 | Year Ended 31 Mar 2020 |
| Profit After Tax | 2,623.33 | 2,822.70 |
| -Weighted Average Number of Equity Shares (Outstanding during the Year) | 2,16,50,000 | 2,16,50,000 |
| -Face Value of share (₹) | 5.00 | 5.00 |
| Basic Earning per share (Amount in ₹) | 12.12 | 13.04 |
| Diluted Earning per share (Amount in ₹) | 12.12 | 13.04 |

NOTE 38: CONTINGENT LIABILITIES AND COMMITMENTS**A. Contingent Liabilities**

| | ₹ In Lakhs | |
|---|------------------|------------------|
| Particulars | 31-Mar-21 | 31-Mar-20 |
| (Claims against the Company disputed and not acknowledged as debts) | | |
| a. Income Tax Demands | | |
| i . Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals | 564.50 | 564.50 |
| ii . Cases pending before Appellate authorities in respect of which the Company has filed appeals # | 430.96 | 10,840.26 |
| b. Central Excise | 115.48 | 115.48 |
| c. Service tax* | 3.93 | 3.61 |

* Against this amount of ₹ 1.42 lakhs has been deposited

The Company is having pending demand of ₹419.60 Lakhs (P.Y. ₹ 10,821.87 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 ₹ 419.60 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.

The Company has received a show Cause Notice from GST Department amounting to ₹ 4527.97 Lakhs on account of excise duty on Drawing/Design/Specifications received/developed by Maruti Suzuki India Ltd . The Company has filed the detailed reply on dated 06.03.2020 and waiting for personal hearing from department. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such dispute.

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| 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 | 4,453.01 | 4,112.00 | |
| Property, Plant and Equipment (Related to JV JBM Ogihara Die Tech Private Limited) | - | 73.02 | |
| C. Other Commitments | | ₹ In Lakhs | |
| Particulars | 31-Mar-21 | 31-Mar-20 | |
| Letter of Credit issued by banks | 357.96 | 21.92 | |
| NOTE 39: AUDITOR'S REMUNERATION (Excluding GST) | | 31-Mar-21 | 31-Mar-20 |
| Statutory Auditors | | | |
| A) Statutory Audit Fees | 16.50 | 16.50 | |
| B) Tax Audit Fees | 5.25 | 5.25 | |
| C) Taxation Matters | - | - | |
| D) Other Services | 6.78 | 5.98 | |
| E) Reimbursement of Expenses | - | 0.86 | |

NOTE 40: SEGMENT INFORMATION

The Company primarily operates in single segment i.e. manufacturing of components for Automobiles. Hence, no separate segment disclosures as per Ind AS 108 "Operating Segments" has not been disclosed. The said treatment is in accordance with guidance principles enunciated in Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015

Revenue from transactions with a single external customer amounting to 10 percent or more of the Company's revenue is as follows:

| | | ₹ In Lakhs | |
|--------------------|------------------|------------------|--|
| Particulars | 31-Mar-21 | 31-Mar-20 | |
| Customer 1 # | 95,339.24 | 1,01,773.94 | |
| Customer 2 # | 37,040.42 | 44,547.07 | |

NOTE 41: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

In light of section 135 of the Companies act 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 142.40 Lakhs (P.Y. ₹ 164.20 Lakhs) for CSR activities carried out during the current year.

| | | ₹ In Lakhs | | |
|--|------------------|-------------------------------|--------------|--|
| Particulars | 31-Mar-21 | 31-Mar-20 | | |
| (i) Gross amount required to be spent by the Company during the year | 142.40 | 164.20 | | |
| (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 | | | | |
| - Under Apprenticeship Training Scheme of Skill development and Industrial Training Deptt. Haryana | 142.40 | - | 142.40 | |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (iii) Amount spent during the year ending on March 31, 2020: | In cash | Yet to be paid in cash | Total |
|--|----------------|-------------------------------|--------------|
| 1. Construction / acquisition of any asset | - | - | - |
| 2. On purposes other than (i) above | | | |
| - Education Projects | 50.00 | - | 50.00 |
| - Education Projects Building School Infrastructure | 25.00 | - | 25.00 |
| - Education Projects Production & promotion of CDs on moral /motivation education for distribution at various schools & institutions | 7.60 | - | 7.60 |
| - Under Apprenticeship Training Scheme of Skill development and Industrial Training Deptt. Haryana | 81.60 | - | 81.60 |

NOTE 42 : A) DETAILS OF JOINT VENTURE

| S.No | Name of the company | Relationship | Country of Incorporation | Percentage of ownership | |
|------|--------------------------------------|---------------|--------------------------|-------------------------|------------------|
| | | | | As at 31.03.2021 | As at 31.03.2020 |
| 1 | JBM Ogihara Die Tech Private Limited | Joint Venture | India | 49.00% | 49.00% |

Note : Joint Venture is consolidated as per the Equity Method.

B) SUMMARISED FINANCIAL INFORMATION OF JOINT VENTURE

The table below provides summarised financial information (based on separate financial statement) for those Joint Venture.

| Particulars | Joint venture | |
|---|--------------------------------------|-----------------|
| | JBM Ogihara Die Tech Private Limited | |
| | 31st March 2021 | 31st March 2020 |
| Current Assets | | |
| - Cash and Cash Equivalents | 7.11 | 37.40 |
| - Other Assets | 1,254.87 | 989.57 |
| Total Current Assets (A) | 1,261.99 | 1,026.97 |
| Total Non - Current Assets (B) | 3,417.54 | 3,221.60 |
| Current Liabilities | | |
| - Financial Liabilities (Excluding Trade and other Payables and Provisions) | 62.46 | 72.90 |
| - Other Liabilities | 887.53 | 483.66 |
| Total Current Liabilities (C) | 949.99 | 556.56 |
| Non-Current Liabilities | | |
| - Financial Liabilities (Excluding Trade and other Payables and Provisions) | 1,417.74 | 1,466.65 |
| - Other Liabilities | 39.97 | 18.28 |
| Total Non-Current Liabilities (D) | 1,457.71 | 1,484.93 |
| Net Assets (A+B-C-D) | 2,271.83 | 2,207.08 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

C) RECONCILIATION TO CARRYING AMOUNTS

₹ In Lakhs

| Particulars | Joint Venture | |
|---|--------------------------------------|-----------------|
| | JBM Ogihara Die Tech Private Limited | |
| | 31st March 2021 | 31st March 2020 |
| Opening Net Assets | 2,207.08 | 803.82 |
| Equity share capital issued during the year | - | 1,361.00 |
| Profit / (Loss) for the year | 65.79 | 42.26 |
| Other Comprehensive Income | (1.04) | - |
| Closing Net Assets | 2,271.83 | 2,207.08 |
| Total | 2,271.83 | 2,207.08 |
| Company's Share in % | 49.00% | 49.00% |
| Company's Share in ₹ | 1,113.20 | 1,081.45 |
| Less : Unrealized Profit on Inventory | (15.22) | - |
| Carrying Amount of Investment | 1,097.98 | 1,081.45 |

