



LIGHT UP THE WORLD

FIEM INDUSTRIES LIMITED

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August 29, 2020

(Through Listing Centre)

The Manager,
Dept. of Corporate Services
B S E Limited
25th Floor, P. J. Towers, Dalal Street,
Fort, Mumbai - 400 001

Dear Sir,

Sub: Annual Report for Financial Year 2019-20.
Ref: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
(Listing Regulations).

Pursuant to Regulation 34 (1) (a) and 30(6) of Listing Regulations read with Para A of Part A of Schedule III, please find attached the Annual Report for Financial Year 2019-20, being sent to shareholders through e-mail for 31st Annual General Meeting of the Company to be held on 21st September, 2020 at 10.00 am through Video Conferencing/ Other Audio Video Means (VC/OAVM).

This is for your information and records please.

Thanking you.

Yours faithfully,

For Fiem Industries Limited

Arvind K. Chauhan
Company Secretary

Encl: A/a

FIEM INDUSTRIES LIMITED

ANNUAL REPORT 2019-20



fiem

LIGHT UP THE WORLD



PURSUING RESILIENCE
.....▶ AND AGILITY
TO LEAD THE GROWTH



Disclaimer:

This document contains statements about expected future events and financial and operating results of Fiem Industries limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place any reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Further, certain industry data and other information presented in this document are collected from various reports and sources publicly available. We cannot authenticate the correctness of such data and information. Accordingly, this entire document is subject to this disclaimer. Readers are cautioned that the Company is in no way responsible for any loss / adverse result caused to them attributable to any statement in this document. Readers are requested to exercise their own judgment in assessing the risk associated with the Company.



WHAT'S IN THIS REPORT...

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Scan this QR code to view the Annual Report at one go on your hand-held device



A Resilient Performance

2019-20 has remained the most challenging year for automobile industry in recent times, two-wheeler industry registered a production de-growth of 14.14% and even deeper negative growth of 17.76% in domestic sales.

Despite these double digit negative growth in two-wheeler segment, Company has been able to perform much better than industry and achieved a sale of Rs.1366 Crores during FY 2019-20 in comparison to Rs.1434 Crores during the previous year, with a decline of 4.75%. This better than Industry growth could be possible because of the increase in share of the business with our customers. We believe that our increased share of business with our esteemed OEM customers has helped us to perform better in these difficult times.





Leveraging the Power of Resilience & Agility

At FIEM, we are now more focussed in aligning our systems that quickly respond to changing needs of our OEM customers and can scale-up quickly to serve the customers as per their needs. To improve the supply chain that are both efficient and cost effective to deal with unexpected challenges. This approach inherently require higher degree of adaptability and agility in the organisation. We are making it possible by proactively aligning our R&D, people, plants, processes and capacities to act swiftly as per customer needs.





Learning from this crisis is to have more focus on building agility and resiliency to perform effectively in turbulent times.

It also means being good at making sense of emerging conditions and redeploying resources to quickly counter or create advantage from them.

Resiliency is also associated with creative, prompt responses to minimize the impact of surprises and jolts that are not avoided. It is fundamentally about the “robustness” of the systems.

Company has upgraded its IT infrastructure and doing further improvements, enabling the employees to work with flexibility and agility. In today’s time customers are more inclined to the partners who can respond and adjust quickly to changing circumstances to address their needs.

A crisis like this, requires us to think differently and adapt to a more innovative and dynamic approach to steer through and emerge stronger. Our Passion and Commitment to serve our customer better and strength of resilience and agility with growth oriented leadership will make this happen.

COVID-19 forcing the world to a new normal, where uncertainty are more frequent, hence in this new normal, resilience, agility and speed are biggest strengths. At FIEM, we embrace this new normal with our focus on delivering best to our valued customers.

→ Fight Against Covid - 19



Protection by Face Mask & Face Shield



Thermal Screening



Hand Wash

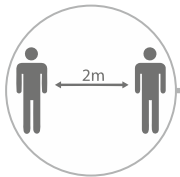




Tunnel Sanitisation



Sanitisation of Workstation



Social Distancing Maintained
at Work Place



Meeting Through
Video Conferencing



Chairman's Message





Dear Shareholders,

The year 2019-20 has remained a tough year for over all economy. According to data released by the National Statistical Office (NSO) in last week of May, 2020, India's economic growth slipped to 3.1 percent in the January-March quarter of 2019-20, showing impact of COVID-19 pandemic. With this, economic growth slowed down to an 11-year low of 4.2% in 2019-20. This clearly shows that year 2019-20 remained a highly challenging year for the Indian economy and impact of COVID-19 is continuing in current year as well.

Reflecting the slowdown in the overall Indian economy, 2019-20 proved to be another tough year for Automobile Industry and two-wheeler segment was not spared. Towards the financial year end, COVID-19 has further compounded the pain and a nationwide lockdown was declared by the government to contain the spread of virus. To ensure the health and safety of our employees and in compliance of directions of authorities, we had also suspended our operations across the factories of the Company from 23rd March onwards. After that, lockdown period extended by the government to contain the spread of virus and only during the 1st week of May, 2020 the operations started resuming in phased manner after ensuring all measures of social distancing, sanitisation and other safety measures.

During FY 2019-20, two-wheeler industry registered a negative production growth of 14.14% against the growth of 6.29% during FY 2018-19. Domestic sales of the two-wheeler has even registered a deeper negative growth of 17.76% and that de-growth has remained across the OEMs with the exception of Suzuki Motorcycle, which has registered a production growth of 7.52%.

In this background and these unprecedented difficult times, your Company has been able to perform much better than industry and achieved a sale of Rs.1366 Crores during FY 2019-20 in comparison to Rs.1434 Crores during the previous year, with a decline of 4.75%. This better than Industry growth could be possible because of the increase in share of the business with our customers. We believe that our increased share of business with our esteemed OEM customers has helped us to perform better in these difficult times.

Further, the Company has been able to earn an EBITDA of Rs.155.76 Crores being 11.40% during 2019-20 as against an EBITDA of Rs.155.26 Crores being 10.83% during FY 2018-19, this clearly reflects that company has been able to improve its operational efficiencies and improved its EBITDA percentage by 57 basis points.

PAT of the company has significantly increased to Rs.78.92 Crores during the year under review as compared to Rs.55.48 Crores during last year, resulting in an increase by 42.25%. This significant increase in PAT is attributable to the fact that Company has exercised the option permitted under the Income Tax Act, wherein domestic companies have the option to pay income tax at a lower rate of 25.17% against 34.94% paid by the Company in earlier years, subject to compliance of certain conditions.

FY 2019-20, has remained a challenging year for the overall Automobile Industry on the wake of weak demand on account of economic slowdown, price increases due to regulatory changes, consumption slowdown and the outbreak of the Coronavirus pandemic towards the end of the year. After a double-digit decline in the first half of FY 2019-20, the second half was even more difficult for the industry. The dispatches were lower in the second half of the year, as the industry sought to clear the BS-IV inventory with the dealerships before the regulatory deadline of March 31, 2020. Despite the slow growth, year 2019-20 marked the successful transition to BS-VI that too directly from BS-IV emission norms, within a span of 3 years period.

Over the years, your Company has shown resilient performance during the difficult times and continued its growth journey despite all disruptions and challenges. By leveraging the power of resilience and agility, your Company aim to emerge much stronger from the present challenges. Hence, we are now more focussed in aligning our systems that quickly respond to changing needs of our OEM customers and can scale-up quickly to serve the customers as per their needs. We further improving our supply chain that are both efficient and cost effective to deal with unexpected challenges. This approach inherently require higher degree of adaptability and agility in the organisation. We are making it possible by proactively aligning our R&D, people, plants, processes and capacities to act swiftly as per customer needs.

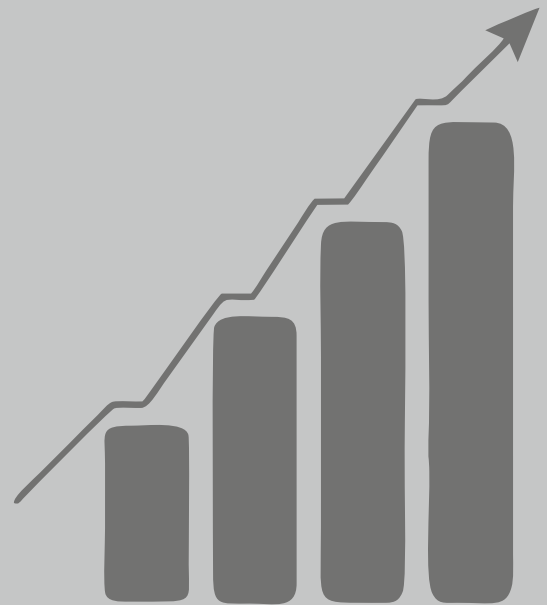
As we all know, we are passing through a very difficult and uncertain time and impact of COVID-19 is still continuing. The industry has observed a 40 plus day's lockdown and even after unlocking, the things are not normal and it will take some more time to realize the impact of this pandemic and lifting the sentiments in the economy. Health & safety of human life is most important, hence, we are taking utmost care of social distancing, sanitization and other safety measures in our operations across all locations.



Over the years, your Company has shown resilient performance during the difficult times and continued its growth journey despite all disruptions and challenges. By leveraging the power of resilience and agility, Company aim to emerge much stronger from the present challenges.



We are now more focussed in aligning our systems that quickly respond to changing needs of our OEM customers and can scale-up quickly to serve the customers as per their needs.



I believe that when the situation improves, the recovery will be swift in two-wheeler segment, because of the pent-up demand and preference of the people to travel alone rather than shared mobility or public transport. The rural economy is another hope for faster revival in two-wheeler segment. We remain focused on strengthening our in-house design and development capabilities and going ahead with the new project as per our customer plan. We continue to be one of the most preferred suppliers to the OEMs and successfully getting new business from OEMs because of their confidence in our R&D and production capabilities. Though these are very uncertain times, but we are closely watching the situation and are hopeful for a fast recovery.

I deeply acknowledge the patronage of our valued OEM customers and extend my gratitude for trust and confidence they reposed on us over the years. I am also thankful to all our Investors and other stakeholders for their co-operation and trust during all these times. We assure that we keep working hard for growth of the Company and betterment of all stakeholders.

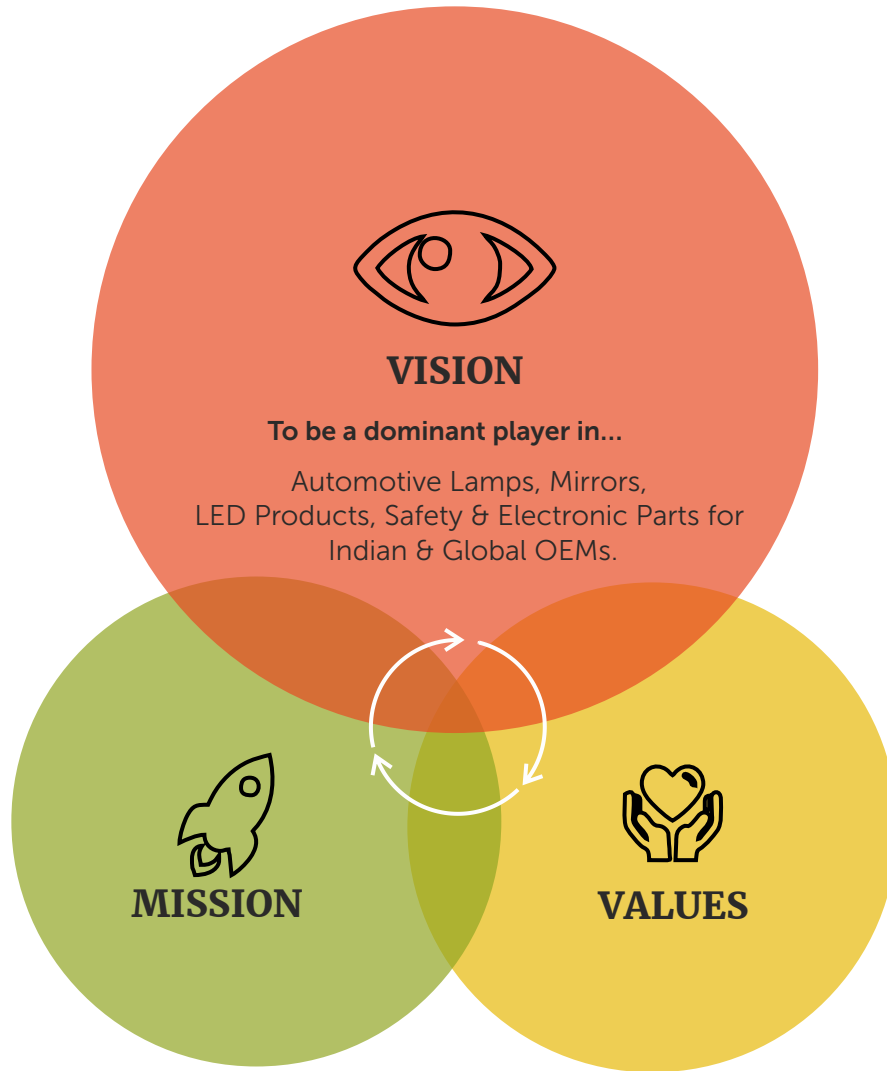
I would like to wish you all a good health & safety amid this difficult time of COVID-19.

Kind Regards,
J. K. Jain,
Chairman & Managing Director



I believe that when the situation improves, the recovery will be swift in two-wheeler segment, because of the pent-up demand and preference of the people to travel alone rather than shared mobility or public transport.





We are committed to give our Customers, Total Satisfaction in terms of Quality, Cost and On time delivery.

We shall pursue Continual Improvement in Product Quality by upgrading the Technology and Training to employees.

We aim to be the market leader in all our products through Global Competitiveness.

We aim to continuously enhancing the value of stakeholders.

Customer Focused Approach

Strive for Quality, Technology & Innovation

Continuous Improvement

Respect for Individual and Company Ethics

Award from Honda Motorcycle & Scooter India Pvt. Ltd.





Excellence in Quality & Delivery Award from Kubota 2019-20





We built Trust and Confidence of our valued OEM customers over the decades, which has become stronger by passage of time. We take inspiration from the Recognitions and Awards they bestowed on us over the years and strive to achieve more and do better to keep this tradition continue.



Global Award for Excellence in Technology and Development from YAMAHA MOTOR CO., LTD. Japan (2019)



Grand Award for QCDDM 2013-14 from Honda Motorcycle & Scooter India Pvt. Ltd. (2014)



Grand Award from Honda Motorcycle & Scooter India Pvt. Ltd (2009)



Achievement Award for Honda Global Support Supplier 2012-13 from Honda Motorcycle & Scooter India Pvt. Ltd,





Award for Q.D. Performance from Honda Motorcycle & Scooter India Pvt. Ltd. (2011)



Performance Award (VA- VE) for 2016-17 from Suzuki Motorcycle India Pvt. Ltd. (2017)



Supplier Recognition Award from Harley-Davidson India for its new motorcycle model (Harley-Davidson Street) (2014)



ESQR'S Quality Achievement Award in the Gold Category for extraordinary achievement in quality management (2013)



Appreciation Award, 2019 from Hyundai Motor India Ltd. (2019)



Award for Excellence in Electronics from ELCINA for Outstanding Contribution to the Growth of Lighting & Auto Electronics Industry (2016-17)

→ FIEM's World Class R&D and Designing Capabilities



Honda-Activa



TVS-Radeon



Suzuki Gixxer 150



Since early days, we always believed in strengthening our In-house R&D capabilities. Since beginning, we have won the confidence of our OEM customers based on our In-house Design, Development and Testing capabilities in addition to the world-class Production facilities.

In the year 2011, our In-house R&D Centre at Rai was recognised by DSIR, Ministry of Science & Technology, Govt. of India.

We also set-up Design Centre in Japan and Italy to further strengthen our Designing Capabilities.

Automotive Lighting in itself is a subject of developing new technologies and continuous innovations. Further, it is not only about the functionality of lighting and road safety, but also about the styling element in the vehicles. It plays a major role in styling and aesthetics in total vehicle design.

When the OEM designs its vehicle or plan for a face lift, after selection of supplier for lighting solution, OEM shares the concept, and then we become extended part of that vehicle design for Lighting Solutions. It start from Concept, to Research to Design to Development and then Manufacturing.

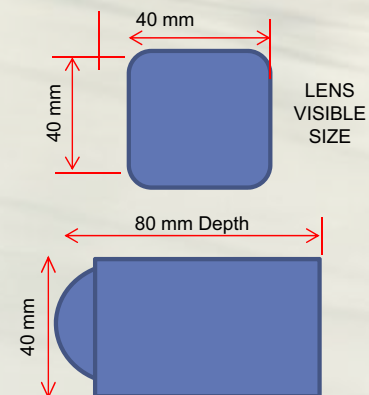
However, at the same time, we have to follow the customer directive as well. Though, FIEM has a long history of in-house Design, Development and then manufacturing the lighting solutions for its OEM customers, still one instance shared by our R&D Team deserve mention here....



2015

FIEM got an R&D Project for LED Lighting Solution from Yamaha Japan with following specification/target:

- Compact LED Projector Lamp
- Aim to make small, lightweight and high-performance lighting module – compliant of EC-R113 Class-C, Class D/FMVSS/CMVSS Regulations.
- Size: Approx. 40mmX40mmX80mm
- Weight Target : Approx. 200g
- Energy Consumption: Less than 30W.



FIEM In-house R&D along with its Italian Designer team started working and identified the deliverables & prepared the road map for the above R&D project together with customer to meet the cost, quality based on TVP approach.

After getting the Global Award for Excellence in Technology and Development in 2019, it is again a proud moment for FIEM, when its R&D capabilities acknowledged and appreciated by a Global Company i.e. YAMAHA MOTOR CO., LTD. JAPAN in its 'Integrated Report 2020' (Annual Report) by Quoting as under:



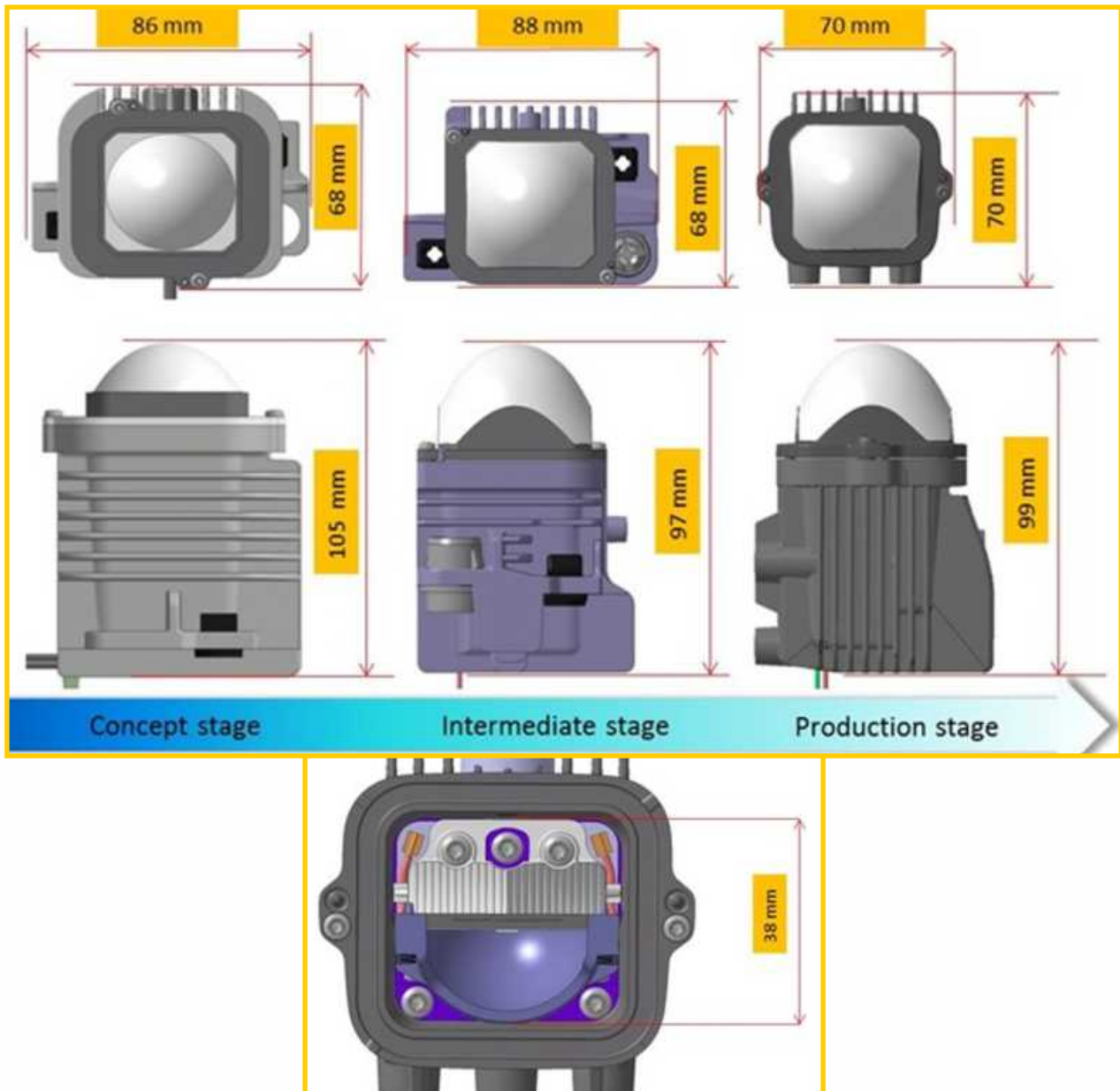
“We asked Indian automotive parts manufacturer, Fiem Industries Ltd. (FIEM), to produce our ultra-compact LED headlight created with an emphasis on cost and quality, and based on our theoretical value-based production approach. Adopted on the 2019 MT-03 model, it greatly raised its product appeal and for their work, FIEM received the Excellence in Technology and Development award at the 2019 Global Suppliers Conference.”