D) SUMMARISED STATEMENT OF PROFIT AND LOSS

₹ In Lakhs

| Particulars | Joint venture | |
|---|--------------------------------------|-----------------|
| | JBM Ogihara Die Tech Private Limited | |
| | 31st March 2021 | 31st March 2020 |
| Revenue (Gross) | 2,081.53 | 1,390.77 |
| Interest Income | 1.94 | 1.42 |
| Depreciation and Amortisation | 194.79 | 102.81 |
| Interest expense | 22.55 | 13.26 |
| Profit or loss from continuing operations | 85.48 | 53.70 |
| Income tax expense | 19.68 | 11.44 |
| Other comprehensive income | (1.04) | - |
| Total Comprehensive income | 64.75 | 42.26 |

₹ In Lakhs

NOTE 43 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER

| Particulars | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| (i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | 617.85 | 301.51 |
| (ii) 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 |
| (iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | Nil | Nil |
| (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year | Nil | Nil |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 | 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. This has been relied upon by the auditors.

NOTE 44 : 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 FOR THE YEAR ENDED MARCH 31, 2021

NOTE 45 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES IN THE COMPANY

| Name of Share Holders | 31-Mar-21 | | 31-Mar-20 | |
|--|---------------|-----------|---------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| Maruti Suzuki India Limited | 63,40,000 | 29.28 | 63,40,000 | 29.28 |
| ANS Holding Private Limited | 20,29,000 | 9.37 | 20,29,000 | 9.37 |
| Mr. Sanjay Singhal | 19,00,400 | 8.78 | 19,00,400 | 8.78 |

NOTE 46 : LEASES

THE 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

The balance sheet shows the following amounts relating to the leases:

| | ₹ In Lakhs | |
|--|------------------|------------------|
| | 31-Mar-21 | 31-Mar-20 |
| Right-of-use assets | | |
| Land | 482.37 | 586.64 |
| Total | 482.37 | 586.64 |
| Additions to the Right-of-use asset during the year were ₹ Nil (P.Y. ₹ 690.91 Lakhs) | | |
| Maturity analysis of lease liabilities | 31-Mar-21 | 31-Mar-20 |
| Lease liabilities (Discounted Cash Flow) | | |
| Current | 136.40 | 136.40 |
| Non-Current | 372.39 | 458.24 |
| Total | 508.79 | 594.65 |

₹ In Lakhs

| | 31-Mar-21 | 31-Mar-20 |
|--|---------------|---------------|
| Maturity analysis – contractual undiscounted cash flows | | |
| Within one year | 136.40 | 136.40 |
| Later than one year but less than five years | 427.36 | 480.91 |
| Later than five years | 93.21 | 176.07 |
| | 656.98 | 793.39 |

₹ In Lakhs

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases:

| | 31-Mar-21 | 31-Mar-20 |
|--|---------------|---------------|
| Depreciation charge of right-of use assets | | |
| Land | 104.27 | 104.27 |
| Total | 104.27 | 104.27 |
| Interest expense on lease liabilities (included in finance cost) | 50.55 | 40.14 |
| Expense relating to short term and low value leases (included in other expense) | 58.84 | 96.04 |
| | 109.39 | 136.18 |

The total cash outflow for leases for the year ended 31 March, 2021 were ₹ 195.24 Lakhs (P.Y. ₹ 232.44 Lakhs).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(iii) 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.

(iv) There are no restrictions imposed by the lease agreements and there are no sub leases. There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

(v) Incremental borrowing rate of 8.5% p.a has been applied for measuring the lease liability at the date of initial application.

The Company as a Lessor

The Company has given small portion of freehold land under cancellable operating lease arrangements. Lease rentals under operating leases are recognized on a straight line basis over the term of the lease. Rent income for operating leases for the year ended March 31, 2021 and March 31, 2020 was ₹ 28.92 Lakhs and ₹ 28.92 Lakhs respectively.

NOTE 47 : 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 ₹ In Lakhs

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 : | | |
|---|---------------|----------------|
| Description | 31-March-21 | 31-March-20 |
| Current service cost | 149.81 | 124.24 |
| Interest cost | 43.06 | 48.54 |
| Past Service Cost | - | - |
| Actuarial loss/(gain) recognised during the year | - | - |
| Expected return on planned assets | - | - |
| Amount recognised in the Statement of Profit and Loss | 192.87 | 172.78 |
| (ii) Amount recognised in Other Comprehensive Income is as under : | | |
| Description | 31-March-21 | 31-March-20 |
| Actuarial loss/(gain) recognised during the year | 5.84 | (95.32) |
| Amount recognised in the Other Comprehensive Income | 5.84 | (95.32) |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

₹ In Lakhs

| (iii) Movement in the Present value of Defined Benefit Obligation recognised in the Balance Sheet is as under: | | |
|--|-----------------|----------------|
| Description | 31-March-21 | 31-Mar-20 |
| Present value of defined benefit obligation as at the start of the year | 957.45 | 907.55 |
| Current service cost | 149.81 | 124.24 |
| Interest cost | 64.88 | 69.65 |
| Actuarial loss/(gain) recognised during the year | 10.71 | (94.22) |
| Benefits paid | (150.05) | (49.77) |
| Past Service Cost | - | - |
| Present value of defined benefit obligation as at the end of the year | 1,032.80 | 957.45 |
| (iv) Movement in the Plan Assets recognised in the Balance Sheet is as under: | | |
| Description | 31-March-21 | 31-March-20 |
| Fair Value of plan assets at beginning of year | 324.07 | 273.06 |
| Interest income plan assets | 21.81 | 21.11 |
| Actual company contributions | 514.79 | 78.58 |
| Actuarial gain/(loss) on plan assets | 4.87 | 1.09 |
| Benefits paid | (150.05) | (49.77) |
| Fair Value of Plan Assets at the end of the year | 715.49 | 324.07 |
| The Scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the Fund is undertaken by the LIC. | | |
| (v) Major Categories of Plan Assets: | | |
| Asset Category | 31-March-21 | 31-March-20 |
| Insurer Managed Funds | 100% | 100% |
| (vi) Analysis of amounts recognised in Other Comprehensive Income at Period End: ₹ In Lakhs | | |
| Description | 31-March-21 | 31-March-20 |
| Amount recognized in OCI, beginning of period | (78.26) | 17.06 |
| Actuarial (gain)/loss on arising from change in demographic assumption | - | - |
| Actuarial (gain)/loss on arising from change in financial assumption | 14.99 | (1.59) |
| Actuarial (gain)/loss on arising from experience adjustment | (4.28) | (92.63) |
| Return on plan assets (excluding interest) | (4.87) | (1.09) |
| Total remeasurements recognized in OCI | 5.84 | (95.31) |
| Amount recognized in OCI, End of Period | (72.42) | (78.26) |
| (vii) Reconciliation of Balance Sheet Amount ₹ In Lakhs | | |
| Description | 31-March-21 | 31-March-20 |
| Balance Sheet (Asset)/Liability, beginning of period | 633.37 | 634.48 |
| Total charge/(credit) recognised in Profit and Loss | 192.87 | 172.78 |
| Total remeasurements recognised in Other Comprehensive Income | 5.84 | (95.31) |
| Actual company contribution | (514.79) | (78.58) |
| Balance Sheet (Asset)/Liability, End of Period | 317.29 | 633.37 |
| (viii) Current / Non-Current Bifurcation | | |
| Description | 31-March-21 | 31-March-20 |
| Current Benefit Obligation | 55.23 | 90.47 |
| Non - Current Benefit Obligation | 262.06 | 542.90 |
| (Asset)/Liability Recognised in the Balance Sheet | 317.29 | 633.37 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (ix) Actuarial Assumptions | | |
|--|---------------------|--|
| Description | 31-March-21 | 31-March-20 |
| Discount rate | 7.03% | 6.73% |
| Future basic salary increase | 6.00% | "For First Year : 0% Thereafter : 6%" |
| Expected rate of return on plan assets | 7.03% | 6.73% |
| Mortality | As per IALM 2012-14 | As per IALM 2012-14 |
| Employee turnover/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.

| (x) Defined Benefit Obligation by Participant Status | 31-March-21 | 31-March-20 |
|--|-----------------|---------------|
| a) Actives | 1,032.80 | 957.44 |
| b) Vested Deferreds | - | - |
| c) Retirees | - | - |
| Total Defined Benefit Obligation | 1,032.80 | 957.44 |

| (xi) Sensitivity analysis for Gratuity Liability | | |
|--|-------------|-------------|
| Description | 31-March-21 | 31-March-20 |
| Impact of the change in discount rate | | |
| - Impact due to increase of 1.00 % | (48.14) | (42.17) |
| - Impact due to decrease of 1.00 % | 49.98 | 44.73 |
| Impact of the change in salary increase | | |
| - Impact due to increase of 1.00 % | 48.43 | 43.40 |
| - Impact due to decrease of 1.00 % | (44.72) | (41.03) |

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 ₹ 350 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.

| (xii) Maturity profile of Defined Benefit Obligation | | |
|--|-------------|-------------|
| Description | 31-March-21 | 31-March-20 |
| Within next 12 months | 186.00 | 141.28 |
| Between 1-5 years | 560.34 | 505.60 |
| Between 5-10 years | 450.11 | 472.56 |

B) OTHER LONG TERM BENEFITS AS PER IND AS 19 EMPLOYEE BENEFITS:

Leave Encashment and Compensated Absences (Unfunded)

The leave obligations cover the Company's liability for sick and earned leaves.

| (i) Amount recognised in the Statement of Profit and Loss is as under: | | |
|--|---------------|---------------|
| Description | 31-March-21 | 31-March-20 |
| Current service cost | 93.28 | 86.21 |
| Interest cost | 50.79 | 53.77 |
| Remeasurements | (43.29) | 107.81 |
| Amount recognised in the Statement of Profit and Loss | 100.78 | 247.80 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| (ii) Movement in the liability recognised in the Balance Sheet is as under: | | |
|--|---------------|---------------|
| Description | 31-March-21 | 31-March-20 |
| Present value of defined benefit obligation as at the start of the year | 761.31 | 704.42 |
| Current service cost | 93.28 | 86.21 |
| Interest cost | 50.79 | 53.77 |
| Actuarial loss/(gain) recognised during the year | (43.29) | 107.81 |
| Benefits paid | (109.21) | (190.91) |
| Present value of defined benefit obligation as at the end of the year | 752.88 | 761.31 |

| (iii) Current / Non-Current Bifurcation | 31-March-21 | 31-March-20 |
|--|---------------|---------------|
| Current Benefit Obligation | 110.51 | 106.54 |
| Non - Current Benefit Obligation | 642.37 | 654.77 |
| (Asset)/Liability Recognised in the Balance Sheet | 752.88 | 761.31 |

| (iv) Sensitivity analysis | | |
|--|-------------|-------------|
| Description | 31-March-21 | 31-March-20 |
| Impact of the change in discount rate | | |
| - Impact due to increase of 1.00 % | (39.56) | (40.01) |
| - Impact due to decrease of 1.00 % | 42.13 | 42.61 |
| Impact of the change in salary increase | | |
| - Impact due to increase of 1.00 % | 31.74 | 32.10 |
| - Impact due to decrease of 1.00 % | (30.43) | (30.77) |

| (v) Actuarial assumptions | | |
|--|---------------------|--|
| Description | 31-March-21 | 31-March-20 |
| Discount rate | 7.03% | 6.73% |
| Future basic salary increase | 6.00% | "For First Year : 0% Thereafter : 6%" |
| Expected rate of return on plan assets | N.A | N.A |
| Mortality | As per IALM 2012-14 | As per IALM 2012-14 |
| Employee turnover/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.

| (vi) Defined Benefit Obligation by Participant Status | 31-March-21 | 31-March-20 |
|---|---------------|---------------|
| a. Actives | 752.88 | 761.31 |
| b. Vested Deferreds | - | - |
| c. Retirees | - | - |
| Total Defined Benefit Obligation | 752.88 | 761.31 |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**(C) DEFINED CONTRIBUTION AND OTHER PLANS**

Contributions are made to the Provident Fund, Super Annuation Fund & 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 :

| Particulars | ₹ In Lakhs | |
|--|-------------|-------------|
| | 31-March-21 | 31-March-20 |
| Employer contribution to Provident & Pension fund* | 365.31 | 361.70 |
| Employers Contribution to Superannuation Fund* | 5.51 | 5.05 |
| Employers contribution to Employee State insurance * | 12.15 | 10.63 |
| Punjab & Haryana Labour Welfare fund* | 4.48 | 4.70 |

* Included in Contribution to Provident and Other Funds Under Employee Benefit Expense (Refer Note No. 31)