→ Lamp Design Road Map

Modular Design Concept and Target

Downsizing:

- Components dimension optimized through strong cooperation between all engineering areas.
- Manufacturing and assembly department involved in early project stage.
- Fixing method and wire routing studied to maximize available space for optical elements.
- Heatsink dimension and weight optimized by means of CAE thermal analysis.
- Supplier involved in downsizing challenge
- **Dimension and weight target achieved ✓**



→ | **Final Result:** FIEM Developed
World's Smallest LED Bi-function Lighting Module



2018

World's Smallest

LED bi-function lighting module (Class B) started its journey when YAMAHA MT15 Launched in Thailand, Indonesia, India in 2018





2019

Global Award

for Excellence in Technology and Development
from Yamaha Motor Co., Ltd. Japan
(19th April, 2019 at Hamamatsu, Japan)

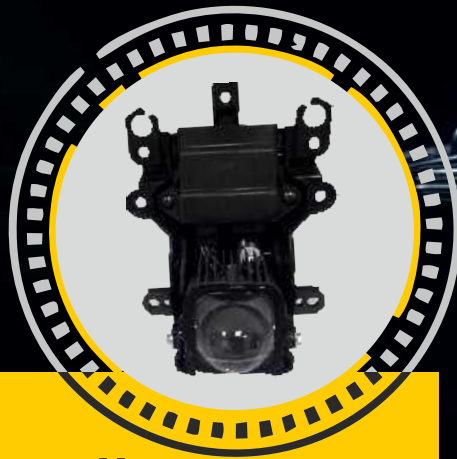


It was a proud moment for Team FIEM, when the Company got the Global Award for Excellence in Technology and Development in Japan (April, 2019) from a Global OEM, Yamaha Motor Co., Ltd., Japan in recognition of outstanding achievement in the development of advanced technology in 2018 for development of “World’s Smallest LED Bi-Function Lighting Module for Two-wheelers’ PES Lens”.

This was another mile-stone in the achievements of FIEM’s In-house R&D. As in 2017 Yamaha India launched FZ 250 Motorcycle, which was having LED Head Lamp Designed and Developed by FIEM. It was the first LED head lamp homologated and launched in the Indian market.

This is one of the best example as how, proprietary and In-house R&D can be so rewarding for the organisation and how immensely customer can be benefited. Fiem not only got the Award and Recognition from a Global player in Global gathering of selected Vendors in Japan, but also got a long standing business with YAMAHA. Fiem did not stop on just 1st stage and keep continued its R&D for further improvement & technology upgradation in the LED Module. With its continued R&D efforts, today the same Module is already there in 3 Motorcycles launched by YAMAHA in India, Thailand, Indonesia and Europe. The journey of this success is continue for more launches in the time to come.

2019



World's Smallest

LED bi-function lighting module (Class D) continued its journey with YAMAHA MT25 Launched in Indonesia in 2019



It is the result of Fiem's deep proprietary LED R&D, which has fostered over the years because of focus on in-house R&D Centre equipped with modern infrastructure, state-of-the-art technology, cutting-edge software, as well as qualified and experienced Engineers. R&D Centre comprises various testing facilities (Product Testing, Photometry Testing, Environmental Testing, Thermal Tests, Electronic Test, Vibration Test, Chemical Test, Mechanical Tests etc). The photometry laboratory is NABL accredited.

FIEM's cutting-edge research has again demonstrated that the Company is way ahead in LED lighting adaption in two-wheelers.

2020



World's Smallest

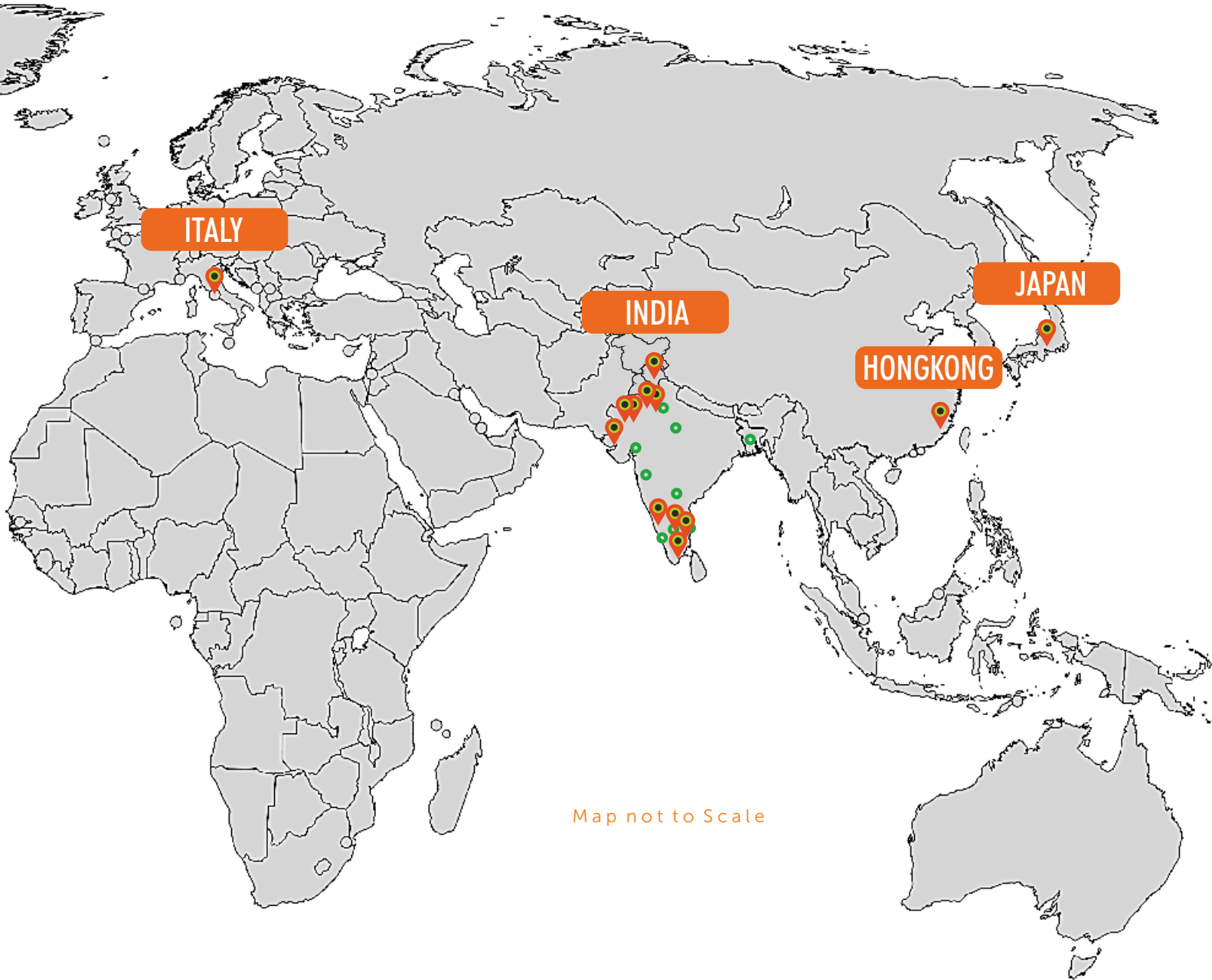
LED bi-function lighting module (Class C) continuing to ride the GLOBAL market with YAMAHA TRACER 700 Launched in Europe in 2020



and...

LED bi-function lighting module is continuing future journey in coming models of YAMAHA.

→ | Our Global Presence



Map not to Scale



FIEM INDUSTRIES JAPAN CO., LTD.
JAPAN



FIEM RESEARCH AND TECHNOLOGY S.r.l.
ITALY

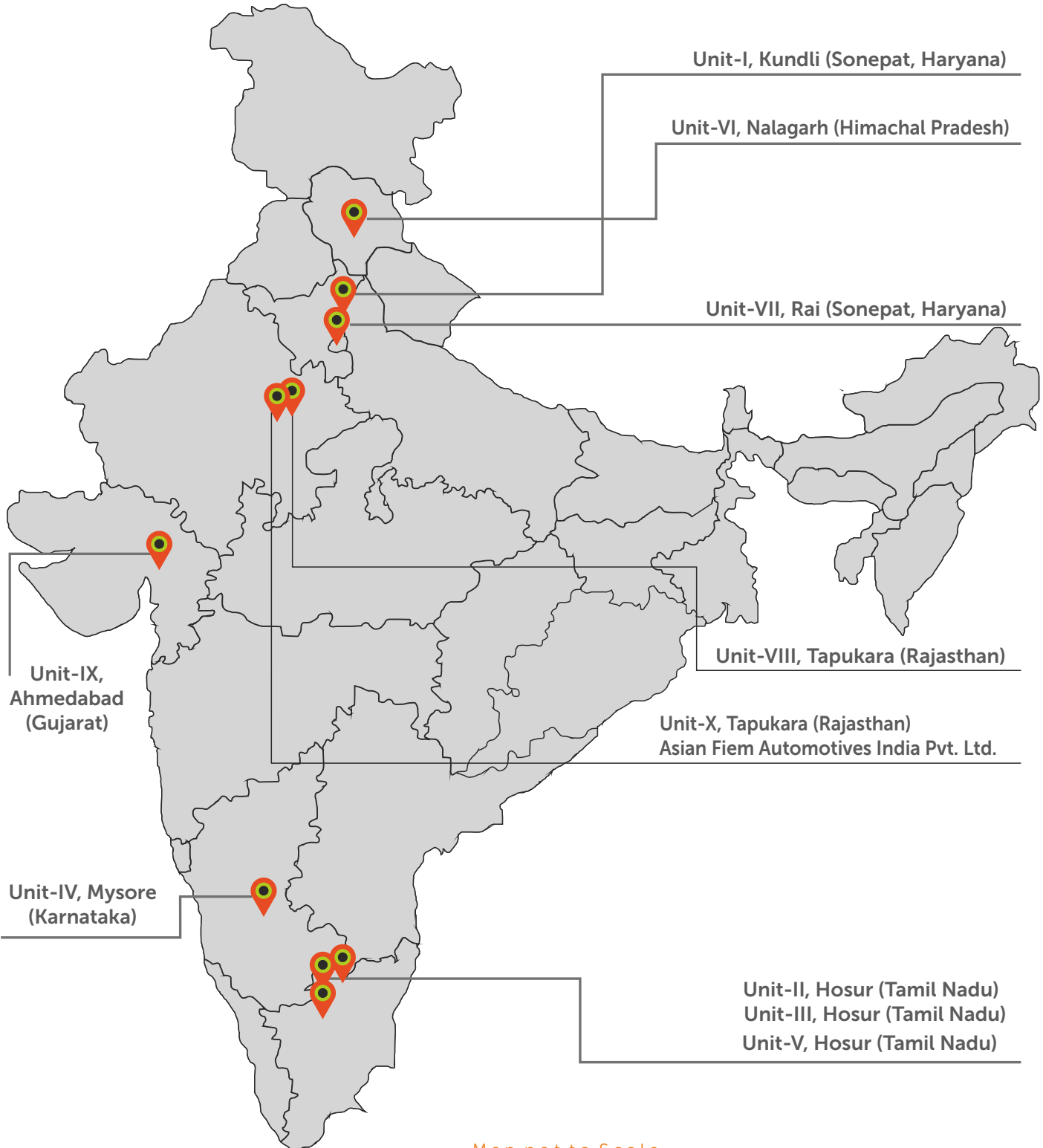


FIEM KYOWA (HK) MOULD CO. LTD.
HONG KONG



→ Our Pan-India Manufacturing Footprint

The Company's 9 state-of-the-art manufacturing facilities are located close to OEM customers, offering logistic cost savings and just-in-time delivery as well as the operational flexibility.



Map not to Scale



Our State-of-the-art Manufacturing Facilities



Corporate Office & Unit-VII, Rai (Haryana)



Unit-I, Kundli (Sonapat, Haryana)



Unit-II, Hosur (Tamil Nadu)



Unit-III, Hosur (Tamil Nadu)



Unit-IV, Mysore (Karnataka)



Unit-V, Hosur (Tamil Nadu)



Unit-VI, Nalagarh (Himachal Pradesh)



Unit-VIII, Tapukara (Rajasthan)



Unit-IX, Ahmedabad (Gujarat)



Tapukara (Rajasthan)
Asian Fiem Automotives India Pvt. Ltd.

Sr.	Unit No.	Location	Quality, Environment & Safety System Certifications			
			QMS		EMS	SAFETY
1	Unit-1	Kundli, Haryana		IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
2	Unit-2	Hosur, Tamilnadu		IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
3	Unit-3	Hosur, Tamilnadu		IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
4	Unit-4	Mysore, Karnatka		IATF 16949:2016	-	-
5	Unit-5	Hosur, Tamilnadu		IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
6	Unit-6	Nalagarh, H.P.		IATF 16949:2016	-	-
7	Unit-7	Rai, Haryana	ISO 9001:2015	IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
8	Unit-8	Tapukara, Rajasthan	ISO 9001:2015	IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
9	Unit-9	Ahmedabad, Gujarat		IATF 16949:2016	ISO 14001:2015	OHSAS 18001:2017
10	Unit-10	Tapukara, Rajasthan (AFI)	-	-	-	-





The Alliances we made in previous years for New Products, have started supply to customers and expanded the customer base



Bank (lean) Angle Sensor Technical Assistance Agreement With



Started Supply to HMSI

Features

Oil less type, non-contact detection type with Hall IC.

Concept

Small size, lightweight and high mount ability overturn detection sensor for motorcycles.

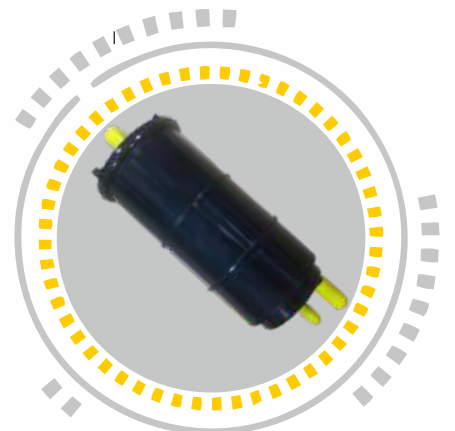


Canister Technical Assistance Agreement with



Supply to TVS & YAMAHA

- Evaporated fuel vapor is absorbed in Canister during parking.
- The vapor absorbed to canister is vacuumed into engine (Purging) and burned when motorcycle is driving.



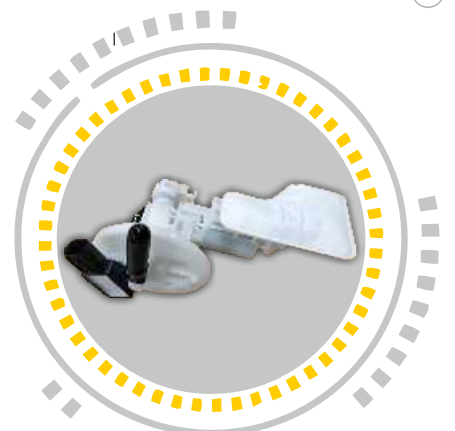
Fuel Pump Module And Ic Connector Joint Venture With



Started Supply to Bajaj

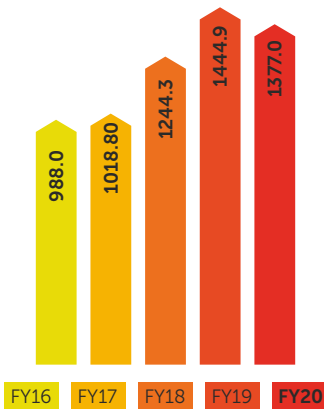
Function

By either name, the module controls the voltage delivered to a vehicle's fuel pump. By controlling the voltage, the fuel-pump driver module maintains the optimum fuel pressure and fuel delivery to the engine throughout its full operating range.

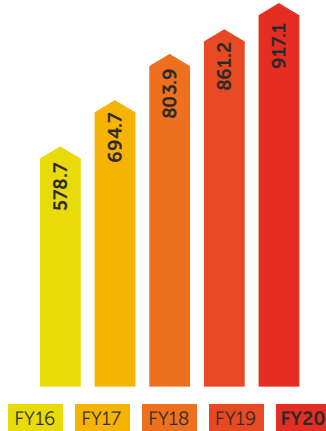


Despite challenging year, we have been able to perform better than Industry...

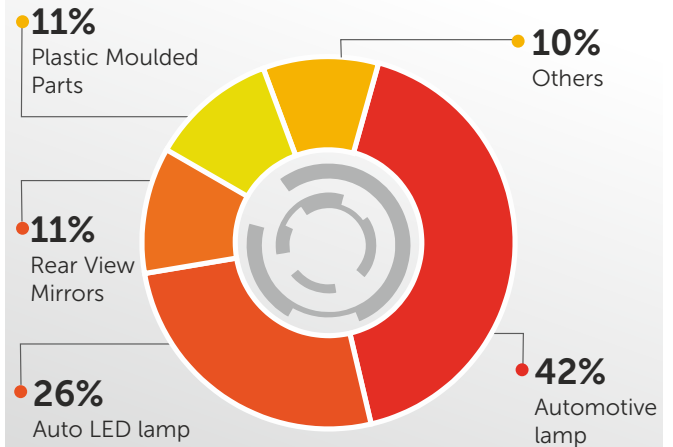
Revenue from Operations
(Rs crore)



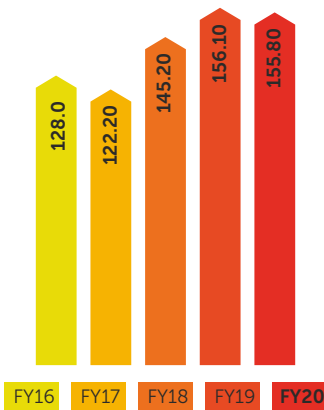
Gross block
(Rs crore)



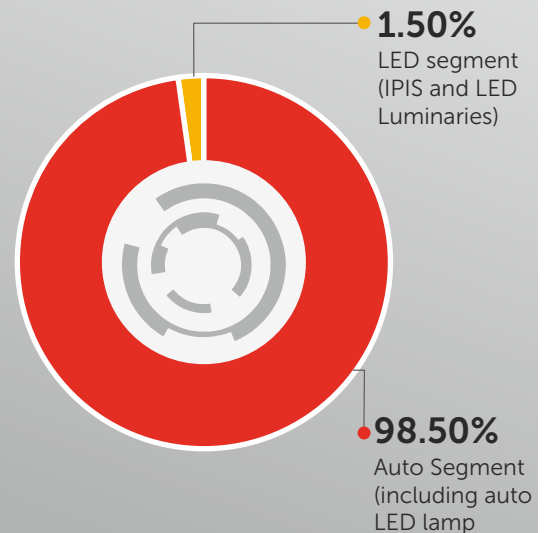
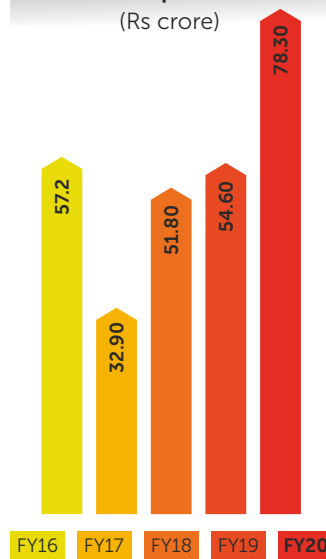
Segment wise sales breakup



EBITDA
(Rs crore)



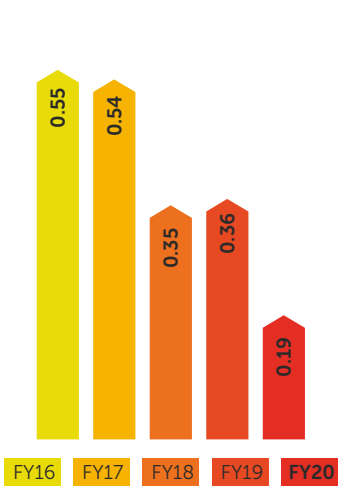
Net profit
(Rs crore)



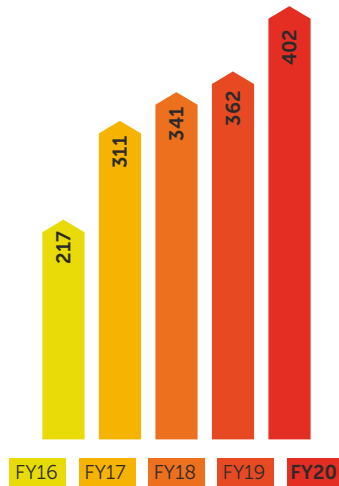
...and continued with prudent financial management.