NOTE 48 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

| | |
|---|--|
| Joint Venture | - JBM Ogihara Die Tech Private Limited |
| Parties in respect of which the Company is an Associate | - Maruti Suzuki India Limited |
| Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence | - JBM Industries Limited - Neel Metal Products limited - JBM Renewables Private Limited - Arka Overseas |
| Enterprise over which key management personnel and their relative are able to exercise Control | - ANS Holding Private Limited |
| Other Entities (Fellow Subsidiary of Maruti Suzuki India Limited) | - Suzuki Motor Gujarat Private Limited |
| Key Management Personnel | - Mr. S.K. Arya, Chairman & Managing Director - Mr. Anand Swaroop, President & CFO - Mr. Ravi Arora, Company Secretary |
| Relative of Key Management Personnel | - Mrs. Neelam Arya, Spouse of Mr. S.K Arya - Mr. Nishant Arya - S K Arya (HUF) |
| Post Employment Benefit Plan of the Company | - JBM Group Gratuity Trust |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | ₹ In Lakhs | | | | | |
|--------------------------------------|---------------|--|---|--|--|--------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| | Joint Venture | Parties in respect of which the Company is an Associate and Other Entities | Enterprise over which key management personnel & their relative are able to exercise significant influence & Gratuity Trust | Key Management Personnel and their relatives | Enterprise over which key management personnel & their relative are able to exercise Control | Total |
| Purchase of Capital Goods | | | | | | |
| JBM Renewables Private Limited | - | - | 114.00 | - | - | 114.00 |
| Neel Metal Products limited | - | - | 514.40 | 1,362.62 | - | 514.40 |
| JBM Industries Limited | - | - | - | 159.10 | - | 159.10 |
| Total | - | - | 628.40 | 1,521.72 | - | 628.40 |
| Sale of Goods & Services | | | | | | |
| Maruti Suzuki India Limited | - | 95,339.24 | 1,01,773.94 | - | - | 95,339.24 |
| Neel Metal Products limited | - | - | 3,128.60 | 3,312.90 | - | 3,128.60 |
| Suzuki Motor Gujarat Private Limited | - | 37,040.42 | 44,547.07 | - | - | 37,040.42 |
| JBM Ogihara Die Tech Private Limited | 4.63 | 1.76 | - | - | - | 4.63 |
| JBM Industries limited | - | - | 125.18 | 6.30 | - | 125.18 |
| Total | 4.63 | 1,32,379.66 | 1,46,321.01 | 3,253.77 | 3,319.20 | 1,35,638.06 |
| Sale of Capital Goods | | | | | | |
| Neel Metal Products Limited | - | - | - | 21.78 | - | 21.78 |
| JBM Industries Limited | - | - | - | 0.99 | - | 0.99 |
| Total | - | - | - | 22.77 | - | 22.77 |
| Other Income | | | | | | |
| Neel Metal Products limited | - | - | 28.92 | 28.92 | - | 28.92 |
| Total | - | - | 28.92 | 28.92 | - | 28.92 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total | |
|---|---------------|---------------|------------------|------------------|------------------|------------------|--------------|--------------|----------|----------|----------|----------|------------------|------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | | |
| | ₹ In Lakhs | | | | | | | | | | | | | |
| Purchase of Goods & Services | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 18,092.72 | 16,289.58 | - | - | - | - | - | - | - | - | 18,092.72 | 16,289.58 |
| Neel Metal products limited | - | - | - | - | 46,009.93 | 49,864.48 | - | - | - | - | - | - | 46,009.93 | 49,864.48 |
| Suzuki Motor Gujarat Private Limited | - | - | 312.98 | 346.37 | - | - | - | - | - | - | - | - | 312.98 | 346.37 |
| Arka Overseas | - | - | - | - | 39.53 | 24.77 | - | - | - | - | - | - | 39.53 | 24.77 |
| JBM Ogihara Die Tech Private Limited | 762.66 | 2.83 | - | - | - | - | - | - | - | - | - | - | 762.66 | 2.83 |
| JBM Industries limited | - | - | - | - | 6,033.05 | 5,945.35 | - | - | - | - | - | - | 6,033.05 | 5,945.35 |
| Total | 762.66 | 2.83 | 18,405.70 | 16,635.94 | 52,082.52 | 55,834.60 | - | - | - | - | - | - | 71,250.87 | 72,473.37 |
| Others Expenses | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 342.11 | 398.90 | - | - | - | - | - | - | - | - | 342.11 | 398.90 |
| Neel Metal Products limited | - | - | - | - | 285.47 | 300.68 | - | - | - | - | - | - | 285.47 | 300.68 |
| JBM Ogihara Die Tech Private Limited | 4.93 | - | - | - | - | - | - | - | - | - | - | - | 4.93 | - |
| Suzuki Motor Gujarat Private Limited | - | - | 2.85 | 1.70 | - | - | - | - | - | - | - | - | 2.85 | 1.70 |
| JBM Industries limited | - | - | - | - | - | 17.94 | - | - | - | - | - | - | - | 17.94 |
| Mrs. Neelam Arya | - | - | - | - | - | - | 16.20 | 16.20 | - | - | - | - | 16.20 | 16.20 |
| Total | 4.93 | - | 344.96 | 400.60 | 285.47 | 318.61 | 16.20 | 16.20 | - | - | - | - | 651.57 | 735.41 |
| Investment in Equity Shares | | | | | | | | | | | | | | |
| JBM Ogihara Die Tech Private Limited | - | 666.89 | - | - | - | - | - | - | - | - | - | - | - | 666.89 |
| Total | - | 666.89 | - | - | - | - | - | - | - | - | - | - | - | 666.89 |
| Contribution to Gratuity Trust | | | | | | | | | | | | | | |
| JBM Group Gratuity Trust | - | - | - | - | 514.79 | 78.58 | - | - | - | - | - | - | 514.79 | 78.58 |
| Total | - | - | - | - | 514.79 | 78.58 | - | - | - | - | - | - | 514.79 | 78.58 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | Total | |
|---|-------------|----------|------------------|-----------------|-----------------|-----------------|---------------|---------------|----------|----------|----------|----------|------------------|------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | | |
| | ₹ In Lakhs | | | | | | | | | | | | | |
| Remuneration paid to KMP's and their relatives | | | | | | | | | | | | | | |
| Mr. S.K. Arya | - | - | - | - | - | - | 344.24 | 298.59 | - | - | - | - | 344.24 | 298.59 |
| Mr. Anand Swaroop | - | - | - | - | - | - | 103.03 | 122.19 | - | - | - | - | 103.03 | 122.19 |
| Mr. Ravi Arora | - | - | - | - | - | - | 29.00 | 36.12 | - | - | - | - | 29.00 | 36.12 |
| Total | - | - | - | - | - | - | 476.28 | 456.90 | - | - | - | - | 476.28 | 456.90 |
| Directors Sitting Fees | | | | | | | | | | | | | | |
| Mr. Nishant Arya | - | - | - | - | - | - | 2.40 | 2.90 | - | - | - | - | 2.40 | 2.90 |
| Maruti Suzuki India Ltd . (Mr. Rajiv Gandhi) | - | - | 1.40 | 2.10 | - | - | - | - | - | - | - | - | 1.40 | 2.10 |
| Total | - | - | 1.40 | 2.10 | - | - | 2.40 | 2.90 | - | - | - | - | 3.80 | 5.00 |
| Amount Recoverable | | | | | | | | | | | | | | |
| Trade & Other Receivables | | | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | 13,956.85 | 6,440.86 | - | - | - | - | - | - | - | - | 13,956.85 | 6,440.86 |
| Neel Metal Products limited | - | - | - | - | 4,328.92 | 2,856.54 | - | - | - | - | - | - | 4,328.92 | 2,856.54 |
| JBM Ogihara Die Tech Private Limited | 0.27 | - | - | - | - | - | - | - | - | - | - | - | 0.27 | - |
| Suzuki Motor Gujarat Private Limited | - | - | 6,449.61 | 3,554.82 | - | - | - | - | - | - | - | - | 6,449.61 | 3,554.82 |
| Total | 0.27 | - | 20,406.46 | 9,995.68 | 4,328.92 | 2,856.54 | - | - | - | - | - | - | 24,735.65 | 12,852.21 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | | 2020-21 | | 2019-20 | |
|--|---------------|-----------------|------------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| Amount Payable | | | | | | | | | | | | |
| Trade & Other Payables | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | 4,906.25 | - | 2,284.17 | - | - | - | - | - | - | 4,906.25 | 2,284.17 |
| Mr. S.K.Arya (Managerial Remuneration) | - | - | - | - | - | 58.49 | - | - | - | - | 58.49 | - |
| JBM Ogihara Die Tech Private Limited | 533.98 | - | - | - | - | - | - | - | - | - | 533.98 | - |
| Arka Overseas | - | - | 7.06 | 1.36 | - | - | - | - | - | - | 7.06 | 1.36 |
| Mr Ravi Arora | - | - | - | - | 2.50 | 3.47 | - | - | - | - | 2.50 | 3.47 |
| Mr Anand Swaroop | - | - | - | - | 3.47 | - | - | - | - | - | 3.47 | - |
| Neel Metal Products limited | - | - | 12,830.99 | 9,343.63 | - | - | - | - | - | - | 12,830.99 | 9,343.63 |
| Suzuki Motor Gujarat Private Limited | - | 11.24 | - | 5.86 | - | - | - | - | - | - | 11.24 | 5.86 |
| JBM Industries limited | - | - | 1,451.61 | 901.64 | - | - | - | - | - | - | 1,451.61 | 901.64 |
| Total | 533.98 | 4,917.49 | 14,289.66 | 10,246.62 | 64.46 | 64.46 | 25.36 | 50.72 | 7.70 | 7.70 | 116.30 | 232.59 |
| Dividend Paid | | | | | | | | | | | | |
| Mr. S.K.Arya | - | - | - | - | 2.22 | 4.43 | - | - | - | - | 2.22 | 4.43 |
| S K Arya (HUF) | - | - | - | - | 0.36 | 0.72 | - | - | - | - | 0.36 | 0.72 |
| Mr. Nishant Arya | - | - | - | - | 0.05 | 0.10 | - | - | - | - | 0.05 | 0.10 |
| Mrs. Neelam Arya | - | - | - | - | 1.34 | 2.67 | - | - | - | - | 1.34 | 2.67 |
| Mr. Anand Swaroop | - | - | - | - | 0.03 | 0.05 | - | - | - | - | 0.03 | 0.05 |
| ANS Holding Private Limited | - | - | - | - | - | - | 25.36 | 50.72 | - | - | 25.36 | 50.72 |
| JBM Industries limited | - | - | 7.70 | 15.40 | - | - | - | - | - | - | 7.70 | 15.40 |
| Maruti Suzuki India Limited | - | 79.25 | - | 158.50 | - | - | - | - | - | - | 79.25 | 158.50 |
| Total | - | 79.25 | 7.70 | 158.50 | 3.99 | 7.97 | 25.36 | 50.72 | 25.36 | 25.36 | 116.30 | 232.59 |
| Dividend Received | | | | | | | | | | | | |
| Maruti Suzuki India Limited | - | - | - | - | - | - | - | - | - | - | 6.69 | 8.92 |
| Total | - | - | - | - | - | - | - | - | - | - | 6.69 | 8.92 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
|--|----------------------|---------------|--------------------------|---------------|-----------------------|--------------|
| Remuneration paid to KMP's and their relatives* | | | | | | |
| | Mr. S.K. Arya | | Mr. Anand Swaroop | | Mr. Ravi Arora | |
| (a) short-term employee benefits; | 324.39 | 276.79 | 97.33 | 116.62 | 27.53 | 34.57 |
| (b) post-employment benefits; | 19.85 | 21.80 | 5.70 | 5.57 | 1.47 | 1.55 |
| Total | 344.24 | 298.59 | 103.03 | 122.19 | 29.00 | 36.12 |

* 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 purchases 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 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.

NOTE 49 : 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.

Judgments

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 a 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 is 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 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.

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 FOR THE YEAR ENDED MARCH 31, 2021

(i) 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 47.

(ii) 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.

(iii) 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 judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history and other factors at the end of each reporting period.

(iv) Estimates related to useful life of property plant and equipment and intangible assets :

Depreciation on property plant and equipment and Intangible Assets 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 all 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.

(v) 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.

(vi) 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 remotest cases are not disclosed in the financial statement.

(vii) 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 FOR THE YEAR ENDED MARCH 31, 2021

NOTE 50 : 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.

| Particulars | ₹ In Lakhs | |
|---------------------------------|-------------|-------------|
| | 31-March-21 | 31-March-20 |
| Net debt | 36,664.55 | 44,344.64 |
| Total equity | 44,992.26 | 42,316.48 |
| Net debt to equity ratio | 0.81 | 1.05 |

(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:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

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 levels during the period. Following table gives information about how the fair values of these financial assets are determined:

| Financial Assets at fair value through OCI | ₹ In Lakhs | | |
|---|------------------------------|---------|---------|
| | Fair value as at 31-March-21 | | |
| | Level 1 | Level 2 | Level 3 |
| Investments in equity instruments | 813.26 | 514.37 | - |
| Financial Assets at fair value through OCI | Fair value as at 31-March-20 | | |
| | Level 1 | Level 2 | Level 3 |
| Investments in equity instruments | 506.82 | 493.42 | - |
| Financial Assets at fair value through Profit or loss | Fair value as at 31-March-21 | | |
| | Level 1 | Level 2 | Level 3 |
| Hedging gain recoverable | - | - | - |
| Financial Assets at fair value through Profit or loss | Fair value as at 31-March-20 | | |
| | Level 1 | Level 2 | Level 3 |
| Investments in equity instruments | - | 74.84 | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | As at 31-Mar-2021 | | As at 31-Mar-2020 | |
|---|-------------------|-----------------|-------------------|-----------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets* | | | | |
| Measured at Amortised Cost | | | | |
| Loans | 361.57 | 361.57 | 361.59 | 361.59 |
| Trade Receivables | 6,151.80 | 6,151.80 | 5,191.87 | 5,191.87 |
| Cash and Cash Equivalents | 219.99 | 219.99 | 151.52 | 151.52 |
| Bank Balances other than Cash and Cash Equivalents | 40.28 | 40.28 | 41.80 | 41.80 |
| Other Financial Assets | 186.49 | 186.49 | 167.66 | 167.66 |
| Total Financial Assets at Amortised Cost (a) | 6,960.13 | 6,960.13 | 5,914.43 | 5,914.43 |
| *Does not include investment in Joint venture which is accounted for as per equity method | | | | |
| Measured at Fair Value through Other Comprehensive Income | | | | |
| Investments | 1,327.63 | 1,327.63 | 1,000.24 | 1,000.24 |
| Total Financial Assets at Fair Value 'through Other Comprehensive Income (b) | 1,327.63 | 1,327.63 | 1,000.24 | 1,000.24 |
| Measured at Fair Value through Profit and Loss | | | | |
| Hedging Gain Recoverable | - | - | 74.84 | 74.84 |
| Total Financial Assets at Fair Value 'through Profit and Loss (c) | - | - | 74.84 | 74.84 |
| Total Financial Assets (a+b+c) | 8,287.76 | 8,287.76 | 6,989.51 | 6,989.51 |