Gross debt/equity ratio
(x)

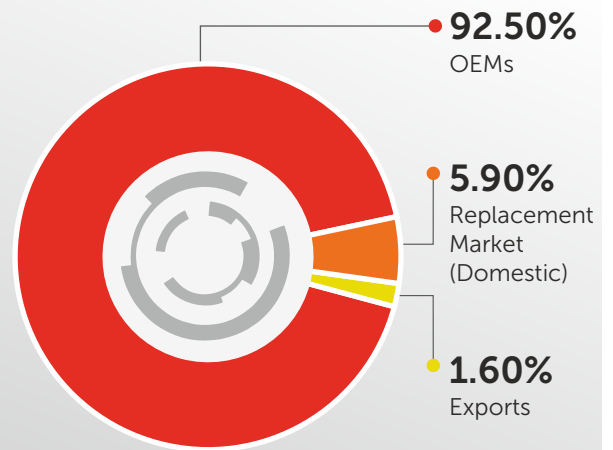


Book Value per share
(Rs)

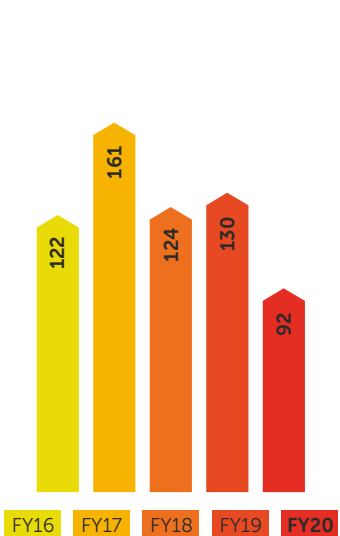


Auto segment product mix

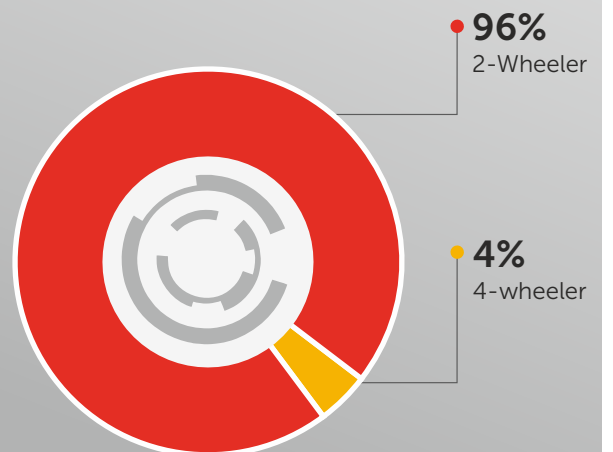
Exports / OEMs / Replacement Market



Long-term loans
(Rs crore)



4 Wheeler / 2 Wheeler



We continue to be among most preferred suppliers for our Valued OEM customers.

TWO-WHEELER SEGMENT (DOMESTIC CUSTOMERS)



TWO-WHEELER SEGMENT (GLOBAL CUSTOMERS)



FOUR-WHEELER SEGMENT (DOMESTIC CUSTOMERS)



FOUR-WHEELER SEGMENT (GLOBAL CUSTOMERS)





Product Portfolio

The Company is a leading manufacturer of automotive lighting and signaling equipment and rear view mirrors for two and four wheelers. Over the years our Automotive LED Product Portfolio is increasing.



AUTOMOTIVE LAMPS



REAR VIEW MIRRORS



PLASTIC PARTS



OTHERS



Sheet Metal Parts



Canister



Bank (Lean) Angle Sensor



Fuel Pump Module & Ic Connector





LED LUMINAIRES



IPIS





FIEM CSR



It has always been in our heart to help the poor and needy people and support the underprivileged for a better life. Women empowerment is another area where we always focus and do our level best in all possible ways.

At FIEM, our approach to corporate social responsibility (CSR) is a mechanism to serve the humanity, especially in the time of their disease when they need the help most. Giving back to the society is a core aspect of our CSR. Social Responsibility Programmes are mainly connected with this purpose. Our main area of intervention are healthcare which we conduct as under through our CSR Trust, Fiem Foundation:

- Providing financial aid to Poor and needy patients through Social Welfare Unit of AIIMS, New Delhi.
- Arranging Mass Marriages for poor couples.
- Extending Financial Support to the NGOs, who are engaged in these activities and need financial aid.





Health care for the needy

We provide financial support to NGO 'Kutch Vikas Trust to facilitate eye and dental operations of poor patients. The NGO works in Kutch area of Gujarat.



Mass Marriages

In continuation to previous year, Fiem Foundation arranged mass marriages in November, 2019 for underprivileged girls in order to ensure their upliftment in society. Couples from across religions Hindu, Sikh, Muslim and Christian participated in the mass marriage





Financial aid to poor & needy patients

In collaboration with 'Social Welfare Unit of AIIMS, Delhi' we provide financial aid to poor patients suffering from cancer and other life-threatening diseases. Till now more than 250 such patients have been extended financial aid of more than **Rs. 3 crore**. We are doing this work through our CSR Trust 'Fiem Foundation'.



Mahesh
36 years from Delhi
₹ 40,000/-



Mohan Lal
55 years from U.P.
₹ 54,000/-



Dileep Dutta
46 years from West Bengal
₹ 1,50,000/-



Mahesh Kr Sharma
68 years from U.P.
₹ 1,03,889/-



Dev Ranjan
3 years from Bihar
₹ 2,00,000/-



Yogesh Kumar
48 years from Haryana
₹ 56,000/-



Deep kumar
9 years from U.P.
₹ 1,08,000/-



Kalpana
29 years from Bihar
₹ 2,00,000/-



Md. Jabrail
44 years from Jharkhand
₹ 1,08,000/-



Pratima Devi
66 years from Jharkhand
₹ 7,00,000/-



Resham Pal
42 years from U.P.
₹ 1,48,802/-



Ankush Singh
20 years from U.P.
₹ 97,500/-



Suraj Kr Gupta
12 years from Bihar
₹ 1,00,000/-



Vinay
42 years from U.P.
₹ 2,00,000/-



Ramu Yadav
28 years from U.P.
₹ 2,00,000/-



Raju Prasad
35 years from Bihar
₹ 3,00,000/-



Devender
33 years from U.P.
₹ 2,00,000/-



Priya Kumar
19 years
₹ 88,000/-



Satish
25 years from Haryana
₹ 42,000/-



Harvender
30 years from U.P.
₹ 2,50,000/-



Aadil Khan
7 years from Bihar
₹ 2,00,000/-



Mrs. Rookhsana
38 years from U.P.
₹ 79,200/-



Govind
22 years from U.P.
₹ 2,00,000/-



Raju Sah
39 years from Bihar
₹ 2,00,000/-



Ghanshyam Bista
18 years from Nepal
₹ 2,00,000/-



Arun Kumar
29 years from Delhi
₹ 1,50,000/-



Puneet Kumar
18 years from U.P.
₹ 2,00,000/-



Pankaj
17 years from Bihar
₹ 2,00,000/-



Amit
8 years from U.P.
₹ 2,00,000/-



Stanzin Garab
40 years from Kargil, Ladakh
₹ 3,00,000/-



Board of Directors



Mr. J.K. Jain
Chairman & Managing
Director



Mrs. Seema Jain
Whole-time Director



Mr. Rahul Jain
Whole-time Director



Ms. Aanchal Jain
Whole-time Director



Mr. Rajesh Sharma
Whole-time Director



Mr. Kashi Ram Yadav
Whole-time Director



Mr. Mohan Bir Sahni
Independent Director



Mr. S.K. Jain
Independent Director



Mr. Iqbal Singh
Independent Director



Mr. V.K. Malhotra
Independent Director



Mr. Jawahar Thakur
Independent Director



Mr. Ashok Kumar Sharma
Independent Director



Ms. Sobha Khatri
Independent Director



General Information

Board of Directors

Mr. J.K. Jain – Chairman & Managing Director
 Mrs. Seema Jain – Whole-time Director
 Mr. Rahul Jain – Whole-time Director
 Ms. Aanchal Jain – Whole-time Director
 Mr. Kashi Ram Yadav – Whole-time Director
 Mr. J.S.S. Rao – Whole-time Director (up to 31.12.2019)
 Mr. Rajesh Sharma – Whole-time Director (w.e.f. 01.01.2020)
 Mr. Mohan Bir Sahni – Independent Director
 Mr. S.K. Jain – Independent Director
 Mr. Iqbal Singh – Independent Director
 Mr. V. K. Malhotra – Independent Director
 Mr. Ashok Kumar Sharma – Independent Director
 Mr. Jawahar Thakur – Independent Director
 Ms. Shobha Khatri – Independent Director (w.e.f. 01.01.2020)

Chief Financial Officer

Mr. O.P. Gupta

Company Secretary & Compliance Officer

Mr. Arvind K. Chauhan

Audit Committee

Mr. S. K. Jain – Chairman
 Mr. V. K. Malhotra – Member
 Mr. Iqbal Singh – Member

Nomination & Remuneration Committee

Mr. S. K. Jain – Chairman
 Mr. Iqbal Singh – Member
 Mr. V. K. Malhotra – Member

Stakeholders Relationship Committee

Mr. V. K. Malhotra – Chairman
 Mr. Rahul Jain – Member
 Mr. Kashi Ram Yadav – Member

Corporate Social Responsibility (CSR) Committee

Mr. Rahul Jain – Chairman
 Mr. Kashi Ram Yadav – Member
 Mr. V.K. Malhotra – Member

Statutory Auditors

M/s V. Sachdeva & Associates, Chartered Accountants

Registered Office	Corporate Office & Unit Vii	Registrar & Share Transfer Agent
D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi-110015 (India) Tel: +91-11-25927820, 25927919, Fax: +91-11-25927740 CIN: L36999DL1989PLC034928 Email: investor@fiemindustries.com Website: www.fiemindustries.com	Plot No. 1915, Rai Industrial Estate, Phase - V, Distt. Sonapat, Haryana -131029 (India) Tel: +91-130-2367905-910, Fax: +91-130-2367903	Link Intime India Pvt. Ltd. Noble Heights, 1st Floor, Plot No. 2 C-1 Block ISC, Near Savitri Market Janakpuri, New Delhi - 110058 Ph: 011-41410592/93/94 Fax No: 011-41410591

Plant Locations	
Unit I	32 Mile Stone, G. T. Road, Kundli, Distt. Sonapat, Haryana
Unit II	219/2B, Thally Road, Kallukondapalli, Hosur, Tamil Nadu
Unit III	Kelamngalam, Achittapalli Post, Hosur, Tamil Nadu
Unit IV	133, KIADB Industrial Area, Kadakola Post, Mysore 571311, Karnataka
Unit V	Kelamangalam, Achittapalli Post, Hosur, Tamil Nadu
Unit VI	Village Bhatian, Tehsil -Nalagarh, Himachal Pradesh
Unit VII	Plot No. 1915, Rai Industrial Estate, Phase -V, Distt. Sonapat, Haryana.
Unit VIII	Plot No. SP1-C, Industrial Area Tapukara, Distt. Alwar, Rajasthan.
Unit IX	Survey No. 151-153, Village Karsanpura, Taluka-Mandal, Distt. Ahmedabad, Gujarat

Directors' Report

Dear Members,

The Directors of your Company have the pleasure in presenting the 31st Annual Report of the Company on the business & operations along with standalone and consolidated audited financial statements for the financial year ended March 31, 2020.

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.

Financial Results: Standalone & Consolidated

The Directors' Report is prepared on the basis of Standalone Financial Statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014. However, this report also contains highlights of performance of subsidiaries and joint venture companies and their contribution to the overall performance of the Company during the period under review. Financials of following Wholly-owned Subsidiaries (WOS), and Joint Venture Companies (JVs) are consolidated in Consolidated Financial Statements.

S.N.	Name of Entity	Country of Incorporation	WOS/JV
1.	Aisan Fiem Automotives India Private Limited (AFI)	India	69:26:5 JV
2.	Fiem Kyowa (HK) Mould Company Limited	Hong Kong	50:50 JV
3.	Centro Recherche Fiem Horustech S.r.l	Italy	50:50 JV
4.	Fiem Industries Japan Co., Ltd.	Japan	WOS
5.	Fiem Research and Technology S.r.l (FRT)	Italy	WOS
6.	Fiem (Thai) Design and Technology Co., Ltd.	Thailand	WOS

The standalone and consolidated financial highlights of your Company are as under: (Amount Rs In Lakhs)

Sr	Particulars	Standalone		Consolidated	
		FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
1	Income from Operations				
	a) Net Sales	136624.87	143396.13	136870.92	143900.43
	b) Other Operating Income	1073.11	1003.67	1073.20	1001.83
	Total Income from operations (Net)	137697.98	144399.8	137944.12	144902.26
2	Total Expenses (excluding dep and finance cost)	122032.24	128873.48	122255.62	129185.93
3	Profit from operations before other income, finance costs, depreciation and exceptional items (1-2)	15665.74	15526.32	15688.50	15716.33
4	Add: Other income	173.30	86.21	172.03	86.14
5	Profit from ordinary activities before finance costs, depreciation and exceptional items (3+4)	15839.04	15612.53	15860.53	15802.47
6	Less :- Finance costs	1766.66	2209.79	1766.66	2209.79
	Less :- Depreciation	5272.14	4891.61	5320.28	4892.67
7	Profit from ordinary activities after finance costs, depreciation but before exceptional items (5-6)	8800.24	8511.13	8773.59	8700.01
8	Exceptional Items	-88.23	-	-88.23	-
9	Profit/(Loss) from Ordinary Activities Before Tax (7-8)	8712.01	8511.13	8685.36	8700.01
10	Tax expense	819.16	2962.38	816.81	3035.98
11	Net Profit/(Loss) from Ordinary Activities After Tax (9-10)	7892.85	5548.75	7868.55	5664.03
12	Share of profit/(loss) of associates	-	-	-412.06	-99.11
13	Profit after tax for the year after share of profit/loss of associate	7892.85	5548.75	7456.49	5564.92
14	Other comprehensive income/(loss) (net of tax)	-63.78	-84.68	-63.78	-84.68
15	Total other comprehensive income (net of tax)	7829.07	5464.07	7392.71	5480.24
16	Weighted Earnings Per Share (EPS)	59.98	42.16	56.66	42.29



State of the Company's affairs / Business Review

FY 2019-20 has remained another difficult year for the overall auto industry including two wheelers. In addition to this COVID-19 has further impacted the industry due to the nationwide lockdown started from March 25, 2020. The company's production facilities were closed from March 23, 2020 due to complete lockdown announced by the government in the wake of outbreak of COVID-19 and gradually started opening in 1st week of May, 2020.

During FY2019-20 two-wheeler industry registered a negative growth of 14.14% against the growth of 6.29% during FY2018-19. Domestic sales of the two-wheeler has even a deeper negative growth of 17.76%. That de-growth has remained across the OEMs with the exception of Suzuki Motorcycle, which registered a production growth of 7.52%.

In this background and these unprecedented difficult times, your company was able to perform much better than industry and achieved sales of Rs.1366 Crores during FY2019-20 in comparison to Rs.1434 Crores during the previous year with a decline of 4.75%.

This better than Industry performance was possible because of the increase in share of the business with our customers. Although, the production of the HMSI, which is our top customer, declined by 13%, our sales to HMSI declined by only 1.37%. The company also registered a good growth in Suzuki Motorcycle, which is 19%. We believe that our increased share of business with our esteemed OEM customers has helped us to perform better in these difficult times.

The Company has been able to earn an EBITDA of Rs.155.76 Crores being 11.4% during FY2019-20 as against an EBITDA of Rs.155.26 Crores being 10.83% during FY2018-19, this clearly reflects that Company has improved its EBITDA percentage by 57 basis points in comparison to last financial year.

PAT of the Company has significantly increased to Rs.78.92 Crores during FY2019-20 as compared to PAT of Rs.55.48 Crores during FY2018-19 resulting in an increase by 42.25%. This significant increase in PAT is attributable to the fact that company has exercised the option permitted under Section 115BAA of the Income Tax Act, wherein domestic companies have the option to pay income tax at a lower rate of 25.17% against 34.94% paid by the company in earlier years, if such domestic companies adhere to certain conditions. Accordingly, deferred tax liability has been re-measured, which has swelled the profit by 14.52 Crores. Company has also saved income tax to the tune of Rs.6 Crores approximately.

PBT of the company stood at Rs.87.12 Crores during FY2019-20 as compared to the PBT of Rs.85.13 Crores during FY2018-19.

Covid-19 Pandemic

Towards the end of financial year 2019-20, the entire global economy has been faced with an unprecedented disruption, owing to the COVID-19 pandemic and consequent lockdown(s).

Company's operations were closed effective from March, 23, 2020 due to outbreak of the COVID-19. Company's operations remained closed during whole April month. Subsequently, in the 1st week of May, 2020, Company geared up for resumption of operations in its different Units in a gradual manner, pursuant to permissions granted by the respective authorities and in alignment with orders from its OEM Customers.

To ensure smooth functioning of operations, Company implemented detailed health & safety measures across its factories and offices, like provisioning for thermal scanning, position marking, arrangement for touchless hand wash, social distancing, sanitization of employees, vehicles & workplaces, mandatory wearing of face mask / face shield, ensuring use of Aarogya Setu App by all employees, imparting necessary training & education to avoid spread of COVID-19, displaying posters / notices on do's and don'ts on COVID-19.

All the Units / factories of the Company operated at reduced level till the June end as per orders/ schedules from the OEM Customers and to feed the Replacement Market demand.

Impact of the COVID-19 on the business of the Company:

Due to nationwide lockdown, the operations of the Company were closed effective from 23rd March, 2020 and remained closed during the month of April also. Further, after the resumption of operations during the month of May and June, 2020, the production remained at reduced levels. Hence, close of operations during the lockdown period and reduced scale of operations post-lockdown has adversely impacted the performance of the Company during these months. Though, in the coming months, it is expected that demand from OEM customers would increase and accordingly production and turnover of the Company also expected to be increased at the same pace.

Update on Fire at one portion of Unit-V at Hosur, Tamilnadu

During the financial year 2017-18, a major fire occurred on January 25, 2018 at one portion of Unit-V in Hosur, Tamilnadu. The Company has so far received total claim of Rs. 1511.08 lakhs and salvage value of Rs. 156.70 lakhs against the insurance claim filed. During the current year, the Insurance claim on inventory loss was settled and the company received Rs 511.08 lakhs as final payment against inventory loss claimed, which resulted in loss of Rs 88.23 lakhs. The balance insurance claim is under process. The other necessary information are provided in the financial statements.

SAP Implementation

To make the Company future ready with the increasing volume of operations and geographic expansion as well as with the objective of better control, Company is in the process of implementation of SAP system across its all units and offices - SAP S/4HANA Enterprise Management.

Dividend

Your Company has been declaring dividend every year which have steadily increased. The Board in its meeting held on March 11, 2020, had declared an Interim Dividend at the rate of 100% i.e. Rs. 10/- per equity share of Rs. 10/- each. Interim dividend was paid to the shareholders as per their shareholding in the Company as on March 20, 2020 (Record Date).

The Interim Dividend at the rate of Rs. 10/- per equity share for the Financial Year 2019-20 was Rs. 1586.48 lacs, including dividend tax.

Further, the Board, in its meeting held on June 30, 2020, has recommended a Final Dividend at the rate of 30% i.e. Rs. 3/- per equity share for the financial year ended on March 31, 2020.

The total dividend for the financial year ended on March 31, 2020 including the interim dividend paid during the year, amounts to 130% i.e. Rs. 13 /- per equity share of Rs. 10/- each.

The Final Dividend payout is subject to approval of members at the ensuing Annual General Meeting of the Company. The final dividend on equity shares at the rate of Rs. 3/- per share, if approved by the members would involve a cash outflow of Rs. 394.79 lacs.

Statutory disclosures as per provisions of Section 134 of the Companies Act, 2013 (the "Act")

1. Extract of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, an extract of Annual Return in Form MGT-9 as on March 31, 2020, has been prepared and enclosed as **Annexure I**, which forms an integral part of this report. The extract of Annual Return in Form MGT-9, is also available on the website of the Company <http://fiemindustries.com/investors/>.

2. Number of meetings of the Board

Meetings of the Board are held on regular intervals to discuss and decide on various business policies, strategies, operational, financial and other matters. Due to business exigencies, the Board also approve some proposals through resolution passed by circulation from time to time.

During the financial year 2019-20, Six (6) Board Meetings were held. One separate meeting of Independent Directors of the Company was also held during the Financial Year 2019-20.

Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms an integral part of this Annual Report.

3. Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, Your Directors state that:

- a) in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards (IndAs) have been followed along with proper explanation relating to material departures, if any.
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of Financial Year ended March 31, 2020 and of the Profit and Loss of the Company for that period.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the Annual Financial Statements on a 'going concern' basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating efficiently, and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, including review of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2019-20.

4. Independent Directors' Declaration

The Company has received necessary declaration from each of Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

The Board took on record the declaration and confirmation submitted by the Independent Directors regarding their meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same as required under Regulation 25 of the Listing Regulations.



5. Directors' Appointment Criteria and Remuneration Policy etc.

The Nomination & Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence of the Directors as well as Remuneration Policy for the Company as mandated under Section 178(3)/(4) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

The above referred Policy is enclosed as **Annexure II**, which forms part of this Report.

6. Auditors & Auditor's Reports

(a) Statutory Auditors

Pursuant to Section 139 of the Companies Act, 2013, M/s. V. Sachdeva & Associates, Chartered Accountants (Firm Registration No-004417N) were appointed as Statutory Auditors of the Company at 28th AGM of the Company held on August 21, 2017, for a term of 5 (five) years, starting from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2022, subject to ratification by the shareholders at every Annual General Meeting. However, Ministry of Corporate Affairs, vide its Notification No. S.O. 1833(E) dated May 7, 2018, dispensed with the requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting.

Accordingly, no shareholders resolution required for ratification of appointment of M/s. V. Sachdeva & Associates, Chartered Accountants, as the Statutory Auditors of the Company. Hence, no such resolution is moved at the ensuing Annual General Meeting.

(b) Statutory Auditor's Reports

The Auditor's Reports given by M/s. V. Sachdeva & Associates, Statutory Auditors on the financial statements of the Company, both standalone and consolidated, for the financial year 2019-20 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Reports.