₹ In Lakhs

| Financial Liabilities | Carrying Value | | Fair Value | |
|--|------------------|------------------|------------------|------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Measured at Amortised Cost | | | | |
| Non Current Borrowings* | 31,775.76 | 31,777.49 | 32,632.24 | 32,634.61 |
| Finance Lease Liabilities * | 508.79 | 508.79 | 594.65 | 594.65 |
| Payable for Capital Goods | - | - | 3,145.75 | 3,145.75 |
| Current Borrowings | 4,600.00 | 4,600.00 | 11,269.27 | 11,269.27 |
| Trade Payables | 20,598.67 | 20,598.67 | 16,485.25 | 16,485.25 |
| Other Financial Liabilities | 6,491.63 | 6,491.63 | 3,194.42 | 3,194.42 |
| Total Financial Liabilities at Amortised Cost | 63,974.85 | 63,976.58 | 67,321.58 | 67,323.95 |
| * including current maturities of Non Current borrowings & Finance Lease Liabilities | | | | |
| Total Financial Liabilities | 63,974.85 | 63,976.58 | 67,321.58 | 67,323.95 |

Carrying Value of loan, other financial assets, trade receivables, cash and cash equivalents, other bank balances, Non current borrowings (Other than Vehicle loans), current borrowings, Payable for capital goods, other financial liabilities, trade payables are considered to be same as their fair value.

There have been no transfer among levels during the year

(C) 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

C.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 Supplier's credit).

Foreign Currency Exposure that have 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 | - | 41.93 | - | 3,046.75 |

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 | 41.57 | 42.66 | 3,039.54 | 3,228.38 |
| JPY | 69.24 | 195.60 | 45.74 | 136.14 |
| Assets | | | | |
| USD | - | 0.001 | - | 0.08 |

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD 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:

| Particulars | Depreciation in INR | | Appreciation in INR | |
|--------------------|---------------------|-------------|---------------------|-----------|
| | 31-March-21 | 31-March-20 | 31-Mar-21 | 31-Mar-20 |
| Payables | | | | |
| USD /INR | (151.98) | (161.42) | 151.98 | 161.42 |
| YEN/INR | (2.29) | (6.81) | 2.29 | 6.81 |
| Particulars | | | | |
| Receivables | | | | |
| USD /INR | - | 0.004 | - | (0.004) |

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 assets and financial liabilities are detailed in the liquidity risk management section of this note

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. In respect of the Foreign Currency Supplier's credit denominated in US Dollars (USD), the Group is having 6 months Libor linked rate.

Interest Rate Sensitivity Analysis

The sensitivity analysis 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:

| | Increase/decrease in basis points | Effect on profit before tax |
|------------------|-----------------------------------|-----------------------------|
| 31-Mar-21 | | |
| INR loans | +50 | -195.90 |
| INR loans | -50 | 195.90 |
| 31-Mar-20 | | |
| INR loans | +50 | -217.86 |
| INR loans | -50 | 217.86 |

c) Security Price Risk

The Group is exposed to equity price risks arising from equity investments held by the Group and classified in the balance sheet as fair value through OCI

Equity Price Sensitivity Analysis

The Sensitivity Analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March 2021 would increase / decrease by ₹ 66.38 lakhs (for the year ended 31st March 2020: increase / decrease by ₹ 50.01 lakhs) as a result of the change in fair value of equity investment measured at FVTOCI

C.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.

C.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.

| | ₹ In Lakhs | | | |
|--|-------------------------|---------------------|---------------------|------------------|
| Year ended 31-Mar-21 | Less than 1 year | 1 to 5 years | > 5 years | Total |
| Non Current Borrowings* | 8,724.50 | 23,051.26 | - | 31,775.76 |
| Finance Lease Obligations (Undiscounted) * | 136.40 | 427.36 | 93.21 | 656.98 |
| Current Borrowings | 4,600.00 | - | - | 4,600.00 |
| Trade Payables | 20,598.67 | - | - | 20,598.67 |
| Other Financial Liabilities | 6,491.63 | - | - | 6,491.63 |
| | 40,551.20 | 23,478.62 | 93.21 | 64,123.04 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Year ended 31-Mar-20 | | | | |
|---|------------------|------------------|-----------------|------------------|
| Non Current Borrowings* | 5,178.75 | 26,481.93 | 971.56 | 32,632.24 |
| Finance Lease Obligations (Undiscounted) * | 136.40 | 480.91 | 176.07 | 793.39 |
| Current Borrowings | 11,269.27 | - | - | 11,269.27 |
| Other Financial Liabilities-Payable for Capital Goods | - | 3,145.75 | - | 3,145.75 |
| Trade Payables | 16,485.25 | - | - | 16,485.25 |
| Other Financial Liabilities | 3,194.42 | - | - | 3,194.42 |
| | 36,264.09 | 30,108.60 | 1,147.63 | 67,520.32 |

* including current maturities of Non Current borrowings & Finance Lease obligations