Further, during the year under review, the Auditors had not reported any matter of offence of fraud under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

(c) Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 the Audit Committee recommended and the Board of Directors in their meeting held on June 30, 2020 has appointed M/s Ranjana Gupta & Associates, a firm of Company Secretaries in Practice (C.P. No. 9920) as the Secretarial Auditors of the Company to conduct the secretarial audit for the financial year 2020-21. The Company has received their consent for appointment.

(d) Secretarial Audit Report

The Secretarial Audit under section 204 of Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as well as in compliance of Regulation 24A of the Listing Regulations was conducted by M/s Ranjana Gupta & Associates, Company Secretaries (C.P. No. 9920) for the financial year 2019-20. The Report in Form No, MR-3 given by the Secretarial Auditors is annexed as **Annexure III** and forms integral part of this Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report; hence no explanation by Directors is warranted.

In addition to above, 'Annual Secretarial Compliance Report' in compliance with Regulation 24A of Listing Regulations and as per format prescribed under SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 was also obtained from M/s Ranjana Gupta & Associates, Company Secretaries (C.P. No. 9920) and submitted to stock exchanges i.e. BSE and NSE with in stipulated (extended) period.

During the year under review, the Secretarial Auditors had not reported any matter of offence of fraud under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

(e) Cost Auditor

As per Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, on the recommendation of the Audit Committee, the Board of Directors appointed Mr. Krishan Singh Berk, Cost Accountants (Membership No. 2724) as Cost Auditor of the Company for the financial year 2020-21. The Company has received their consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder and they are not disqualified to be appointed as Cost Auditors. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee and in terms of the Companies Act, 2013 and Rules thereunder. The Notice of the ensuing Annual General Meeting of the Company has a requisite resolution for ratification of remuneration of Cost Auditors by the members of the Company.

The Cost Audit Report for Financial Year 2018-19 was filed to Registrar of Companies on September 12, 2019. Further, the Cost Audit Report for Financial Year 2019-20 will be filed with the Registrar of Companies in due course.

7. Particulars of Loans, Guarantees or Investments under Section 186

Details of the loans given, guarantees or securities provided (if any) and investments made by the Company along with their purposes, have been disclosed in the financial statements. Please refer to Note No.5 in the standalone financial statement.

8. Contracts and Arrangements with Related Parties

All contracts/ arrangement/ transactions entered with Related Parties during the year under review were on arm's length basis and in the ordinary course of business. Due approvals from Audit Committee were taken under the provisions of Section 177 of the Companies Act, 2013 and the Rules made thereunder read with applicable SEBI (LODR) Regulations. As all the transactions with Related Parties during the year under review were on arm's length basis and in the ordinary course of business, so no approval from Board was applicable. During the year under review, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered 'material' in accordance with Related Party Transactions Policy of the Company. Hence, no approval from shareholder required for any related party transaction during the year under review.

As all the transactions with Related Parties were on arm's length basis and there was no 'material' transaction during the year, hence disclosure in form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013 are not required.

Further, during the year under review, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other senior management personnel, which might have potential conflict with the interest of the Company at large.

Members may refer to **Note No. 47** to the financial statements which sets out related party disclosures pursuant to Ind AS.

Your Company has formulated a policy on related party transactions. The policy is available on Company's website at <https://www.fiemindustries.com>. This policy provides the governing framework for review and approval of related party transactions.

The web-link of the same has been provided in the Corporate Governance Report.

9. Transfer to Reserves

Your Company has transferred Rs. 800.00 lacs to the General Reserve from the profits of the Company.

10. Material changes and commitment affecting financial position of the Company / Change in the Nature of the Business

There is no material change and/or commitment affecting the financial position of your Company has occurred between April 1, 2020 and the date of signing of this report. However, in view of the continuation of COVID-19 pandemic, your Company carried out an assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. Management of the Company don't foresee any significant incremental risk to the recoverability

of its assets or in meeting its financial obligations over the foreseeable future.

11. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of Energy Conservation, Technology Absorption, Research and Development and Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014 are given in **Annexure IV** to this Report.

12. Risk Management

Risk management has become an important function of the management, as the Company is growing with fast pace and operation are expanding at different locations. Further, COVID-19 pandemic has also given a greater lesson in risk management. Company's approach to address business risks is comprehensive and includes periodic review of such risks and a framework for mitigating, controls and reporting mechanism of such risks. As per Listing Regulations, the Board of Directors of the Company are responsible for framing, implementing and monitoring the Risk Management plans of the Company. The Company has defined a "Risk Management Policy" and the same has been approved by the Board of Directors of the Company. Audit Committee plays a vital role in overseeing risk management.

A brief about the risk management of the Company is also given in the Management Discussion and Analysis Report.

13. Corporate Social Responsibility (CSR)

The Company has set up a dedicated trust, namely 'Fiem Foundation' as CSR Vehicle for undertaking Company's CSR programmes as per Schedule VII read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Company whole-heartedly supported the CSR provisions and remained compliant with the statutory requirements. Underprivileged section and supporting them for better life has remained the focus of CSR activities. Extending the financial support to the poor and needy patients for their treatment, has remained the major activity under CSR.

Company has also collaborated with 'The Earth Saviours Foundation' which takes care the abandoned citizens and run old age home. Your Company always seeks ways to make a positive impact on the underprivileged strata of the society at large through various CSR activities. In our pursuit of Corporate Social Responsibility as per the Companies Act, 2013, we have selected 'health care' and 'supporting the poor for better life' as one of area of intervention and way of serving the humanity.

To help the poor and needy patents, we have collaborated with 'Social Welfare Unit of AIIMS', Delhi and disburse the financial assistance amount as and when they recommend to help the poor and needy patients suffering from cancer and other life-threatening diseases for getting their treatment



done in AIIMS. We are doing this work through our CSR Vehicle 'Fiem Foundation'.

Apart from AIIMS, Company also provide financial assistance of Rs. 80,000/- per month to 'The Earth Saviours Foundation', a recognized NGO which is running 'Old Age Home & Rescue Centre' to provide the facilities completely free of charge such as accommodation, medical and every day needs for caring the people who are abandoned senior citizens, deprived, mentally disabled, bedridden, HIV Infected, patients on death bed, people dying with hunger on roads and patients suffering with incurable disease.

Company / Fiem Foundation support various other NGOs as well as extend direct financial support to the needy patients in exceptional cases and also conduct other social welfare programme like arranging mass marriages for poor girls, free eye operation and other activities to help underprivileged. Company also providing financial support to 'Kutch Vikas Trust' which organizing eye and dental operation camps for poor patients.

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 V** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For details regarding the CSR Committee, please refer the Corporate Governance Report, which forms part of Annual Report. The CSR Policy is available on the website of the Company (www.fiemindustries.com/investors).

14. Annual Evaluation of the Performance of the Board, Committees and Directors

Performance Evaluation is aimed to use constructively as a mechanism to improve Board's effectiveness, maximize strengths and tackle weaknesses of Board members. It involves questionnaires to be filled by every Director about his own performance (self-assessment), performance of Board as whole, performance of Chairman and performance of respective Committee(s) where he is a Member. While any Director being evaluated individually, he remains outside the evaluation process.

Initially, Nomination & Remuneration Committee (NRC) carry out the primary evaluation of every Director's performance which is subject to next level of evaluation by the Board and Independent Directors. As per Section 178(2) of the Act, the NRC conduct the performance evaluation of every Individual Director. As per Performance Evaluation framework of the Company, the evaluation process consists of evaluation on the basis of filled questionnaires' received from all directors and opinions, inputs from NRC members and any other information as may be required by the NRC.

The outcome of NRC in respect of Independent Directors is subject to final evaluation by the Board. Outcome of NRC in respect of Non-Independent Directors is subject to final evaluation by the Independent Directors. Performance evaluation of Board as a whole as well as Chairman of the Board is also conducted by the Independent Directors. The

performance evaluation of the Committees is conducted by the Board.

15. Highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company during the period under review.

During the year, there were 3 JV Companies (JVC) and 3 Wholly-owned subsidiaries (WOS) as listed in initial paragraph of this report.

a) Aisan Fiem Automotives India Pvt. Ltd. (AFI):

This JV Company was incorporated on 7th June, 2018, in India. Total equity investment in the JV Company is Rs. 100 Crore, wherein Fiem Industries hold 26%, Aisan hold 69% and Toyota Tsusho hold 5%. The JV Company has established its factory in ELCINA Electronic Manufacturing Cluster in Tapukara, Rajasthan for production of Fuel Pump Module. During the year under reporting, the company has started mass production supply to its 1st OEM customer i.e. Bajaj Auto Ltd. The company has incurred losses during the year, hence consolidated profits of Fiem Industries Limited has accordingly impacted.

The Financial highlights of AFI are as under:

(Amount Rs In lacs)		
Particulars	FY 2019-20	FY 2018-19
% of shareholding	26%	26%
Total Income	920.96	10.56
Total Expenses	1342.69	217.92
Profit or (Loss) after tax	(421.59)	(105.05)
Total comprehensive income	(421.73)	(105.05)

b) Fiem Kyowa (HK) Mould Company Limited:

This JV Company was formed in Hong Kong as 50:50 joint venture company with Kyowa Co., Ltd. of Japan. The purpose of setting-up of JV was to engage in the business of high class moulds / tools for Automotive and other applications. The Company has started its operations during FY 2018-19. There is no major investment in this company and this company is providing support for mould development for OEMs. The contribution / or impact on performance of Fiem Industries is very small.

The Financial highlights of Fiem Kyowa (HK) Mould Company are as under:

(Amount Rs In lacs)		
Particulars	FY 2019-20	FY 2018-19
% of shareholding	50%	50%
Total Income	540.72	68.55
Total Expenses	528.90	60.50
Profit or (loss) after tax	11.82	8.05
Total comprehensive income	11.82	8.05

c) Centro Ricerche Fiem Horustech S.r.l. (CRFH) (Joint venture in Italy):

The Company was set-up in Italy as a 50:50 JV with Horustech Lighting of Italy, which is a Designing Company. The purpose of setting-up of JV was to strengthen R&D and Designing capabilities of the Company. However, due to some financial problems in Horustech group companies, the management of both companies i.e. Horustech Lighting and Fiem Industries Limited has mutually decided to move ahead to liquidate the CRFH. Currently this company is under liquidation. There is no major investment in this company and this company was providing Design Services to Fiem Industries and other customers. The contribution or impact on performance of Fiem Industries is negligible.

The Financial highlights of CRFH are as under:

(Amount Rs In lacs)		
Particulars	FY 2019-20	FY 2018-19
% of shareholding	50%	50%
Total Income	22.91	99.12
Total Expenses	25.06	101.23
Profit or (loss) after tax	(2.15)	(2.11)
Total comprehensive income	(2.15)	(2.11)

d) Fiem Industries Japan Co., Ltd. (Wholly-owned Subsidiary):

This WOS was set-up in Japan as an extended arm of the Company for liaison with Japanese customers like Honda, Suzuki and Yamaha etc., support in Designing, R&D and new business development. While the parent Company (Fiem) is getting full support in above areas, the financials of the subsidiary are at very small scale. There is no major financial contribution or impact on performance of Fiem Industries.

Financial Highlights of Fiem Industries Japan Co. Ltd. (Japan):

(Amount Rs In lacs)		
Particulars	FY 2019-20	FY 2018-19
% of shareholding	100%	100%
Revenue	330.57	559.28
Total Income	327.68	559.34
Total expenses	324.93	371.35
Profit/(Loss) before taxation	2.76	187.99
Provision for taxation	0.46	73.26
Profit/ (Loss) after taxation	2.30	114.73

e) Fiem Research and Technology S.r.l. (Wholly-owned Subsidiary in Italy):

This Wholly-owned Subsidiary (WOS) was incorporated in Italy on December 17, 2018 and a Design Centre set-up under this Company in Turin, Italy. Fiem Industries is getting Design Services from this WOS on regular basis on Automotive LED Lamps for esteemed OEM customers. This is a wholly-owned subsidiary and providing Design Services to Fiem Industries only, so working like an extended arm of Fiem Industries for Design Services.

Financial Highlights of Fiem Research and Technology S.r.l (Italy)

(Amount Rs In lacs)		
Particulars	FY 2019-20	FY 2018-19
% of shareholding	100%	100%
Revenue	415.95	55.94
Total expenses	445.35	54.70
Profit/(Loss) before taxation	(29.40)	1.24
Provision for taxation	(2.81)	0.32
Profit/ (Loss) after taxation	(26.60)	0.92

f) Fiem (Thai) Design & Technology Co. Ltd.:

This Wholly-owned Subsidiary company was formed in Bangkok, Thailand on June 15, 2017 for the purpose of setting up a Design Centre for Designing, Development and R&D support to Fiem Industries Limited. This company has not started its operations during FY 2017-18 and 2018- 19. Meantime, Fiem Industries has established Design Centre in Italy and Management of Fiem is of the view that in changing scenario, decision of setting-up Design Centre in Bangkok does not hold good. Hence, during the year, this company has been closed / liquidated as per Thai laws.

The financial position of the subsidiaries and Joint Venture Companies is also given in AOC-1 in the financial statements.

16. Other statutory disclosures as required under Rule 8(5) of the Companies (Accounts) Rules, 2014

- i) Financial summary/ highlights of the Company are already mentioned in the beginning of the report.
- ii) There is no change in the nature of business of the Company during the year under review.
- iii) **Change in Directors and Key Managerial Personnel:**
 - Pursuant to provisions of Section 152 of the Companies Act, 2013 and in accordance with provisions of Articles of Association of the Company, Mrs. Seema Jain (DIN: 00013523) and Ms. Aanchal Jain (DIN:00013350), Whole-time Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment and they are not disqualified under Section 164(2) of the Companies Act, 2013.



- SEBI (Listing Obligation and Disclosure) Regulations, 2015 were amended in December, 2018 and in 2019. Regulation 17(1)(a) of these Regulations, as amended, require top 1000 companies (based on market capitalization at the end of financial year 2018-19) to have at least 1 woman Independent Director, on or before 1st April, 2020. In compliance of above, Ms. Shobha Khatri (DIN:08650727) has been appointed as Additional Director / Woman Independent Director of the Company w.e.f. January 1, 2020. The other information about her appointment is provided at relevant places in Annual Report.

- The Board of Directors in their meeting held on December 26, 2019:

- » has accepted the resignation of Mr. J.S.S. Rao (DIN: 00014320), Whole-time Director of the Company and he was relieved on close of business hours on 31st December, 2019. The Company had received the resignation from Mr. J.S.S. Rao on December 10, 2019;
- » has appointed Mr. Rajesh Sharma (DIN:08650703) as Additional Director / Whole-time Director of the Company w.e.f. January 1, 2020 for a term of 5 years, on recommendation of Nomination & Remuneration Committee;
- » has appointed Ms. Shobha Khatri (DIN:08650727) as Additional Director / Woman Independent Director of the Company w.e.f. January 1, 2020 for a term of 5 years pursuant to Regulation 17(1)(a) of Listing Regulations, on recommendation of Nomination & Remuneration Committee.

- The appointments of new directors are recommended by the Nomination & Remuneration Committee on the basis of requisite skills, experience and competencies required, considering the industry and sector in which the Company operates.

In the opinion of the Board, Ms. Shobha Khatri, the Independent Director appointed during the year, is of high integrity and possess the relevant expertise and experience in her field.

Regarding her 'proficiency', as defined in explanation to Rule 8(5)(iiiia) [as inserted by the Companies (Accounts) Amendment Rules, 2019, effective from 1st December 2019], she has enrolled herself in Independent Directors Databank portal as provided by Indian Institute of Corporate Affairs (IICA) and got Registration therein. However, she is yet to appear in online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs (IICA).

- The Board of Directors in their Board Meeting held on June 30, 2020, on Recommendation of Nomination & Remuneration Committee and subject to approval by the members in ensuing Annual General Meeting, has re-appointed following Directors:

- » Mr. Jagjeevan Kumar Jain (DIN:00013356) as Chairman & Managing Director of the Company w.e.f. August 07, 2020 for a term of 5 years;
- » Mr. Rahul Jain (DIN:00013566) as Whole-time Director

of the Company w.e.f. October 1, 2020 for a term of 5 years;

- » Mr. Kashi Ram Yadav (DIN:02379958) as Whole-time Director of the Company w.e.f. October 25, 2020 for a term of 3 years.

- In the ensuing Annual General Meeting, the appointment / regularization of Mr. Rajesh Sharma as Whole-time Director and Ms. Shobha Khatri as Independent Director and re-appointment of Mr. Jagjeevan Kumar Jain, Mr. Rahul Jain and Mr. Kashi Ram Yadav are proposed. The details of Directors being proposed for appointment/ re-appointment as required under the Listing Regulations are provided in the Notice convening the ensuing Annual General Meeting of the Company. The Board recommend appointment/ re-appointment of above Directors.

- The Company has received notices, in writing, under Section 160 of the Act from member(s) proposing the candidature of Ms. Shobha Khatri and Mr. Rajesh Sharma.

- Mr. J.K. Jain, Chairman & Managing Director; Mr. O. P. Gupta, Chief Financial Officer and Mr. Arvind K. Chauhan, Company Secretary are the Key Managerial Personnel of the Company within the meaning of Section 203 of the Act.

- Except the changes as informed above, none of the Key Managerial Personnel has resigned or appointed during the year under review.

- During the financial year, no company become subsidiary, joint venture company or associate of the Company. However, one wholly-owned subsidiary, incorporated in Thailand namely, Fiem (Thai) Design & Technology Co. Ltd. has been closed / liquidated as per Thai Laws. The details of other subsidiary and joint venture companies already provided in the preceding paragraphs.

iv) Details relating to Deposits:

The Company has not accepted any Deposit from public within the meaning of the Companies (Acceptance of Deposit) Rules, 1975 or Chapter V of the Companies Act, 2013 and as such there was no outstanding as on the date of the balance sheet on account of principal or interest on deposits from public.

- v) No significant and material orders were passed by any Regulator or Court or Tribunal impacting the going concern status and Company's operations in future.

vii) Details in respect of adequacy of internal financial controls with reference to the Financial Statement:

The Company has in place adequate internal financial controls, which are commensurate to size and operations of the Company. During the year, no area of concern, continuing failure or major weakness was observed.

- viii) It is confirmed that maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

ANNEXURE-I Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020
 [Pursuant to section 92(3) of the Companies Act, 2013 and
 rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L36999DL1989PLC034928
ii)	Registration Date	February 6, 1989
iii)	Name of the Company	Fiem Industries Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi – 110015, India Tel: +91-11-25927820, 25927919 Fax: +91-11-25927740 Email: investor@fiemindustries.com Website: www.fiemindustries.com
vi)	Whether listed company Yes /No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058, Ph: 011-49411000 Fax No:011-41410591

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Automotive Lights, signaling equipment and parts	2740	66.62%
2	Rear View Mirror and Parts	2310	11.03%
3	Plastic Moulded Parts	2930	10.84%
4	LED Luminaries (including LED Integrated Passenger Information System)	2740	1.49%
5	Other Misc. Items (being individually less than 10%)	-	10.02%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Fiem Industries Japan Co., Ltd. 201, Shiko 30 Season, 1-14-1 Tohoku Niiza-Shi Saitama, Japan-352-0001	Company incorporated outside India	Subsidiary	100	2(87)
2	Centro Ricerche FIEM Horustech S.r.l. Via Dario Gaiti 15, 42015, Correggio (RE), Italy	- do -	Associate / JV	50	2(6)
3	Fiem (Thai) Design and Technology Co. Ltd. 888 MEC Tower, Bangna -Trad Road Bang Na Sub District, Bang Na District, Bangkok.	- do -	Subsidiary	100	2(87)
4	Fiem Kyowa (HK) Mould Company Ltd. 87-89 FUK HI ST YUEN LONG IND EST YUEN LONG NT, HONG KONG	- do -	Associate / JV	50	2(6)
5	Aisan Fiem Automotives India Pvt. Ltd. Unit No. 1A & 1C, 1st Floor, Commercial Towers, Hotel JW Marriott, Aerocity, New Delhi-110037	U29309DL2018FTC334985	Associate / JV	26	2(6)
6	Fiem Design and Technology S.r.l Torino (TO) VIA Orvieto 19 CAP 10149, Italy	Company incorporated outside India	Subsidiary	100	2(87)

Note: Fiem (Thai) Design and Technology Co. Ltd. has been closed / liquidated during the Financial Year 2019-20.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sr. No	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of SHP of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
		Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A.	Promoters/ Promoters Group									
1	Indian									
a)	Individual / HUF	8379686	0	8379686	63.6762%	8674757	0	8674757	65.9185%	2.2422%
b)	Central Government	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
c)	State Government(s)	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
d)	Body Corporates	84400	0	84400	0.6413%	84400	0	84400	0.6413%	0.0000%
e)	Banks/ FI	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
f)	Any Other	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Sub-total A(1)	8464086	0	8464086	64.3176%	8759157	0	8759157	66.5598%	2.2422%
2	Foreign									
a)	NRIs – Individuals	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
b)	Other – individuals	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
c)	Bodies Corporate	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
d)	Banks/ FI	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
e)	Any others	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Sub-total A(2)	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Total shareholding of the Promoter/ Promoters group (A) = A(1) + A(2)	8464086	0	8464086	64.3176%	8759157	0	8759157	66.5598%	2.2422%
B.	Public Shareholding									
1	Institutions									
a)	Mutual Funds	484919	0	484919	3.6848%	316102	0	316102	2.4020%	-1.2828%
b)	Bank/ FI	5859	0	5859	0.0445%	3964	0	3964	0.0301%	-0.0144%
c)	Central Government	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
d)	State Government(s)	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
e)	Venture Capital Funds	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
f)	Insurance Companies	493010	0	493010	3.7463%	0	0	0	0.0000%	-3.7463%
g)	FIs	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
h)	Financial Venture Capital Fund	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
i)	Other (Specify)	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Foreign Portfolio Investors	1501424	0	1501424	11.4091%	1230297	0	1230297	9.3489%	-2.0603%
	Alternate Investment Fund	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Sub-total B (1)	2485212	0	2485212	18.8848%	1550363	0	1550363	11.7810%	-7.1038%
2	Non-Institutions									
a)	Bodies Corporate									
	I. Indian	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	II. Overseas	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%



Sr. No	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of SHP of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
		Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
b)	Individuals	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	I. Individual Shareholders holding nominal share capital upto Rs. 1 lakhs	1340553	456	1341009	10.1902%	1576951	402	1577353	11.9861%	1.7960%
	II. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakhs	118452	0	118452	0.9001%	172651	0	172651	1.3120%	0.4119%
c)	Others (Specify)									
	c-i) NRIs	255430	0	255430	1.9410%	338716	0	338716	2.5739%	0.6329%
	c-ii) Clearing Members	37113	0	37113	0.2820%	8165	0	8165	0.0620%	-0.2200%
	c-iii) Foreign Corporate Bodies	0	104051	104051	0.7907%	0	104051	104051	0.7907%	0.0000%
	c-iv) Trusts	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	c-v) Body Corporates	269865	0	269865	2.0507%	548982	0	548982	4.1716%	2.1210%
	c-vi) Hindu Undivided family	83799	0	83799	0.6368%	100246	0	100246	0.7618%	0.1250%
	c-vii) IEPF	100	0	100	0.0008%	146	0	146	0.0011%	0.0003%
	c-viii) NBFC Registered with RBI	713	0	713	0.0054%	0	0	0	0.0000%	-0.0054%
	Sub-total B (2)	2106025	104507	2210532	16.7976%	2745857	104453	2850310	21.6592%	4.8616%
	Total Public Shareholding (B)=(B)(1)+(B)(2)	4591237	104507	4695744	35.6824%	4296220	104453	4400673	33.4402%	-2.2422%
C.	Shares held by Custodian for	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	GDRs & ADRs	0	0	0	0.0000%	0	0	0	0.0000%	0.0000%
	Grand Total (A+B+C)	13055323	104507	13159830	100%	13055377	104453	13159830	100%	

(ii) Shareholding of Promoters/ Promoters Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2019)			Shareholding at the end of the year (As on March 31, 2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledge/	No. of Shares	% of total Shares of the Company	% of Shares Pledge/	
1	Mr. J. K. Jain	3055808	23.2207%	0	3129367	23.7797%	0	0.5590%
2	Mrs. Seema Jain	2960000	22.4927%	0	3010000	22.8726%	0	0.3799%
3	Mr. Rahul Jain	1552340	11.7960%	0	1625668	12.3533%	0	0.5572%
4	Ms. Aanchal Jain	800000	6.0791%	0	898184	6.8252%	0	0.7461%
5	Jagjeevan Kumar Jain (HUF)	11538	0.0877%	0	11538	0.0877%	0	0.0000%
6	Fiem Auto Private Limited	84400	0.6413%	0	84400	0.6413%	0	0.0000%
	Total	8464086	64.3176%	0	8759157	66.5598%	0	2.2422%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Name of the Promoter and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative shareholding during the Financial Year 2019-20	
		No. of shares held	% of total shares of the company	Date of increase / (decrease)	No. of shares	No of shares held	% of total shares of the company
1	JAGJEEVAN KUMAR JAIN	3055808	23.2207			3055808	23.2207
	Market Purchase			24 May 2019	12741	3068549	23.3175
	Market Purchase			14 Jun 2019	30000	3098549	23.5455
	Market Purchase			29 Jun 2019	30818	3129367	23.7797
	AT THE END OF THE YEAR					3129367	23.7797
2	SEEMA JAIN	2960000	22.4927			2960000	22.4927
	Market Purchase			14 Jun 2019	50000	3010000	22.8726
	AT THE END OF THE YEAR					3010000	22.8726
3	RAHUL JAIN	1552340	11.7960			1552340	11.7960
	Market Purchase			14 Jun 2019	71043	1623383	12.3359
	Market Purchase			29 Jun 2019	391	1623774	12.3389
	Market Purchase			05 Jul 2019	1894	1625668	12.3533
	AT THE END OF THE YEAR					1625668	12.3533
4	AANCHAL JAIN	800000	6.0791			800000	6.0791
	Market Purchase			14 Jun 2019	90545	890545	6.7671
	Market Purchase			21 Jun 2019	6918	897463	6.8197
	Market Purchase			29 Jun 2019	71	897534	6.8203
	Market Purchase			05 Jul 2019	650	898184	6.8252
	AT THE END OF THE YEAR					898184	6.8252
5	FIEM AUTO PRIVATE LIMITED	84400	0.6413			84400	0.6413
	AT THE END OF THE YEAR					84400	0.6413
6	JAGJEEVAN KUMAR JAIN (HUF)	11538	0.0877			11538	0.0877
	AT THE END OF THE YEAR					11538	0.0877

Note:

1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 13159830 Shares.
2. The detail of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid-up Capital of the Company at the end of the Year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name of the Shareholder and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% of Total Shares of the Company
1	SAIF INDIA V FII HOLDINGS LIMITED	1152081	8.7545			1152081	8.7545
	AT THE END OF THE YEAR					1152081	8.7545
2	DSP SMALL CAP FUND	484919	3.6848			484919	3.6848
	Transfer			24 May 2019	(29184)	455735	3.4631
	Transfer			31 May 2019	(57861)	397874	3.0234
	Transfer			14 Jun 2019	(1680)	396194	3.0106
	Transfer			12 Jul 2019	(92)	396102	3.0099
	Transfer			09 Aug 2019	(70000)	326102	2.4780
	Transfer			30 Aug 2019	(10000)	316102	2.4020
	AT THE END OF THE YEAR					316102	2.4020



Sr No.	Name of the Shareholder and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% Of Total Shares of The Company
3	MAYANK SECURITIES PVT. LTD.	31000	0.2356			31000	0.2356
	Transfer			12 Jul 2019	117078	148078	1.1252
	Transfer			19 Jul 2019	1922	150000	1.1398
	Transfer			26 Jul 2019	50650	200650	1.5247
	Transfer			02 Aug 2019	5800	206450	1.5688
	Transfer			09 Aug 2019	66904	273354	2.0772
	Transfer			20 Mar 2020	10000	283354	2.1532
	AT THE END OF THE YEAR					283354	2.1532
4	AMON PANICHKIVALKOSIL	131375	0.9983			131375	0.9983
	Transfer			14 Jun 2019	8500	139875	1.0629
	AT THE END OF THE YEAR					139875	1.0629
5	SL CORPORATION	104051	0.7907	-	-	104051	0.7907
	AT THE END OF THE YEAR			-	-	104051	0.7907
6	SMC GLOBAL SECURITIES LTD	60979	0.4634			60979	0.4634
	Transfer			19 Apr 2019	25	61004	0.4636
	Transfer			03 May 2019	20	61024	0.4637
	Transfer			10 May 2019	34	61058	0.4640
	Transfer			17 May 2019	145	61203	0.4651
	Transfer			24 May 2019	7166	68369	0.5195
	Transfer			31 May 2019	(30)	68339	0.5193
	Transfer			07 Jun 2019	(1)	68338	0.5193
	Transfer			14 Jun 2019	22	68360	0.5195
	Transfer			21 Jun 2019	26	68386	0.5197
	Transfer			29 Jun 2019	500	68886	0.5235
	Transfer			05 Jul 2019	(21)	68865	0.5233
	Transfer			12 Jul 2019	1	68866	0.5233
	Transfer			09 Aug 2019	72	68938	0.5239
	Transfer			16 Aug 2019	(1)	68937	0.5238
	Transfer			23 Aug 2019	(22)	68915	0.5237
	Transfer			30 Aug 2019	(3909)	65006	0.4940
	Transfer			06 Sep 2019	(100)	64906	0.4932
	Transfer			20 Sep 2019	8129	73035	0.5550
	Transfer			27 Sep 2019	10208	83243	0.6326
	Transfer			30 Sep 2019	(598)	82645	0.6280
	Transfer			04 Oct 2019	35	82680	0.6283
	Transfer			18 Oct 2019	(550)	82130	0.6241
	Transfer			08 Nov 2019	600	82730	0.6287
	Transfer			15 Nov 2019	15	82745	0.6288
	Transfer			22 Nov 2019	1633	84378	0.6412
	Transfer			29 Nov 2019	(1898)	82480	0.6268
	Transfer			06 Dec 2019	5973	88453	0.6721
	Transfer			13 Dec 2019	(10578)	77875	0.5918
	Transfer			20 Dec 2019	289	78164	0.5940
	Transfer			27 Dec 2019	(274)	77890	0.5919
	Transfer			31 Dec 2019	610	78500	0.5965
	Transfer			03 Jan 2020	(482)	78018	0.5928
	Transfer			10 Jan 2020	157	78175	0.5940

Sr No.	Name of the Shareholder and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% Of Total Shares of The Company
	Transfer			17 Jan 2020	2337	80512	0.6118
	Transfer			31 Jan 2020	5539	86051	0.6539
	Transfer			07 Feb 2020	106	86157	0.6547
	Transfer			14 Feb 2020	7542	93699	0.7120
	Transfer			21 Feb 2020	(9505)	84194	0.6398
	Transfer			28 Feb 2020	120	84314	0.6407
	Transfer			06 Mar 2020	(120)	84194	0.6398
	Transfer			13 Mar 2020	205	84399	0.6413
	Transfer			20 Mar 2020	(3507)	80892	0.6147
	Transfer			27 Mar 2020	(290)	80602	0.6125
	Transfer			31 Mar 2020	177	80779	0.6138
	AT THE END OF THE YEAR					80779	0.6138
7	SURENDRA KUMAR JAIN	0	0.0000			0	0.0000
	Transfer			24 May 2019	15769	15769	0.1198
	Transfer			31 May 2019	29231	45000	0.3419
	Transfer			27 Sep 2019	5000	50000	0.3799
	Transfer			25 Oct 2019	3349	53349	0.4054
	Transfer			22 Nov 2019	646	53995	0.4103
	Transfer			29 Nov 2019	1005	55000	0.4179
	Transfer			28 Feb 2020	5770	60770	0.4618
	Transfer			06 Mar 2020	1730	62500	0.4749
	AT THE END OF THE YEAR					62500	0.4749
8	PREMIER INVESTMENT FUND LIMITED	54547	0.4145			54547	0.4145
	Transfer			17 Jan 2020	(182)	54365	0.4131
	Transfer			24 Jan 2020	(733)	53632	0.4075
	Transfer			07 Feb 2020	(6919)	46713	0.3550
	Transfer			14 Feb 2020	(194)	46519	0.3535
	Transfer			28 Feb 2020	(1895)	44624	0.3391
	Transfer			13 Mar 2020	(485)	44139	0.3354
	Transfer			27 Mar 2020	(3032)	41107	0.3124
	Transfer			31 Mar 2020	(913)	40194	0.3054
	AT THE END OF THE YEAR					40194	0.3054
9	MORGAN STANLEY ASIA (SINGAPORE) PTE.	232	0.0018			232	0.0018
	Transfer			07 Feb 2020	37790	38022	0.2889
	AT THE END OF THE YEAR					38022	0.2889
10	EDELWEISS CUSTODIAL SERVICES LIMITED	7225	0.0549			7225	0.0549
	Transfer			05 Apr 2019	123	7348	0.0558
	Transfer			12 Apr 2019	43	7391	0.0562
	Transfer			19 Apr 2019	3034	10425	0.0792
	Transfer			26 Apr 2019	1756	12181	0.0926
	Transfer			03 May 2019	(4796)	7385	0.0561
	Transfer			10 May 2019	452	7837	0.0596
	Transfer			17 May 2019	(215)	7622	0.0579
	Transfer			24 May 2019	(909)	6713	0.0510



Sr No.	Name of the Shareholder and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% Of Total Shares of The Company
	Transfer			31 May 2019	396	7109	0.0540
	Transfer			07 Jun 2019	(2685)	4424	0.0336
	Transfer			14 Jun 2019	71	4495	0.0342
	Transfer			21 Jun 2019	(70)	4425	0.0336
	Transfer			29 Jun 2019	(5)	4420	0.0336
	Transfer			05 Jul 2019	51	4471	0.0340
	Transfer			12 Jul 2019	1229	5700	0.0433
	Transfer			19 Jul 2019	179	5879	0.0447
	Transfer			26 Jul 2019	37	5916	0.0450
	Transfer			02 Aug 2019	1614	7530	0.0572
	Transfer			09 Aug 2019	1010	8540	0.0649
	Transfer			16 Aug 2019	330	8870	0.0674
	Transfer			23 Aug 2019	996	9866	0.0750
	Transfer			30 Aug 2019	323	10189	0.0774
	Transfer			06 Sep 2019	(68)	10121	0.0769
	Transfer			13 Sep 2019	5447	15568	0.1183
	Transfer			20 Sep 2019	2999	18567	0.1411
	Transfer			27 Sep 2019	3290	21857	0.1661
	Transfer			30 Sep 2019	(816)	21041	0.1599
	Transfer			04 Oct 2019	(1066)	19975	0.1518
	Transfer			11 Oct 2019	(970)	19005	0.1444
	Transfer			18 Oct 2019	(12914)	6091	0.0463
	Transfer			25 Oct 2019	(5)	6086	0.0462
	Transfer			01 Nov 2019	(1417)	4669	0.0355
	Transfer			08 Nov 2019	(84)	4585	0.0348
	Transfer			15 Nov 2019	(545)	4040	0.0307
	Transfer			22 Nov 2019	2875	6915	0.0525
	Transfer			29 Nov 2019	(3050)	3865	0.0294
	Transfer			06 Dec 2019	(50)	3815	0.0290
	Transfer			13 Dec 2019	40	3855	0.0293
	Transfer			20 Dec 2019	3572	7427	0.0564
	Transfer			27 Dec 2019	750	8177	0.0621
	Transfer			31 Dec 2019	(75)	8102	0.0616
	Transfer			03 Jan 2020	100	8202	0.0623
	Transfer			10 Jan 2020	(10)	8192	0.0623
	Transfer			17 Jan 2020	5	8197	0.0623
	Transfer			31 Jan 2020	2456	10653	0.0810
	Transfer			07 Feb 2020	1259	11912	0.0905
	Transfer			14 Feb 2020	29	11941	0.0907
	Transfer			28 Feb 2020	(593)	11348	0.0862
	Transfer			06 Mar 2020	105	11453	0.0870
	Transfer			13 Mar 2020	2	11455	0.0870
	Transfer			20 Mar 2020	28391	39846	0.3028
	Transfer			27 Mar 2020	(3685)	36161	0.2748
	AT THE END OF THE YEAR					36161	0.2748

Sr No.	Name of the Shareholder and reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		Date wise increase / (decrease)		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% Of Total Shares of The Company
11	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	493010	3.7463			493010	3.7463
	Transfer			05 Apr 2019	10000	503010	3.8223
	Transfer			26 Apr 2019	2000	505010	3.8375
	Transfer			10 May 2019	(9900)	495110	3.7623
	Transfer			17 May 2019	(20700)	474410	3.6050
	Transfer			31 May 2019	(10000)	464410	3.5290
	Transfer			07 Jun 2019	(200000)	264410	2.0092
	Transfer			14 Jun 2019	(50000)	214410	1.6293
	Transfer			12 Jul 2019	(152000)	62410	0.4742
	Transfer			19 Jul 2019	(2410)	60000	0.4559
	Transfer			26 Jul 2019	(60000)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
12	KITARA INDIA MICRO CAP GROWTH FUND	172258	1.3090			172258	1.3090
	Transfer			26 Apr 2019	(1500)	170758	1.2976
	Transfer			30 Aug 2019	(8892)	161866	1.2300
	Transfer			06 Sep 2019	(1705)	160161	1.2170
	Transfer			13 Sep 2019	(96000)	64161	0.4876
	Transfer			20 Sep 2019	(38724)	25437	0.1933
	Transfer			27 Sep 2019	(25437)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
13	MORGAN STANLEY FRANCE S.A.	37790	0.2872			37790	0.2872
	Transfer			07 Feb 2020	(37790)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
14	RAHUL GOENKA	33950	0.2580			33950	0.2580
	Transfer			05 Apr 2019	2050	36000	0.2736
	Transfer			12 Apr 2019	4100	40100	0.3047
	Transfer			17 May 2019	(22000)	18100	0.1375
	Transfer			24 May 2019	(18100)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Notes:

1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 13159830 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid-up Capital of the Company at the end of the Year.



(iv) Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name of Director & KMP and Reason of increase / (decrease)	Shareholding at the beginning of the year – 1st April, 2019		increase / (decrease) during the year		Cumulative Shareholding during Financial Year 2019-20	
		No. of Shares Held	% of Total Shares of the Company	Date of increase / (decrease)	No. of shares	No of Shares Held	% of Total Shares of the Company
1	JAGJEEVAN KUMAR JAIN	3055808	23.2207			3055808	23.2207
	Market Purchase			24 May 2019	12741	3068549	23.3175
	Market Purchase			14 Jun 2019	30000	3098549	23.5455
	Market Purchase			29 Jun 2019	30818	3129367	23.7797
	AT THE END OF THE YEAR					3129367	23.7797
2	SEEMA JAIN	2960000	22.4927			2960000	22.4927
	Market Purchase			14 Jun 2019	50000	3010000	22.8726
	AT THE END OF THE YEAR					3010000	22.8726
3	RAHUL JAIN	1552340	11.7960			1552340	11.7960
	Market Purchase			14 Jun 2019	71043	1623383	12.3359
	Market Purchase			29 Jun 2019	391	1623774	12.3389
	Market Purchase			05 Jul 2019	1894	1625668	12.3533
	AT THE END OF THE YEAR					1625668	12.3533
4	AANCHAL JAIN	800000	6.0791			800000	6.0791
	Market Purchase			14 Jun 2019	90545	890545	6.7671
	Market Purchase			21 Jun 2019	6918	897463	6.8197
	Market Purchase			29 Jun 2019	71	897534	6.8203
	Market Purchase			05 Jul 2019	650	898184	6.8252
	AT THE END OF THE YEAR					898184	6.8252
5	KASHI RAM YADAV	338	0.0026	-	-	338	0.0026
	AT THE END OF THE YEAR			-	-	338	6.0026
6	J. S. S. RAO	12	0.0001	-	-	12	0.0001
	AT THE END OF THE YEAR (up to 31.12.2019)			-	-	12	0.0001
7	IQBAL SINGH	20014	0.1521	-	-	20014	0.1521
	AT THE END OF THE YEAR			-	-	20014	0.1521
8	V. K. MALHOTRA	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
9	S. K. JAIN	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
10	MOHAN BIR SAHNI	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
11	ASHOK KUMAR SHARMA	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
12	JAWAHAR THAKUR	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
13	SHOBHA KHATRI	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
14	RAJESH SHARMA	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
15	O.P GUPTA, CFO	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000
16	ARVIND K. CHAUHAN, CS	0	0.0000	-	-	0	0.0000
	AT THE END OF THE YEAR			-	-	0	0.0000

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs in Lacs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount *	17144.41	-	-	17144.41
II. Interest due but not paid	59.73	-	-	59.73
III. Interest accrued but not due	29.43	-	-	29.43
Total (i+ii+iii)	17233.57	-	-	17233.57
Change in Indebtedness during the financial year				
+ Addition	78.00	-	-	78.00
- Reduction *	7172.61	-	-	7172.61
Net Change	7094.61	-	-	7094.61
Indebtedness at the end of the financial year				
i) Principal Amount *	10049.80	-	-	10049.80
ii) Interest due but not paid	9.16	-	-	9.16
iii) Interest accrued but not due	18.81	-	-	18.81
Total (i+ii+iii)	10077.77	-	-	10077.77

* includes restatement of loan due to foreign exchange fluctuation.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Chairman & Managing Director and Whole-time Directors: (Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of CMD / WTD							Total Amount
		Mr. J. K. Jain	Mrs. Seema Jain	Mr. J.S.S. Rao (up to 31.12.19)	Mr. Rajesh Sharma (w.e.f. 01.01.20)	Mr. K. R. Yadav	Ms. Aanchal Jain	Mr. Rahul Jain	
		(CMD)	(WTD)	(WTD)	(WTD)	(WTD)	(WTD)	(WTD)	
1	Gross Salary								
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	123.00	66.00	81.00	32.25	102.00	54.00	66.00	524.25
	b. Value of perquisites u/s 17(2) of Income tax Act, 1961	1.80							1.80
	c. Profit in lieu of Salary u/s 17(3) of Income Tax Act, 1961								
2	Stock Option								
3	Sweat Equity								
4	Commission								
	• As % of profit								
	• Other, specify								
5	Others (Company Contribution towards PF, Medical Reimbursement)					1.45			1.45
	Total	124.80	66.00	81.00	32.25	103.45	54.00	66.00	527.50
	Celling as per the Act*								

Note: In terms of the provisions of section 197 of the Companies Act, 2013 (the Act), the remuneration to a single Whole-time Director or CMD will not exceed 5% of net profits and the total managerial remuneration payable to all Whole-time Directors including CMD shall not exceed 10% of the net profits of the Company calculated as per section 198 of the Act. The above remuneration is within the limits prescribed under the Act. In case remuneration exceed above limits, Schedule V and/or approval of shareholders by way of Special Resolution would apply.

Mr. J.S.S Rao held office upto 31.12.2019. On his resignation, he was also paid Rs. 30.75 Lacs as retirement benefits.