NOTE 51: EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

NOTE 52 : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013, OF ENTERPRISES CONSOLIDATED AS 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 31st March 2021 | | Year Ended 31st March 2021 | | Year Ended 31st March 2021 | | Year Ended 31st March 2021 | |
| | As % of consolidated net assets | "Amount (In lakhs)" | As % of consolidated profit and loss | "Amount (In lakhs)" | As % of consolidated other comprehensive income | "Amount (In lakhs)" | As % of consolidated Total comprehensive income | "Amount (In lakhs)" |
| Company | | | | | | | | |
| Jay Bharat Maruti Limited | 97.62 | 44,967.09 | 98.78 | 2,606.28 | 100.16 | 323.59 | 98.93 | 2,929.87 |
| Joint Ventures (Investment as per equity method) | | | | | | | | |
| JBM Ogihara | 2.38 | 1,097.98 | 1.22 | 32.24 | (0.16) | (0.52) | 1.07 | 31.72 |
| Die Tech Private Limited | | | | | | | | |
| Total | 100.00 | 46,065.07 | 100.00 | 2,638.52 | 100.00 | 323.07 | 100.00 | 2,961.59 |
| Adjustments arising out of consideration | | (1,072.81) | | (15.19) | | - | | (15.19) |
| Total | | 44,992.26 | | 2,623.33 | | 323.07 | | 2,946.40 |
| 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 31st March 2020 | | Year Ended 31st March 2020 | | Year Ended 31st March 2020 | | Year Ended 31st March 2020 | |
| | As % of consolidated net assets | Amount (In lakhs) | As % of consolidated profit and loss | Amount (In lakhs) | As % of consolidated other comprehensive income | Amount (In lakhs) | As % of consolidated Total comprehensive income | Amount (In lakhs) |
| Company | | | | | | | | |
| Jay Bharat Maruti Limited | 97.51 | 42,307.84 | 99.27 | 2,802.00 | 100.00 | (247.55) | 99.20 | 2,554.45 |
| Joint Ventures (Investment as per equity method) | | | | | | | | |
| JBM Ogihara | 2.49 | 1,081.45 | 0.73 | 20.70 | - | - | 0.80 | 20.70 |
| Die Tech Private Limited | | | | | | | | |
| Total | 100.00 | 43,389.29 | 100.00 | 2,822.70 | 100.00 | (247.55) | 100.00 | 2,575.15 |
| Adjustments arising out of consideration | | 1,072.81 | | - | | - | | - |
| Total | | 42,316.48 | | 2,822.70 | | (247.55) | | 2,575.15 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**NOTE 53 : 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

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Sudhir Chhabra
Partner
M.No-083762

Anand Swaroop
President & CFO
New Delhi

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Vijay Kumar Sharma
CGM-Finance
New Delhi

Place: New Delhi
Date : April 29, 2021

FINANCIAL STATEMENTS**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/Associate Company/Joint Ventures

Part "A": Subsidiaries : Not Applicable

Part "B": Joint Ventures and Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Particulars | Joint Venture |
|--|--------------------------------------|
| | JBM Ogihara Die Tech Private Limited |
| 1. Latest Audited Balance Sheet | 31.03.2021 |
| 2. Shares of Associate/Joint Ventures held by the Company on the year end | |
| a) No. of shares | 1,07,28,118 |
| b) Amount of Investment in Joint venture & Associate | 1,072.81 |
| c) Extent of holding % | 49.00% |
| 3. Description how there is Significant Influence | Note-1 |
| 4. Reason why the Associate/Joint Venture is not consolidated | NA |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet | 1,097.98 |
| 6. Profit / Loss for the year* | |
| a) Considered in Consolidation | 32.24 |
| b) Not considered in Consolidation | - |

1. There are no Associates/joint ventures which are yet to commence operations.

2. There are no associates/joint ventures which have been liquidated or sold during the year.

Note 1 : The Company has Power to Participate in the financial and/or operating policy decision but does not have control or joint control over those policies

*** Based on total comprehensive income**

For and on behalf of the Board of Directors of **JAY BHARAT MARUTI LIMITED**

S.K.Arya
Chairman & Managing Director
DIN 00004626
New Delhi

Dharmpal Agarwal
Director
DIN 00084105
New Delhi

Ravi Arora
Company Secretary
M No. 37075
Gurugram (Haryana)

Anand Swaroop
President & CFO
New Delhi

Place: Gurugram (Haryana)
Date : April 29, 2021

Vijay Kumar Sharma
CGM-Finance
New Delhi

सीआईएन: L29130DL1987PLC027342

31 मार्च, 2021 की स्थिति अनुसार एकल तुलन पत्र

| विवरण | टिप्पणी सं. | रु. लाख में | |
|---|-------------|--------------------|--------------------|
| | | 31 मार्च, 2021 को | 31 मार्च, 2020 को |
| परिसंपत्तियां | | | |
| 1 गैर चालू परिसंपत्तियां | | | |
| (क) संपत्ति, संयंत्र और उपकरण | 3 | 85,939.40 | 81,676.00 |
| (ख) प्रगति अधीन पूंजीगत कार्य | 4 | 8,340.96 | 14,312.10 |
| (ग) अमूर्त परिसंपत्तियां | 5 | 38.64 | 60.94 |
| (घ) वित्तीय परिसंपत्तियां | | | |
| (i) निवेश | 6 | 2,400.44 | 2,073.05 |
| (ii) ऋण | 7 | 361.57 | 361.59 |
| (ड) अन्य गैर चालू परिसंपत्तियां | 8 | 3,884.83 | 3,592.72 |
| | | 1,00,965.84 | 1,02,076.40 |
| 2 चालू परिसंपत्तियां | | | |
| (क) इन्वेंटरीज | 9 | 15,286.96 | 12,257.81 |
| (ख) वित्तीय परिसंपत्तियां | | | |
| (i) व्यापार प्राप्तियां | 10 | 6,151.80 | 5,191.87 |
| (ii) नकदी और नकदी समकक्ष | 11 | 219.99 | 151.52 |
| (iii) उपयुक्त पत्रों के अलावा बैंक में बाकी | 12 | 40.28 | 41.80 |
| (iv) अन्य वित्तीय परिसंपत्तियां | 13 | 186.49 | 242.49 |
| (ग) अन्य चालू परिसंपत्तियां | 14 | 438.82 | 712.82 |
| | | 22,324.34 | 18,598.31 |
| कुल | | 1,23,290.18 | 1,20,674.71 |
| इक्विटी और देयताएं | | | |
| इक्विटी | | | |
| (क) इक्विटी वेंचर पूंजी | 15 | 1,082.50 | 1,082.50 |
| (ख) अन्य इक्विटी | 16 | 43,884.59 | 41,225.34 |
| | | 44,967.09 | 42,307.84 |
| देनदारियां | | | |
| 1 गैर चालू देयताएं | | | |
| (क) वित्तीय देयताएं | | | |
| (i) ऋण | 17 | 23,423.65 | 27,911.74 |
| (ii) अन्य वित्तीय देयताएं | 18 | - | 3,145.75 |
| (ख) प्रावधान | 19 | 904.43 | 1,197.67 |
| (ग) आस्थगित कर देयताएं (निवल) | 20 | 8,229.26 | 7,404.64 |
| (घ) अन्य गैर चालू देयताएं | 21 | 1,551.17 | - |
| | | 34,108.51 | 39,659.80 |

| | | | |
|---|----|--------------------|--------------------|
| 2 चालू देयताएं | | | |
| (क) वित्तीय देयताएं | | | |
| (i) उधार | 22 | 4,600.00 | 11,269.27 |
| (ii) व्यापार देयताएं | 23 | | |
| सूक्ष्म उद्यमों और लघु उद्यमों को कुल बकाया देनदारियां | | 617.85 | 301.51 |
| सूक्ष्म उद्यमियों और लघु उद्यमियों के अलावा क्रेडिटर्स को कुल बकाया देय | | 19,980.82 | 16,183.74 |
| (iii) अन्य वित्तीय देनदारियां | 24 | 15,352.54 | 8,509.57 |
| (ख) अन्य चालू देनदारियां | 25 | 3,495.19 | 2,243.52 |
| (ग) प्रावधान | 26 | 168.18 | 199.46 |
| | | 44,214.58 | 38,707.07 |
| कुल | | 1,23,290.18 | 1,20,674.71 |
| महत्वपूर्ण लेखांकन नीतियां | 2 | | |

संलग्न टिप्पणियां इन वित्तीय विवरणों का हिस्सा हैं

हमारी संलग्न सम तिथि की रिपोर्ट के अनुसार

श्री साहनी नटराजन एंड बटल
चार्टर्ड एकाउंटेंट्स
फार्म रजिस्ट्रेशन नं.-002816एनसुधीर छाबड़ा
पार्टनर
सदस्यता सं.-083762स्थान : नई दिल्ली
दिनांक : अप्रैल 29, 2021एस.के.आर्य
अध्यक्ष एवं प्रबंध निदेशक
डीआईएन 00004626
नई दिल्लीआनंद स्वरूप
अध्यक्ष एवं सीएफओ
नई दिल्लीरवि अरोड़ा
कम्पनी सेविंग
सदस्यता सं. 37075
गुरुग्राम (हरियाणा)धर्मपाल अग्रवाल
निदेशक
डीआईएन 00084105
नई दिल्लीविजय कुमार शर्मा
उपाध्यक्ष-वित्त
नई दिल्ली

सीआईएन: L29130DL1987PLC027342

31 मार्च, 2021 को समाप्त वर्ष के लिये लाभ और हानि का एकल विवरण

रु. लाख में

| विवरण | टिप्पणी सं. | 31 मार्च, 2021 को समाप्त वर्ष के लिये | 31 मार्च, 2020 को समाप्त वर्ष के लिये |
|---|-------------|---------------------------------------|---------------------------------------|
| I प्रचालनों से आय | 27 | 1,49,906.79 | 1,65,771.34 |
| II अन्य आय | 28 | 453.44 | 169.85 |
| III कुल आय (I+II) | | 1,50,360.23 | 1,65,941.19 |
| IV व्यय | | | |
| उपभोग की गई सामग्रियों की लागत | | 1,14,727.09 | 1,25,234.47 |
| तैयार वस्तुओं की इन्वेंटरी में बदलाव तथा प्रगति अधीन कार्य | 29 | (1,418.18) | 1,569.89 |
| कर्मचारी लाभ व्यय | 30 | 13,596.30 | 14,207.74 |
| वित्त लागतें | 31 | 3,295.89 | 3,807.95 |
| मूल्यह्रास और परिपोधन व्यय | 32 | 6,594.30 | 6,252.02 |
| अन्य व्यय | 33 | 9,410.53 | 10,655.24 |
| कुल व्यय (IV) | | 1,46,205.93 | 1,61,727.31 |
| V कर पूर्व लाभ (III-IV) | | 4,154.30 | 4,213.88 |
| VI कर व्यय: | 34 | | |
| (1) चालू कर | | 721.31 | 747.14 |
| (2) आस्थगित कर | | 773.57 | 710.82 |
| (3) पूर्ववर्ती वर्षों के कर | | 53.14 | (46.08) |
| | | 1,548.02 | 1,411.88 |
| VII वर्ष के लिये कर पश्चात लाभ (V-VI) | | 2,606.28 | 2,802.00 |
| VIII अन्य समग्र आय | 35 | | |
| (क) मदें, जिन्हें बाद में लाभ या हानि के तौर पर वर्गीकृत नहीं किया जायेगा | | | |
| - निवल परिमाशित लाभ देयता/परिसंपत्ति का आकलन | | (5.84) | 95.32 |
| - आयकर प्रभाव | | 2.04 | (33.31) |
| - निवेश पर उचित मूल्य परिवर्तन | | 327.39 | (309.56) |
| (ख) मदें, जिन्हें लाभ या हानि के लिये बाद में पुन:वर्गीकृत किया जायेगा | | - | - |
| कुल अन्य समग्र आय (क)+(ख) | | 323.59 | (247.55) |
| IX कुल समग्र आय (VII+VIII) | | 2,929.87 | 2,554.45 |
| X प्रति इक्विटी शेयर आय (प्रत्येक 5/- रु का अंकित मूल्य): | 36 | | |
| (1) बेसिक | | 12.04 | 12.94 |
| (2) डाइल्यूटेड | | 12.04 | 12.94 |
| महत्वपूर्ण लेखांकन नीतियां | 2 | | |

संलग्न टिप्पणियां इन वित्तीय विवरणों का हिस्सा हैं

हमारी संलग्न सम तिथि की रिपोर्ट के अनुसार

श्री साहनी नटराजन एंड बहल
चार्टर्ड एकाउण्टेंट्स
फार्म रजिस्ट्रेशन नं.-002816एनसुधीर छाबड़ा
पार्टनर
सदस्यता सं.-083762स्थान : नई दिल्ली
दिनांक : अप्रैल 29, 2021एस.के.आर्य
अध्यक्ष एवं प्रबंध निदेशक
सीआईएन 00004626
नई दिल्लीआनंद स्वरूप
अध्यक्ष एवं सीएफओ
नई दिल्लीरवि अरोड़ा
कम्पनी सचिव
सदस्यता सं. 37075
गुरुग्राम (हरियाणा)धर्मपाल अथवाल
निदेशक
सीआईएन 00084105
नई दिल्लीविजय कुमार शर्मा
उपाध्यक्ष-वित्त
नई दिल्ली



REGISTERED OFFICE

Jay Bharat Maruti Limited

601, Hemkunt Chambers,
89, Nehru Place, New Delhi-110019.
Ph. : 91-11-26427104-6
Fax : 91-11-26427100
email : corp.communications@jbmgroup.com
www.jbmgroup.com

CORPORATE OFFICE

Jay Bharat Maruti Limited

Plot No. 9, Institutional Area,
Sector - 44, Gurgaon-122003, Haryana
Ph. : 91-124-4674500-550
Fax : 91-124-4674599

WORKS

Jay Bharat Maruti Limited (J1)

Plot No. 5, Maruti Joint Venture Complex,
Gurgaon-122015, Haryana

Jay Bharat Maruti Limited (J2)

Sector 36, Mohammadpur Jharsa,
Near Khandsa Village,
Gurgaon-122001, Haryana

Jay Bharat Maruti Limited (J3)

Plot No. 15 & 22, Sector-3A,
Maruti Supplier Park, IMT Manesar,
Gurgaon-122050, Haryana

Jay Bharat Maruti Limited (J4)

Sector 36, Mohammadpur Jharsa,
Near Khandsa Village,
Gurgaon-122001, Haryana

Jay Bharat Maruti Limited (J5)

Survey No.62, Paiki, 6 & 7,
GIDC Extension Road, Village,
Vithlapur, Taluka Mandal,
District Ahmedabad, Gujarat-382130