B. Remuneration to other Directors:

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Iqbal Singh	Mr. Vinod K. Malhotra	Mr. Subodh Kumar Jain	Mr. Mohan Bir Sahni	Mr. A.K. Sharma	Mr. Jawahar Thakur	Ms. Shobha Khatri (w.e.f. 01.01.20)	
1	Independent Directors								
	Fee for attending Board/ Committee meetings	4.40	4.70	4.40	3.50	3.50	3.50	1.50	25.50
	Commission								
	Others, please specify.								
	Total (1)	4.40	4.70	4.40	3.50	3.50	3.50	4.50	25.50
2	Other Non-Executive Directors								
	Fee for attending Board/ Committee meetings								
	Commission								
	Others, please specify								
	Total (2)	0	0	0	0	0	0	0	0
	Total (1+2)	4.40	4.70	4.40	3.50	3.50	3.50	4.50	25.50
	Ceiling as per the Act*								'Refer Note'

Note: In terms of the provisions of section 197 of the Companies Act, 2013, the remuneration payable to directors other than executive directors shall not exceed 1% of the net profits of the Company. The company has not paid any remuneration to non-executive directors except above sitting fees which is within the limit of Rs. 1,00,000/- per meeting for each director as stipulated under section 197(5) read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. Remuneration to Key Managerial Personnel other than CMD/WTD

(Rs in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO, Mr. O.P. Gupta	CS Mr. Arvind K. Chauhan	Total Amount
1	Gross Salary	61.80	70.40	132.20
a.	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
b.	Value of perquisites u/s 17(2) of Income tax Act, 1961			
c.	Profit in lieu of Salary u/s 17(3) of Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	• As % of profit			
	• Other, specify			
5	Others (Company Contribution towards PF, Medical Reimbursement)	0	2.48	2.48
	Total (1+2+3)	61.80	72.88	134.68

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	Company					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B.	Directors					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C.	Other Officers in Default					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

For and on behalf of the Board of

Fiem Industries Limited

Sd/-

(J. K. Jain)

Chairman & Managing Director
(DIN: 00013356)

Place: Raj, Sonapat (HR.)

Dated: 30/06/2020



ANNEXURE-II

REMUNERATION POLICY

1. Background

- 1.1 The Remuneration Policy was originally formulated pursuant to section 178 of the Companies Act, 2013 (effective from April 1, 2014) read with revised Clause 49 of the Listing Agreement (effective from October 1, 2014).
- 1.2 The present revision is carried out to incorporate suitable changes because of substitution of Listing Agreement with SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations") w.e.f. December 1, 2015.
- 1.3 Regulation 19 of Listing Regulations read with Part D of Schedule II, inter-alia, provides that the role of Nomination and Remuneration Committee shall include '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'. This provision of Listing Regulations is similar to corresponding provision of erstwhile Clause 49 of the Listing Agreement.
- 1.4 Therefore, the present revision is mainly carried out to incorporate the reference of relevant Listing Regulation and remove the reference of erstwhile Listing Agreement.

2. Legal Framework

- 2.1. Section 178 of the Companies Act, 2013, inter - alia provides for constitution of Nomination & Remuneration Committee and mandates the listed Companies to have Remuneration Policy for its directors, key managerial personnel and other employees. Sub section (3) and (4) of section 178 provides as under:
 - (i) The Nomination & Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
 - (ii) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that -
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

- 2.2. In line with the Companies Act, 2013, Regulation 19 read with Part D of Schedule II of the Listing Regulations provides about the Nomination & Remuneration Committee and Remuneration Policy as under:

The role of the committee shall, inter-alia, include the following:

'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.'

- 2.3. On above background, the captioned policy is framed.

3. Objectives & Scope

- 3.1. Criteria to determine qualifications, positive attributes and independence of a director.
- 3.2. Policy to provide guiding principles for remuneration of the directors, key managerial personnel and other employees.

4. Definitions

- 4.1. "Nomination & Remuneration Committee (NRC) means such Committee constituted by the Board of Directors of the Company under provisions of section 178 of Companies Act, 2013 and Regulation 19 of the Listing Regulations.
- 4.2. "Board" means the Board of Directors of the Company.
- 4.3. "Company" means the "Fiem Industries Limited" / "FIEM".
- 4.4. Companies Act, 2013 ('Act') includes Rules framed thereunder.
- 4.5. All other words, terms and phrases referred and not defined herein, shall have the same meaning as defined under Companies Act, 2013 and Listing Regulations.

5. Criteria to determine Qualifications, Positive Attributes and Independence of a Director

5.1. The independence of an Independent Director will be decided as per parameters provided under section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. Professional qualification of an Independent Director will be an advantage, but that will not be sole criteria and positive attributes like experience in industry, exposure as entrepreneur, specialised area expertise will be more effective attributes. However, these will be guiding principles and Nomination & Remuneration Committee will have liberty to consider other merits as well, while recommending an Independent Director for appointment.

Provided that such policy shall be disclosed in the Board's report.

6. Governing framework of Remuneration of Directors, KMPs and other Employees

- 6.1. The remuneration to Managing Director and Whole-time Directors will be as per the Companies Act, 2013 and will be recommended by NRC and approved by the Board and Shareholders.
- 6.2. The Independent Directors and Non-executive Directors will be paid sitting fees for attending the meeting of Board and Committees. They will also be provided travelling and boarding facilities / expenses whenever applicable.
- 6.3. The remuneration of KMPs and other employees of the Company will be governed by the Human Resources practices of the Company.

7. Guiding principles of Remuneration of Directors, KMPs and other Employees

- 7.1. The remuneration will be decided considering the long-term growth objective of the Company and by maintaining balance among various factors like complexity, criticality and scarcity of the skill sets of the candidates.
- 7.2. Long term objective, growth and suitability for the business of the Company will remain supreme driving principles.
- 7.3. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees at all levels for successfully running the Company.
- 7.4. Performance of individual and criticality of specialised skill sets required for the growth of the Company will be given due weightage while remunerating such employees.

- 7.5. Adequate facilities like company provided vehicles and other perquisites will be given to the Directors and eligible employees to retain and nurture best talent.
- 7.6. Variable remuneration will not be mandatory and periodic increments etc. will be decided considering various relevant factors like Company's performance, employee's willingness to devote sufficient time and energy in carrying out duties and responsibilities effectively, retaining and nurturing talent by the Company, industry practices, availability of talented manpower, motivate the manpower and to develop a sense of belongingness as well as need of the Company. The remuneration level can be reviewed and reset annually / periodically based on comparison with the relevant peer group and industry trends.

8. Policy Review

This Policy may be reviewed as and when any changes are to be incorporated in the Policy due to change in laws or as may be felt appropriate by the Company. Any changes or modification on the Policy would be approved by the Committee or Board of the Company.

For and on behalf of the Board of
Fiem Industries Limited

Sd/-
(J. K. Jain)

Place: Rai, Sonapat (HR.) **Chairman & Managing Director**
Dated: 30/06/2020 **(DIN: 00013356)**



ANNEXURE–III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

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

To,
The Members,
Fiem Industries Limited
(CIN: L36999DL1989PLC034928)
D-34, DSIDC Packaging Complex,
Kirti Nagar, New Delhi-110015

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

We report that:

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
- b) 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 process and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the Financial Statements of the Company.
- d) Wherever required, we have obtained the Management Representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the effectiveness with which the Management has conducted the affairs of the Company.

Based on our verification of the Company's books, documents, 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, the explanations and clarifications given to us and the representations made by the Management, we hereby

report that in our opinion, the Company has, during the audit period covering the financial year ended on March **31, 2020** (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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 applicable for 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We further report that, during the Audit Period there were no events/ actions in pursuance of:
 - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
3. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.
 4. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable as mentioned above.

We further report that-

5. The Company is engaged in manufacturing of Automotive Lighting and Signaling Equipment, Rear View Mirror, Plastic Moulded Parts and other Auto Components. Company also manufactures LED Luminaries/ LED Products for general lighting applications and LED Integrated Passenger Information System for buses and railways etc. Company has manufacturing facilities, depots and offices in different States of the Country. During the course of Business operations, various Labour, Industrial, Environmental, Local/ State Laws as well as Laws specific to the Industry (such as Indian Motor Vehicle Act, 1988 and Rules made thereunder, as amended) apply to the Company. We have examined the compliance management system of the Company for ensuring the compliances of these laws. In our opinion and to the best of our information and explanations given to us, the Compliance Management System is adequate to ensure compliance of above referred applicable laws.
6. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
7. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Independent

Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

8. Adequate notice is given to all the Directors for Board and Committee Meetings. Notice, Agenda and detailed notes on agenda were sent at least 7 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.
9. Decisions by the Board and Committees are carried out unanimously and therefore, no dissenting views were required to be captured and recorded as part of the minutes.
10. There are adequate systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
11. During the period under review, the Company has liquidated its investments in Wholly Owned Subsidiary, namely, Fiem (Thai) Design and Technology Co., Ltd incorporated in Thailand.

Further, there were no instances of:

- i) Public/ Right/ Preferential issue of shares/ debentures/ sweat equity, etc.
- ii) Redemption/ buy- back of securities
- iii) Any resolution by the Members in pursuance to section 180 of the Companies Act, 2013.
- iv) Merger/ Amalgamation/ Reconstruction, etc
- v) Foreign Technical Collaborations.

For Ranjana Gupta & Associates
Company Secretaries

Sd/-
Ranjana Gupta
Prop.
FCS No.: 8613
CP No.: 9920

Date : 29th June, 2020
Place: New Delhi
UDIN: F008613B000392876



ANNEXURE-IV

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT , 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

(A) CONSERVATION OF ENERGY

Conservation of energy is not only a major focus area in the Company for cost saving but also a duty of each person to save this national resource for better usage and next generations. There are many different ways to reduce energy usage, ranging from simple behavioral awareness to extensive improvements and adopting newer technologies. Power is among major cost constituent in our product cost.

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

- a) In Hosur Plants, separate airline provided from E75 screw compressor instead of using Reciprocating compressor resulting in reduced power consumption in Air compressor.
- b) In Karsan Pura Plant, 7 Nos. old SSR based conveyor oven in ST Department converted to Thyristor based system for precise temp control. Energy saving will be around 5 to 7 % of total energy consumption under old conveyor oven.
- c) In Rai Plant 70 Nos Energy Saving 45W LED Lights installed in place of 250W Halogen Lights resulting in power saving.
- d) Temp Controller Installed on Cooling Tower Motor, resulting in lesser power consumption.
- e) Company continued its focus on behaviour awareness, which have the highest potential for energy savings, simple good habits turns out to be in big numbers of energy saving over a long period of time, whether, in office, general open area or at shop floor.
- f) All AHU water pump disconnected during winter season, avoiding any idle / wastage of electricity.
- g) At all required places, old conventional lights replaced with LED Lights of lesser wattage, resulting in energy saving.
- h) During Supplier's audit, suppliers encouraged to follow green practices as an important pre-requisite to the Company purchasing strategy;

The impact of above measures in reduction of energy consumption and consequent impact on the cost of production of goods is difficult to quantify. However, as power constitutes a major cost factor in production and overall operations of the Company, hence all these measure of energy conservation results in the cost reduction.

(ii) Steps taken by the Company for Utilizing Alternate Sources of Energy:

As informed in previous year's report, one roof-top Solar Power Plant of 750kWp has been installed at Rai Plant with Opex model. Though this is working well, but some finishing points still remain pending. Company also exploring for more such plants to maximize the utilization of alternate source of energy. Further, at small area like canteen, solar water heaters are being provided for warm water supply and at many places LED Street Lights are installed with solar power option. Largely, traditional source of power is being utilized by the Company.

(iii) The Capital Investment on Energy Conservation Equipment:

Most of the energy conservation measures are in the form of improvement / change in the existing practices and big capital investment was not on these measures, except in some cases of plant upgradation or new plant. During the year under review capital investment made on energy saving equipment was not significant.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption:

We continue our journey with the LED lamps technology development and upgradation which still form the majority share in new developments for all OEMs. Emphasis is on new technology development and absorption. Towards this objective, we have further upgraded technology in manufacturing processes. The focus remain on alternate materials and up-gradation of the manufacturing facilities. Some of the efforts are as under:

- a) Improved capacity fully electronic high precision moulding machine introduced for better accuracy and quality parts.
- b) Automated conveyor type Anti-Fog application machine for doing Anti-fog coating on the lens introduced for high quality spray and finish.
- c) High end silicon based sealants introduced to have efficient bonding of resin parts with various metal parts , avoiding fasteners and snaps
- d) IR – Infrared welding Technology introduced to join the Resin parts to have excellent Fit and finish and bonding of the joints.

ii) Benefits that are the aftermath of the above efforts, namely product improvement, cost reduction, product development, import substitution etc. are :

- a) With high tonnage capacity of the moulding machine we could reduce the flash in the component without compromising on the machine performance and life.

- b) Anti-Fog process on the HL lens ensure no fog condition inside the lamp. This improves the life of lamp performance and customer satisfaction.
- c) Lens and housings are generally sealed thru sealants with screws and snaps as extra precaution. However use of high end sealants require no use screws and snaps thus saving on part and process cost.
- d) IR welding ensured welding of critical profiles. With this process we could achieve sleek design with very good appearance.

iii) The following is the information on Imported technology during the last 3 years reckoned from beginning of the financial year 2019-20,:

- a) the details of technology imported:
- b) the year of import:
- c) Whether the technology been fully absorbed:
- d) If not fully absorbed, area where absorption has not taken place, and the reasons thereof:

In general, the Company keeps on importing latest machines from other countries to keep abreast with the latest manufacturing and technology development worldwide in order to keep developing in-house technology and upgradation of technology. Company had imported LED SMT machines and automatic assembly lines with latest technology in previous years and also keeps on importing robots and machines with latest technology for various processes. The technology self-absorbs during production as well as improvement being a continuous process.

Further, company had signed a 'Technology License & Assistance Agreement' with Aisan Industry Co., Ltd. Japan in Sept, 2016 for Canister. The technology is being imported and absorbed.

Company has also signed a 'Technology License & Assistance Agreement' with Toyo Denso Co., Ltd., Japan in July, 2018 for Bank Angle Sensors. The technology is being imported and absorbed.

(iv) RESEARCH & DEVELOPMENT (R&D)

In continuation of previous years, LED Lamps remain the most important subject for Research & Development as it is still evolving and lot of innovative things are being done by Company. Company has remained frontrunner in development of new LED Automotive Lamps for 2 Wheelers.

R&D efforts have contributed in new product development, new technology development and improvement in product quality and technology. Company has robust R&D capabilities which keep on strengthened year-by-year and are amply acknowledged and rewarded by its valued OEM customers. The Company had set-up its in-house R&D Unit at Rai Plant, recognized by the Govt. of India, Ministry of Science and Technology, Department of Science and Industrial Research.

Objective of in-house R&D.

1. To carryout research for developing state-of-the-art technology and products for automotive lighting namely LED head light , LED projector lights, Day light running lamps, LED signaling lamps and rear view mirrors and other automotive components in compliance with latest international standards to fulfil the requirement of Indian and Global OEMs.
2. To enhance and improve our R&D capabilities for designing and development of new and innovative products in:
 - (i) LED Automotive Lamps, rear view mirrors and other automotive components;
 - (ii) LED Luminaires for indoor and outdoor applications;
 - (iii) LED Integrated Passenger Information and Display Systems for Indian Railways and other transport vehicles.
3. To develop new and innovative LED general lighting and automotive lighting products and technology with low carbon emission, low power consumption and high efficiency, with an endeavor to contribute towards solution of lighting and energy requirements of future India.
4. To disseminate knowledge acquired from R&D activities to train the manpower in our industry.
5. To develop futuristic ultra-compact lamps using LED by adopting advanced technology on lens and reflector designs.

A brief on the R&D activities of the Company is as follows:

a) Specific Areas in which R&D carried out by the Company:

- (i) Light guide technology being used extensively for position and other functions.
- (ii) Opaque lens being used to get homogeneous lighting.
- (iii) New designs where PCB circuits are hidden from the view, making them more appealing aesthetically.
- (iv) Collimator Reflectors and thick lenses being used for new products for HD and Yamaha.
- (v) Bi-functional small HL Module developed last year, carried forward to new products. A modular concept has been developed where same module is being packaged with new outer parts to make high end double beam Head lamps, Class D Head lamps, with position lamp integrated Head lamps.

b) Benefits derived as a result of R&D:

- (i) Because of Company's in-house R&D capabilities and prowess in LED technology, Company has been able to introduce various LED Head lamp in two-wheeler in India. Because of these capabilities, Company is a preferred choice vendor for LED Automotive lighting for prestigious two-wheeler OEMs for head lights, Day



- Running lights, Tail light, Directions indicator lights etc.
- (ii) The use of modular technology resulted in a single time investment by the company and use for many years to come for multiple products.
- (iii) FEA and thermal simulation helped to better design our products and avoid later stage failures which could be very costly.
- (iv) Light guide provides very good aesthetics to the products.
- (v) Opaque lenses allow homogeneous lighting giving a very good aesthetic effect.
- (vi) PCBs are generally visible in LED lamps which does not look good aesthetically. In new developments these PCBs are hidden from the view providing a clean look to the lamp.
- (vii) Collimator Reflectors through thick lens technology provides good solution with minimum space. This technology is extensively used in new developments.

c) Future Plan of action

- (i) Introducing Multi-layer double sided MCPCBs for headlights and DRL lamps.
- (ii) Introducing cost effective Flexible PCB technologies for the upcoming complex shape LED tail lights.
- (iii) Introducing High thermal conductivity material for LED head lights in copper and aluminium alloys.
- (iv) Carry out research on Matrix multi beam contoured shape LED head light in compact sizes for high end bikes.
- (v) Research on Low weight modular LED heat lights for upcoming EV scooters and bikes market.
- (vi) Introduction of BI-Function low power LED Head Lights with High reliability for Agricultural vehicles.
- (vii) Research on highly thermal conductive copper based material of PCB and heat sinks for more thermally stable design occupying lesser space.
- (viii) Research on light bar 3D element design for signalling lights using high flow rate PMMA material.
- (ix) Introduction of miniature heat sinks using advance air craft Aluminium materials for Ultra speed heat dissipation.
- (x) Further strengthening and improving the existing R&D infrastructure and facilities for complete designing of the products from conceptualization to production covering product design, laboratory testing, optical simulation etc.
- (xi) Development to be carried out on more cost-effective LED Head lights without heat sinks for low end two-wheeler segments.
- (xii) Carry out research on contoured shape LED head light in compact sizes for high end bikes.

- (xiii) Research on using the Extruded Aspherical lens for LED head lights.
- (xiv) Introduction of High efficiency LED Driving module with low cost.
- (xv) Introduction of low cost flexible PCB solutions to reduce interconnection wires and electrical losses.
- (xvi) Continuous research on achieving the LED placement accuracy to provide stable optical performance.
- (xvii) Introduction of sequence Direction Indicators lamps and dimming function on various kind of lamps.
- (xviii) Research on 3D optical design lamps for signalling devices.

(d) Expenditure on R&D:

There is no much expenditure on capital items in the R&D as investment on the machines and equipment happened in previous years. Company built its R&D capabilities over a long time and now it possess one of the best R&D and Design capabilities in the industry. The following expenses have been incurred by the company on its R&D:

Particulars	Amount in Rs. lacs	
	2019-20	2018-19
Capital Expenditure:		
Capital Expenditure	-	34.73
Total (A)	-	34.73
Recurring/Revenue Expenditure:		
Raw Material Consumed	4.08	9.11
Employees Benefits	656.72	696.97
Design Charges	242.86	55.95
Other Expenses	69.19	75.76
Finance Cost	0.00	0.00
Depreciation & Amortization	58.69	74.74
Total (B)	1031.54	912.53
Grand Total (A+B)	1031.54	947.26

In addition to above, the Company has also incurred expenses on its overseas Design Center in Italy and development activities within and outside India.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year was Rs. 2144.06 lacs and the Foreign Exchange outgo during the year in terms of actual outflows was Rs. 16386.51 lacs.

For and on behalf of the Board of
Fiem Industries Limited

Sd/-
(J. K. Jain)

Place: Rai, Sonapat (HR.) **Chairman & Managing Director**
Dated: 30/06/2020 **(DIN: 00013356)**

ANNEXURE-V

Annual Report for Corporate Social Responsibility (CSR)

S. No.	Particulars	Details
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken:	
	<p>Under our CSR objectives, we have selected 'healthcare' as one of the areas of intervention under Corporate Social Responsibility (CSR) and way of serving the humanity. The underlying reason for selecting this area is that in India, affordable medical treatment to the poor is not available and when disease is like cancer or other life threatening, poor suffer a lot and at times not able to bear the burden of treatment. Therefore, we want to stand with poor and underprivileged, when they need the support of society at most.</p> <p>Hence as a major CSR Project, Fiem Foundation (the CSR vehicle of the Company), continued its collaboration with Social Welfare Unit of AIIMS, New Delhi, and provided financial aid throughout the year to poor and needy patients suffering from Cancer and other life threatening diseases for getting their treatment done in 'All India Institute of Medical Sciences', New Delhi (AIIMS).</p> <p>Though most of the help is done through Social Welfare Unit of AIIMS, New Delhi, however in acute and emergent situation direct help to needy patients is also provided through Fiem Foundation.</p> <p>In addition to above, Company also does various other social welfare programme like free eye operation and arranging mass marriages of poor girls and other activities to help underprivileged.</p> <p>Company has also collaborated with 'The Earth Saviours Foundation'. The NGO is running Shelter Home/ Centre for caring the people who are abandoned senior citizens, deprived, mentally disabled, bedridden, HIV Infected, patients on death bed, people dying with hunger on roads and patients suffering with incurable disease. NGO provide the facilities free of charge such as accommodation, food, medical and every day need. Company is giving monthly financial assistance of Rs. 80,000/- to NGO, helping the NGO to meet the expenses of doctors and other medical expenses etc.</p> <p>Company has also extended support to 'Rotary Club of Delhi Midtown' for setting-up a Diagnostic Centre for free / subsidized services to poor people, deprived, disabled, underprivileged patients.</p> <p>Company has been undertaking the Corporate Social Responsibility (CSR) programme directly as well as through a dedicated trust, namely 'Fiem Foundation' in compliance with Schedule VII read with Companies (Corporate Social Responsibility Policy) Rules, 2014.</p> <p>During the Financial Year 2019-20, through Social Welfare Unit of AIIMS alone, 'Fiem Foundation' has extended financial assistance of more than Rs. 62 lacs to 33 poor patients for helping them to get their treatment done in AIIMS, New Delhi.</p> <p>As permitted under Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company had set up a trust namely 'Fiem Foundation' exclusively for undertaking CSR activities and transferred the CSR fund (equal to 2% of average profits of Company for last 3 years) in the corpus of the Trust for more planned utilization in the CSR programs.</p>	
1(a)	The Web link to the CSR Policy and projects or programs	http://www.fiemindustries.com/CSR%20Policy_FIEM%20(F).pdf
2	Composition of CSR Committee	Mr. Rahul Jain - Whole-time Director – Chairman Mr. K. R. Yadav - Whole-time Director – Member Mr. V. K. Malhotra - Independent Director – Member
3	Average Net Profit of the Company for last 3 financial years	Rs 70,94,81,766/-
4	Prescribed CSR Expenditure (2% of amount as in item 3 above)	Rs 1,41,89,636/-
5	Details of CSR Spent during the financial year:	
	a) Total amount to be spent for the year:	Rs 1,41,89,636/-
	b) Amount unspent, if any:	-
	c) Manner in which the amount spent during the financial year	



S. No.	Particulars					Details			
	1	2	3	4	5	6		7	8
				Projects or programmes		Amount Spent in the Projects of Programs			Amount Spent
	S. No.	CSR Project or Activities identified	Sector in which project is covered	1.Local Area or Other 2.Specify the state and district where projects of program where undertaken	Amount Outlay (Budget) project or program wise	Direct expenditure on projects or program	Overheads	Cumulative Expenditure upto the reporting period	Direct or through Implementing agency* (Give Details of Implementing Agency)
1	Support to NGO for Shelter Home for abandoned senior citizens, deprived, mentally disabled, bedridden etc.	Healthcare to underprivileged	Bandhwari Village, Gurgaon - Faridabad Road, District - Gurgaon, Haryana.	Rs. 80,000/- per month	Rs. 9,60,000/-	N.A.	Rs. 9,60,000/-	The Earth Saviours Foundation. Bandhwari Village, Gurgaon - Faridabad Road, District - Gurgaon, Haryana.	
2	Support to NGO for healthcare to underprivileged	Healthcare to underprivileged	Bhuj, Katch, Gujarat	Rs. 5,00,000/-	Rs. 5,00,000/-	N.A.	Rs. 5,00,000/-	Kutch Vikas Trust, Bhuj-370001 Kutch, Gujarat	
3	Support for setting-up a Diagnostic Centre for free / subsidized services to poor people, deprived, disabled, underprivileged patients	Healthcare to underprivileged	Delhi	-	Rs. 56,560/-	N.A.	Rs. 56,560/-	Rotary Club of Delhi Midtown. No. 8, Road no. 28, East Punjabi Bagh, Delhi-110026	
4	TRANSFER TO CORPUS of 'Fiem Foundation'							12,673,076	-
	Total							14,189,636	-
6	In case the Company has failed to spend the two percent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.					Not Applicable, please refer point 5(c) above.			
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.					The Committee hereby affirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.			

For and on behalf of the Board of
Fiem Industries Limited

Sd/-
Rahul Jain

Chairman CSR Committee
 (DIN: 00013566)

Sd/-
J. K. Jain

Chairman & Managing Director
 (DIN: 00013356)

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

ANNEXURE-VI

The ratio of the remuneration of Managing Director and each Whole-time Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

Sr No.	Requirements	Disclosures
I.	The ratio of the remuneration of Managing Director and each Whole-time Director to the median remuneration of the employees for the financial year	Please refer below 'Table-A'.
II.	The percentage increase in remuneration of Managing Director each Whole-time Director, Chief Financial Officer and Company Secretary in the financial year	Please refer below 'Table-A'.
III.	The percentage increase in the median remuneration of employees in the financial year	Please refer below 'Table-A'.
IV.	The number of permanent employees on the rolls of the Company	There were 2267 direct employees on the rolls of the Company at the end of Financial Year 2019-20.
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase during the year 2019-20 in the salaries of employees (excluding managerial persons) was 8.70%. Average percentile increase during the year 2019-20 in managerial remuneration was 7.23%. For other information, please refer below 'Table-A'.
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed that the remuneration is as per the Remuneration Policy of the Company.

TABLE-A

Sr. No.	Name & Designation of Directors and KMPs	Remuneration FY 19-20 (Rs.)	% increase	Ratio of Remuneration with Median Remuneration of all employees
	Median Remuneration of Employees	240,720	9.26%	
1	Mr. J.K. Jain, Chairman & Managing Director	12,480,000	0.00%	51.84
2	Mr. Rahul Jain, Whole-time Director	6,600,000	10.00%	27.42
3	Mrs. Seema Jain, Whole-time Director	6,600,000	10.00%	27.42
4	Mr. Rajesh Sharma, Whole-time Director (w.e.f 01.01.2020)	3,225,000	NA	Not Comparable being part of the year
5	Mr. J.S.S. Rao, Whole-time Director (upto 31.12.2019)	8,100,000	NA	-do-
6	Ms. Aanchal Jain, Whole-time Director	5,400,000	12.50%	22.43
7	Mr. K. R. Yadav, Whole-time Director	10,344,864	6.16%	42.97
8	Mr. O.P. Gupta, Chief Financial Officer	6,180,000	8.42%	-
9	Mr. Arvind K. Chauhan, Company Secretary	7,288,472	6.70%	-
	Total Managerial Remuneration	66,218,336	7.23%	

Notes:

- All the Non-executive Directors of the Company are paid sitting-fee only for the Board / Committee meetings attended by them, hence above information not applicable for them.
- Mr. J.S.S. Rao was on the Board up to 31.12.2019. In addition to above salary he was also paid Rs. 30,75,000/- as retirement benefits. Mr. Rajesh Sharma elevated on Board as Whole-time Director w.e.f. 01.01.2020. Hence, increment information and Ratio of Remuneration with Median Remuneration of all employees not comparable for these 2 Directors.
- The calculation of median remuneration of employees and increase therein is based on the employees of the company who were at company's roll at the beginning as well as at the end of financial year.
- Company's Performance for FY 2019-20: Please refer initial paras in Directors Report.

For and on behalf of the Board of
Fiem Industries Limited
 Sd/-
(J. K. Jain)

Chairman & Managing Director
 (DIN: 00013356)

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



ANNEXURE-VII

a) Statement showing names and other details of top 10 employees in terms of remuneration drawn under Rule 5(2)/(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

Sr.	Name	Designation	Remuneration Received (Rs. In Lacs)	Qualification	Experience in years	Date of Commencement of employment	Age in years	Last Employment held before joining the Company	%age / No. of Equity Shares held with spouse and dependent children
1	J.K. Jain	Chairman & Managing Director	124.80	Graduate	48	06-02-1989	68	See Notes	23.78% (See Notes)
2	Seema Jain	Whole-time Director	66.00	Graduate	36	06-02-1989	65	See Notes	22.87% (See Notes)
3	Rahul Jain	Whole-time Director	66.00	Management Graduate	11	14-11-2004	33	See Notes	12.35% (See Notes)
4	K. R. Yadav	Whole-time Director	103.45	Matriculation	45	01-11-1997	64	B.P. Plastic Industries	338 (Nos.)
5	Rajesh Sharma	Whole-time Director	129.00	Science Graduate	36	01-09-2003	57	Toshi Auto Industries Pvt. Ltd.	NIL
6	O.P. Gupta	Chief Financial Officer	61.80	CA,CS, ICWA	33	24-05-2006	61	C.L. Gupta Exports Ltd.	NIL
7	V.K. Goel	Corporate Head (Purchase)	66.66	MBA	41	06-02-2003	63	Haryana Steel & Alloys Ltd.	10 (Nos.)
8	Naresh Sharma	President	60.00	B.E.	33	02-02-2018	57	Lumax Automotive Systems Ltd.	NIL
9	Shanmuga sundaram D.	Head (R&D)	76.56	MS	24	04-04-2012	44	TVS Motor Company Ltd.	NIL
10	Arvind Kumar Chauhan	Company Secretary	72.88	CS,LLB	19	07-03-2006	45	Self-employed as Practicing Company Secretary	NIL

Nature of Employment, whether Contractual or Otherwise (for all above employees):

Mr. Rajesh Sharma elevated as Whole-time Director w.e.f 01.01.2020. Mr. J.K Jain, Mrs. Seema Jain, Mr. Rahul Jain, and Mr. K.R. Yadav are Board members and appointed / re-appointed by the Board and shareholders at the recommendation of Nomination and Remuneration Committee, as per terms and tenure contained in the respective resolution(s).

- All other employees are in regular employment of the Company.

Notes:

1. Mr. J.K. Jain and Mrs. Seema Jain are founder promoters of the Company. Since incorporation they are on the Board of the Company. Before this Company, Mr. J.K. Jain and Mrs. Seema Jain were engaged in automotive lighting business in B.P. Plastic Industries and other family concerns. Mr. Rahul Jain also started his carrier with the Company and he was appointed on the Board on 14.11.2004.
2. Above shareholding as on March 31, 2020, is in individual name of Mr. J.K Jain, Mrs. Seema Jain and Mr. Rahul Jain. All promoters along with related concerns (promoter group) hold 66.56% of the total share capital of the Company.
3. The above remuneration does not include leave encashment, gratuity and perquisites.
4. Whether any such employee is a relative of any director or manager of the company, with name of such Director:

Mr. J.K. Jain, Chairman & Managing Director is husband of Mrs. Seema Jain, Whole-time Director and father of Mr. Rahul Jain and Ms. Aanchal Jain, Whole-time Directors. Hence, all 4 are related to each other. Further, all of these are promoters of the Company and promoter group hold 66.56% shareholding as on March 31, 2020. None of other employees in above list is relative of any Director.

b) Statement showing names and other details of employees, who, if employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs.1,02,00,000/-: The above table cover all such employees.

c) Statement showing names and other details of employees, who, if employed for a part of the Financial Year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

Sr.	Name	Designation	Remuneration Received (Rs. In Lacs)	Qualification	Experience in years	Date of Commencement of employment	Age in years	Last Employment held before joining the Company	%age / No. of Equity Shares held with spouse and dependent children
1	J.S.S. Rao	Whole-time Director	81.00	Post Graduate	41	01-05-2003	63	Toshi Auto Industries Pvt. Ltd.	12 (Nos.)

Nature of Employment, whether Contractual or Otherwise:

Mr. J.S.S. Rao, Whole-time Director of the Company has resigned from the Directorship of the Company. He held office of Whole-time Director up to 31.12.2019. On his resignation, he was also paid Rs. 30.75 Lacs as retirement benefits. He was appointed / re-appointed as Whole-time Director by the Board and shareholders at the recommendation of Nomination and Remuneration Committee, as per terms and tenure contained in the respective resolution(s).

- d) **Statement showing names and other details of employees, who, if employed throughout the Financial Year or part thereof, was in receipt of remuneration for that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director, whole-time director or manager and also holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company:** There is no such employee during the year.
- e) **Particulars of employees, posted and working in a country outside India, not being directors or their relatives, drawing more than Rupees 60 lakh per financial year or Rupees 5 lakh per month, as the case may be:** There is no such employee during the year

For and on behalf of the Board of
Fiem Industries Limited

Sd/-

(J. K. Jain)

Chairman & Managing Director
(DIN: 00013356)

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



Management Discussion and Analysis

Global Economic Overview

Financial year 2019-20 will be remembered as a highly eventful year for one or other reason. During mid of the year major economies slowed down with US-China trade strains, the Middle East geopolitical turmoil followed by plummeting crude oil prices, then towards end of year the biggest challenge came in the form of COVID-19 virus. This brought the entire world to a grinding halt, sending both demand and supply side shock waves apart from its unprecedented health implications. On COVID-19, situation up to January, 2020 was looking normal throughout the world barring China and few countries, the widening impact of COVID-19 has forced economists to review their forecast and outlook quickly. If we see reports and publications from January to June 2020 for future outlook and forecast for global economy, it gives a fair idea about the kind of uncertainty, world is grappling with.

In 'World Economic Outlook Update' released by IMF in June, 2020, COVID-19 was referred as 'A Crisis Like No Other, An Uncertain Recovery'. In this update, it was highlighted that global growth is projected at -4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent. Overall, this would leave 2021 GDP some around 6 percentage points lower than in the pre-COVID-19 projections of January 2020. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s.

Fiscal 2021 will determine the endurance and way forward for all the sectors across the globe. Nations are spending about 10 per cent of their GDP for handholding ailing industries and related support infrastructure impacted by demand-supply constraints witnessed due to COVID-19. However, gradual opening up of economic activities is expected to show a positive impact and businesses should be able to shoulder and ease the stress on their operational and financial performances.

Industries across the sectors are impacted due to demand shock, supply chain disruptions and shutdown of operations under lock-down. However, most of them are resuming operations as lockdown restrictions are eased.

With above outlook, world is hoping for an early vaccine to this pandemic and many countries have indicated for the advancement on the vaccine development.

Indian Economic Overview

In the Union Budget for fiscal year 2020-21, the Finance Minister of India laid down the foundation for increasing consumption while ensuring that the government's investment is deployed to build infrastructure leading to a USD 5 trillion economy by Fiscal 2024-25.

According to data released by the National Statistical Office (NSO) in last week of May, 2020, India's economic growth slipped to 3.1 per cent in the January-March quarter of 2019-20 showing impact of COVID-19 pandemic. With this, the Indian economy grew by 4.2 per cent in 2019-20, against 6.1 per cent expansion in 2018-19. Market size of India's gross domestic product (GDP) (at constant 2011-12 prices) was estimated to be Rs. 145.65 lakh crore (US\$ 2.06 trillion) for 2019-20.

As per International Monetary Fund, COVID-19 battered India's economy and it is projected to contract by 4.5 percent in FY2020-21. In the World Economic Outlook (WEO) forecast report, the IMF said that India's economy is expected to contract on the back of a longer lockdown and a slower recovery than anticipated in April.

COVID-19, Lockdown and after-effects:

The COVID-19 impact in India started slow and came late in comparison to some other countries like Italy and other European countries. By that time world had experienced that only way to contain the spread of virus is social distancing and limiting the movement of public by way of lockdown. Hence, On March 24, 2020, the Government ordered a nationwide lockdown for 21 days, limiting movement of the entire population of India as a preventive measure against the COVID-19 spread. It was ordered after a 14-hour voluntary public curfew on 22 March, 2020 followed by enforcement of a series of regulations in the country's COVID-19 affected regions.

As the end of the first lockdown period approached, state governments and other advisory committees recommended extending the lockdown. On 14 April, Prime Minister, Sh. Narendra Modi extended the nationwide lockdown until May 3, 2020 with a conditional relaxations after 20 April for the regions where the spread had been contained or was minimal. Though, lockdown(s) further extended beyond May 3, 2020, however from 1st week of May, 2020, the activities allowed by state governments by putting various conditions of social distancing and sanitisation in less affected areas.

The lockdown impacted the normal life of people across the country and industries across the sectors due to supply chain disruptions and shutdown of operations. Hence, Government of India announced a series of measures for supporting all sections of society with a view to cushioning the impact and threats posed by the COVID-19 pandemic.

To revive the economy from the COVID-19 impact, The Prime Minister announced various economic packages under 'Atmanirbhar Bharat' or 'Self-Reliant India Movement' during May, 2020, having a cumulative worth of around Rs. 20 lakh crore (US\$ 283.73 billion) and being almost 10 per cent of country's GDP.

आत्मनिर्भर भारत



Government reforms has resulted in easing of policies and improving business confidence in Industry, particularly, special focus is given by the government for micro, small and medium-sized enterprises (MSMEs), enabling them to have greater access to finance.

The market stimulus and reforms introduced by the government like reduced tax rate for corporate, cash transfers to farmers, rural developmental spends, payments of all pending goods and services tax (GST), income tax refunds, and further liberalisation of foreign direct investment (FDI) are resulting in improving the sentiments of the industry. Reserve Bank of India (RBI) also supported with a series of rate cuts, reduction in the cash reserve ratio (CRR), moratorium on term loans and working capital loans, injection of liquidity through various modes to help the industry and public to pass through this difficult phase.

India's great demographic spread, especially younger population, increasing urbanisation, domestic consumption potential remain the growth drivers for Indian economy. Hence, despite all current challenges, especially COVID-19; the long-term growth story of India remains intact.

Indian Automotive Industry

The automobile industry in India is the world's fourth largest. India was the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach Rs 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.83 per cent and 12.85 per cent market share, respectively, accounting for a combined domestic sale of over 20.19 million vehicles in FY20.

For last few years, India's Automobile market was already under a prolonged slowdown before the COVID-19 Outbreak. The pandemic has made things worse for the sector. Shut down of operations has resulted in reduced production and short supply of vehicles & spare parts. March 2020 saw a sharp decline and April saw no vehicle sales in domestic market due to the COVID-19 pandemic and the subsequent lockdown.

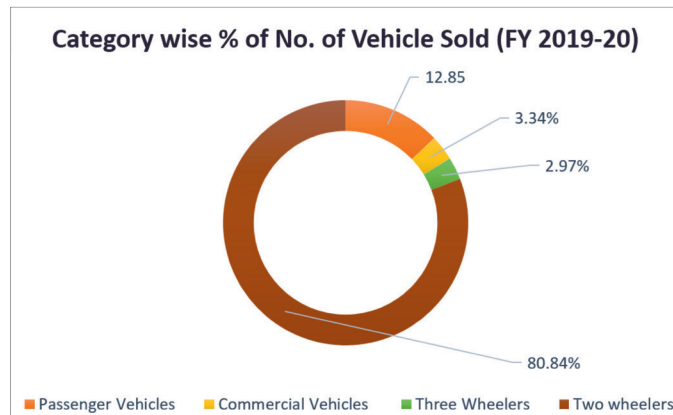
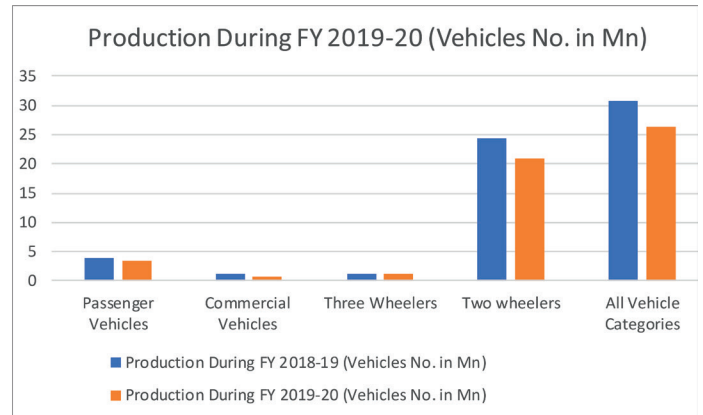
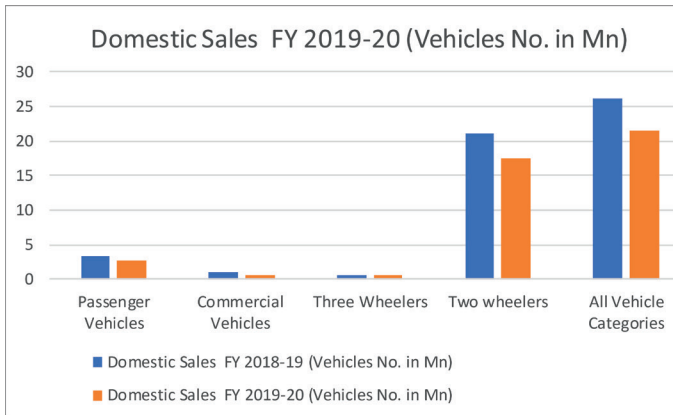
During FY 2019-20, the Production, Domestic Sales & Export of Vehicles across the category has remained as under:

Production, Domestic Sales & Exports Sales during FY 2019-20 (Vehicles No. in Mn)

Vehicle Category	Production			Domestic Sales			Exports		
	2018-19	2019-20	% Change	2018-19	2019-20	% Change	2018-19	2019-20	% Change
Passenger Vehicles	4.03	3.43	-14.76	3.38	2.77	-17.88	0.68	0.68	0.17
Commercial Vehicles	1.11	0.75	-32.40	1.01	0.72	-28.75	0.10	0.06	-39.25
Three Wheelers	1.27	1.13	-10.64	0.70	0.64	-9.19	0.57	0.50	-11.54
Two wheelers	24.50	21.04	-14.14	21.18	17.42	-17.76	3.28	3.52	7.30
All Vehicle Categories	30.91	26.36	-14.73	26.27	21.55	-17.97	4.63	4.77	2.95

Source: SIAM





As major business of the Company come from Two Wheeler Segment of Automobile Industry, hence more detailed information about two-wheeler industry is as under:

The financial year 2019-20 was challenging for the two-wheeler industry in the wake of weak demand on account of economic slowdown, price increases due to regulatory changes, consumption slowdown and the outbreak of the Coronavirus pandemic towards the end of the year. After a double-digit decline in the first half of FY20, the second half was even more difficult for the industry. The dispatches were lower in the second half of the year as compared to the first half of the year as the industry sought to clear the BS IV inventory with the dealerships before the regulatory deadline of March 31, 2020. The two-wheeler production growth was declined by 14.14% compared to the previous year and Domestic Sales even registered a higher de-growth of 17.76% during FY 2019-20.

Despite slow growth, year 2019-20 marked the successful transition of two-wheelers to BS-VI that too directly from BS-IV, with in a span of 3 years period.

Indian Auto Components Industry

Indian auto-components industry has arrived to big scale over the last few years and garnered some natural advantage for supplying not only to Indian OEMs but export to all over world. As per estimates, auto-components industry account for 2.3% of India’s Gross Domestic Product and provides employment to around 1.5 million people. Over

the years, Indian automotive industry has elevated itself to manufacturing almost all range of parts and components for OEMs on the strength of its R&D capabilities which is supported by collaboration by leading companies from other countries and regions like Japan, Korea, Europe and Americas.

In evolvement and development of the auto industry in India, liberalisation, economic development, and focussed support from Government has played a vital role. As per industry estimates, the Indian auto-components industry is set to become the third largest in the world by 2025.

[Source: IBEF]

Outlook, Threats and Opportunities

The auto sector has been witnessing tough period over the last 1 to 2 years and likely to face challenge as the COVID-19 impact will remain there. Though, it is expected that the COVID-19 related pain is temporary and once it is over, the return in demand will be swifter, especially in 2 wheelers and rural markets.

A strong recovery is expected after COVID, similar to historical trends of previous crisis as India remains a growth market over the long term on low penetration and increasing aspiration levels.

Electric 2Ws to see faster adoption compared to PVs:

Electric vehicles (EVs) are becoming highly disruptive for the global autos industry, however, in India, the concept has not picked-up yet as estimated. Once the pace of adoption of EVs increases, Company will see more benefit as far as LED lighting is concerned.

With the intention to move away from internal combustion engines (ICE), the government is focused on increasing number of electric vehicles in India. Under Faster Adoption and Manufacturing of Hybrid and Electric vehicles in India (FAME)-I and the recently launched FAME-II norms, the government is offering incentives for electric vehicles.

FAME - II Scheme:

The Ministry of Heavy Industry and Public Enterprise, through a notification on March 28, 2019, laid out the eligibility criteria for electric buses, PVs, 3Ws and 2Ws to avail the 'Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India', or FAME II incentives. The criteria is based on minimum top speed, minimum range per charge, minimum acceleration, regenerative braking and energy consumption efficiency of electric 2Ws (EVs).

Lessons from previous crises:

In case of both, the global financial crisis (FY09) and demonetisation (FY17), the auto sector went through a decline period. However, in both cases, the declines were followed by periods of sharp recovery. During Global Financial Crisis (GFC), auto sales saw sharp declines in the Dec-2008 quarter. Overall, PV and 2W volumes were remained flattish in FY09, while only CV sales saw sharp decline. This was due to the fact that the Indian economy was doing well, except for the liquidity shock from the global event. Post FY09, the government came up with several fiscal incentives to prop up the economy, such as (i) cut in excise duty rates, (ii) sharp increase in MSP of crops, and (iii) the 6th Pay Commission salary hikes and arrear pay for government employees. GDP growth picked up, following the fiscal measures. These led to a sharp recovery in FY10 and FY11, with auto volumes across segments growing 25-30% for two years.

Shift from public/shared mobility to personal mobility:

It has happened in the past. Post SARS, there was a surge in car demand in China. People moved away from public transport, in fear of infection. It is expected that people in India would prefer personal 2 wheeler to avoid public transport to adhere social distancing.

Regulatory and General Economic Conditions:

We are living in a world today, where volatility and beyond the industry also contributes an element of dynamism, with changing macro realities due to regulatory and policy shifts that are beyond the control of any one company or industry. Evolving and increasingly stringent regulations could change the expectations of auto component manufacturers, who

might need to rethink their component production to comply with regulatory and other guidelines

The long-term growth trajectory of Indian two-wheeler industry is expected to remain strong despite short term bumps. The industry has significant growth potential, considering that overall penetration levels are low in India in comparison to other part of world. Two-wheeler is a thing of necessity rather than a discretionary or luxury for a large part of India's population. In rural area and a large part of the semi-urban area, two-wheeler remains the best and most affordable mean of commuting. Two-wheeler remains the first vehicle and most affordable commuting mean for a large young population and women too. As Company's major business comes from two-wheeler segment, hence Company remains hopeful to reap the dividends of two-wheeler growth story.

Financial and Operational Performance Review

FY 2019-20 has remained another difficult year for the overall auto industry including two wheelers. Towards financial year end, COVID-19 has further impacted the industry due to the nationwide lockdown started from March 25, 2020. The industry has observed 40 plus day's lockdown and even after unlocking, the things are not normal. During FY2019-20 two-wheeler industry registered a negative growth of 14.14% against the growth of 6.29% during FY2018-19. Domestic sales of the two-wheeler has even a deeper negative growth of 17.76%, that de-growth has remained across the OEMs with the exception of Suzuki Motorcycle, which registered a production growth of 7.52%.

In above background, Company has been able to perform better than industry and achieved sales of Rs.1366 Crores during FY2019-20 in comparison to Rs.1434 Crores during the previous year with a decline of 4.75%.

This was possible because of the increase in share of the business with Company's customers. Although the production of the HMSI, which is our top customer, declined by 13%, our sales to HMSI declined by only 1.37%. The company also registered a good growth in Suzuki Motorcycle, which is 19%. Management believe that increased share of business with esteemed OEM customers has helped Company to perform better.

Our financial highlights are as under:

- Sales of the company during FY20 is Rs. 1366.25 crores as compared to Rs. 1433.96 crores in FY19.
- Sales of Automotive segment during FY20 is Rs. 1345.93 crores as compared to Rs. 1404.65 crores in FY19.
- Sales of LED Luminaries segment is Rs. 20.32 crores in FY20 as compared to Rs. 29.31 crores in FY19.

The Company has been able to earn an EBIDTA of Rs 155.76 Crores being 11.40% during FY 19-20 as against an EBIDTA of Rs 155.26 crores being 10.83% during the FY 18-19.



This clearly reflects that company has improved its EBITDA% by 57 BPS in comparison to last Financial Year. EBITDA has not gone down despite of drop in sales by Rs. 68 crores.

PAT of the Company has significantly increased to Rs. 78.92 Crore during FY 19-20 as compared to a PAT of Rs. 55.48 Crores during the FY 18-19 resulting in an Increase by 42.25%. This Significant increase in PAT is attributable to the fact that Company has exercised the option permitted under Sec 115BAA of the Income Tax Act, wherein Domestic Companies have the option to Pay Income Tax at a lower rate of 25.17% against 34.94% paid by the Company in earlier years, on adherence of certain conditions. Accordingly, deferred tax liabilities have been re-measured which has increased the profit by Rs. 14.52 crores. Further, Company has also saved Income Tax to the tune of Rs. 6 Crores approximately.

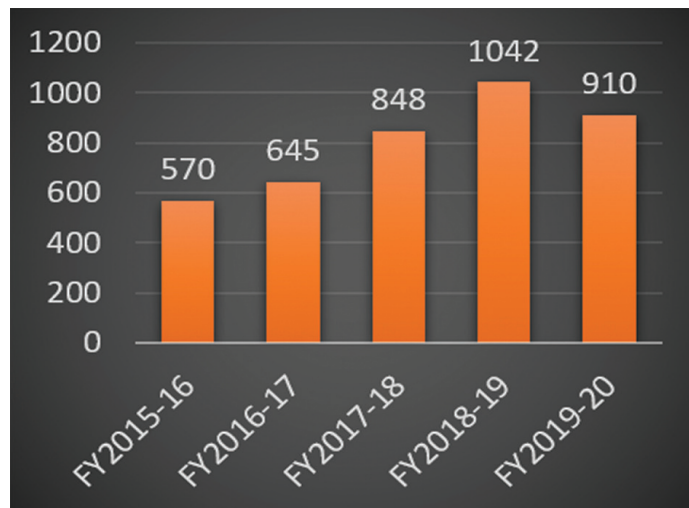
PBT of the Company stood at Rs 87.12 Crores during the FY 19-20 as compared to the PBT of Rs 85.13 Crores during FY 18-19.

During the year, the Company has made an investment of Rs. 58.33 Crores in Fixed Assets.

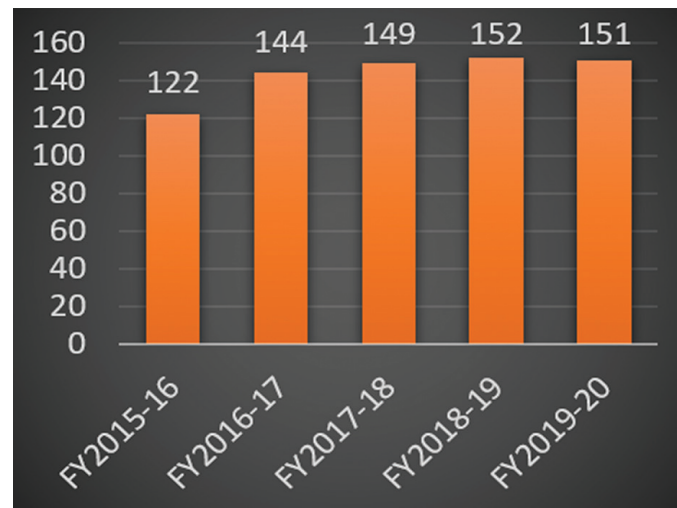
In order to continue production amid COVID-19, the Company has adopted appropriate measures of social distancing & sanitization etc. We remain focussed on strengthening our in-house Design and Development capabilities and going ahead with the new projects as per our customer's plan. We continue to be one of the most preferred suppliers to the OEMs and successfully getting new business from OEMs because of their confidence in our R&D and Production Capabilities.

Key financial ratios (standalone)

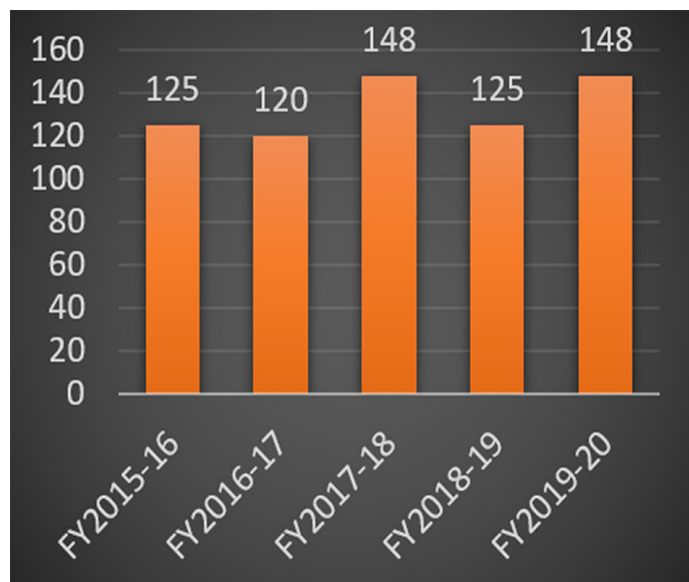
Ratio		2019-20	2018-19	Change (%)	Reason/ Explanation of Change
Debtors Turnover	Days	20.49	37.26	-45.00%	Improvement in ratio is because of shorter payments cycles from one of our biggest customer started during the year.
Inventory Turnover	Days	56.10	59.84	-6.26%	No significant change (change is less than 25%)
Interest Coverage Ratio	Times	5.93	4.85	22.26%	No significant change (change is less than 25%)
Current Ratio	Times	1.23	1.13	8.61%	No significant change (change is less than 25%)
Debt Equity Ratio	Times	0.19	0.28	-31.49%	No fresh loan taken during the year, repayment of earlier loan during the year has resulted in improvement of the ratio
Operating Profit Margin (%)	Percentage	11.40%	10.83%	5.30%	No significant change (change is less than 25%)
Net Profit After Tax Margin (%)	Percentage	5.78%	3.87%	49.30%	Higher profit after tax during the current year due to adoption of lower tax option as per section 115BAA of the Income Tax Act and reversal of Deferred Tax liability due to the re-measurement as per new tax rate.
Return on Net Worth	Percentage	14.92%	11.64%	28.17%	Same reason as above



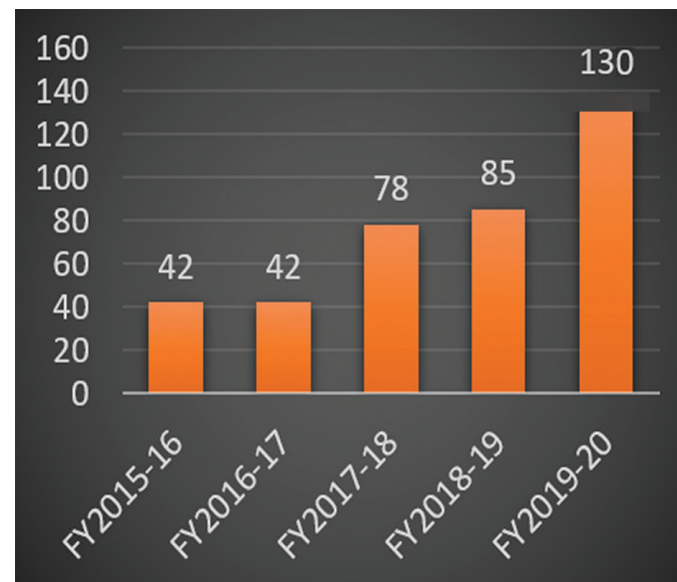
Automotive Lighting:
Revenues (Net) for the last five years (Rs. Crores)



Rearview Mirrors:
Revenues (Net) for the last five years (Rs. Crores)



Plastic Moulded Parts:
Revenues (Net) for the last five years (Rs. Crores)



Others:
Revenues (Net) for the last five years (Rs. Crores)

Automotive Lighting: The innovation in Automotive Lighting is an ever evolving process and is currently witnessing a fast adoption of LED. The Company is a leading player in innovation and new technology adoption, based on its in-house R&D, technological expertise, design and development strengths and world-class manufacturing facility to capitalize on these new growth opportunities and provide the vehicles, especially the 2-wheeler, with the best-in-class lighting solutions with the latest technology. FIEM manufactures large range of LED and conventional head lamps, tail lamps, blinker lamps, fog lamps, warning triangles and interior lamps, among others, for two, three and four-wheelers.

Rearview Mirrors: The Company has state-of-the-art mirror manufacturing plants across four units where plate making, profile cutting, washing, grinding, cleaning, coating (aluminum or chrome) and painting is carried out. The Company has installed injection moulding machines and rod making facilities in-house. All the sub-components are accumulated in the assembly lines to complete the entire process of assembling and testing under one roof.

Plastic Moulded Parts: As an integral part of the manufacturing process of automotive lamps and rearview mirrors, the Company has installed best-in-class injection molding machines across its nine plants ranging from 50 tonnes to 1,400 tonnes, capable of making parts weighing 20 grams to 2.5 kilograms and fabricating front fenders, floor panels, side covers, rear fenders, handlebars and seat bases for two-wheelers. Apart from Lamps and Mirrors, the Company also supplies plastic-molded parts to its customers as finished product.

Others: This segment includes all other items contributing individually less than 10% to the Company's revenue pie and mainly includes fabricated items like sheet metal parts, moulds etc. FIEM has full-fledged sheet metal fabrication facilities as well as mudguard rolling plants for manufacturing front and rear mudguards for motorcycles and mopeds.



FIEM's LED segment

FIEM's LED segment sales products under two major categories: LED luminaires for indoor and outdoor applications and integrated passenger information systems with LED displays for trains and buses. During FY 2019-20, the Net Sales of LED Luminaires segment is Rs. 20.32 crores as compared to Rs. 29.31 crores in FY19.

Risks and Concerns

In today's scenario, risk management has to be more robust than ever before, because COVID-19 pandemic has given us a lesson that it is not only the Company centric or Industry specific risks, which are more important but the outside factors are no less important. Given the volatile ecosystem, we continue to strengthen our risk management strategies and systems.

Regarding Industry specific risks, our major business come from the two-wheeler segment of the automobile industry. While overall economic growth is slowed down in recent past, same is the situation of automobile industry. The two-wheeler segment has also registered de-growth in FY 2019-20. If this slowdown continue for a longer period by one or more reasons, and our customers reduce their production, our growth may also be affected. Though, our growth has not declined by the same percentage as of the two wheeler industry, this is partly because of the reason that we have increased our business share with our OEM customers. Company's management is well aware of all internal & external risks and concerns and managing all these with a proactive approach.

Human Resources

Driving performance, enhancing employee skills has been a continuous focus of Human Resource. Facilitating favourable work environment that motivate performance, encourage customer oriented focus and innovation while adhering to the highest degree of quality. As a part of human capital development with an aim to enhance operational efficiency, employees of the Company have been regularly provided Safety Training and Skill Upgradation Trainings. The Company is committed to nurturing, enhancing and retaining talent through superior learning and organizational development programme. To enhance the engagement, retention and work life balance of the employees, the Company has introduced progressive policies and programs like diverse reward and recognition program and employee interaction programs. During the year under review industrial relations remained cordial in all plants of the Company.

At the close of the financial year under review, there were 2267 employees on the rolls of the Company.

Woman Employment:

Since beginning, Company has adopted special recruitment initiatives for women across its factories, as well as arranging for their training & skill development as an initiative for women empowerment and gender equality, so that women are better equipped to contribute to the productivity of their families and the society at large. As at end of year there are 397 women employee on rolls and more than one third of contractual associates are women.

Internal Control Systems and Their Adequacy

The Company has robust internal financial controls systems, which facilitates orderly and efficient conduct of its transactions and affairs including 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. Company has put in place a well-defined and adequate internal controls system commensurate with the size of the Company and the complexity of its operation. These have been operating effectively throughout the year. These controls were routinely reviewed and certified by external as well as internal auditors covering all offices, factories and key business areas. Cross functional teams in all the factories also play a significant role in the internal control system of production operations. For last 2 years, Company is in the process of implementation of SAP system across its all units and offices - SAP S/4HANA Enterprise Management, to make the company future ready as well with the objective of better control.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic, political, changes in Government regulations, tax regimes, economic developments and other incidental factors. Company does not undertake to update any forward looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

Corporate Governance Report

(The Report on Corporate Governance forms part of the Directors' Report for the financial year ended March 31, 2020)

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended and requirements of the Companies Act, 2013, the Board of Directors of the Company present the Company's Report on Corporate Governance.

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance is based on core values of integrity, accountability, performance, passion, transparency and like values. These core values make the foundation to the Company's governance structure and passion for growth derives the Company's performance with an underlying objective of caring the interests for all stakeholders. Company believes that Corporate Governance must translate into commitment to maximize long-term stakeholder value and growth of the business of the Company on sustainable basis.

We are a customer centric organization. With above philosophy, we create value by responsibly manufacturing products to fulfil our customers' needs. We care for all our business partners, associates, stakeholders, environment, and society at large. Some of our areas of intervention and giving back to society are helping the poor patients, initiatives for betterment of life of poor and upliftment of woman.

2. BOARD OF DIRECTORS

Company's Board is constituted in compliance with the Companies Act, 2013 and rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Articles of Association of the Company and in accordance with the best practices in Corporate Governance. Presently, the Board of the Company consists of 13 Directors, including one Women Independent Director. All the Directors have diverse experience and background fulfilling the statutory as well as business requirements.

Independent Directors: The Companies Act, 2013 and the Listing Regulations define an 'Independent Director'. All our Independent Directors fulfill the conditions of independence specified under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and template of same is disclosed on website of the Company viz. www.fiemindustries.com.

- a. As at March 31, 2020 the Company's Board comprises of 13 Directors. Out of which, 7 are Independent Non-

Executive Directors, which constitute more than 50% of the Board, in compliance with the Listing Regulations. Out of 7 Independent Directors, Ms. Shobha Khatri is Woman Independent Director appointed w.e.f. January 1, 2020. Mr. J.K. Jain is Chairman & Managing Director and 5 others are Whole-time Directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven (7) listed companies.

- b. The Committees of Board of Directors forms the next level of governing bodies and complement the governing system of Company. In compliance with applicable provisions, Committees constituted to oversee specific areas of their domain and as per terms of reference. Overall direction and strategy, policy formulation, setting up of objectives, evaluation of performance and control functions vest with the Board. The Committees have specific area assigned to them by the Board through terms of reference. The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. In urgent cases, approval of the Board sought through resolution by circulation. This ensures timely and informed decisions by the Board.
- c. The Board Committees play an important role in the overall management and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform duties as entrusted by the Board through terms of reference. The Minutes of the Committee Meetings are placed before the Board for noting.

Presently, the Board has constituted 4 Committees, namely–

- Audit Committee,
- Nomination & Remuneration Committee,
- Stakeholders' Relationship Committee and
- Corporate Social Responsibility (CSR) Committee.

The Board is authorized to constitute additional functional committee, depending on business needs. Company Secretary of the Company act as the Secretary to all the Committees of the Board constituted and functioning under the Companies Act, 2013 and the Listing Regulations. The Management works under direction of the Board. Overall operations and functioning of the Company are managed by Chairman & Managing Director with five (5) Whole-time Directors and a core group of senior level executives.



d. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year under review and at last Annual General Meeting, the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2020 are given herein below:

Sr. No.	Name of the Director	Designation	Category	Attendance at board meetings during the year 2019-20	Whether attended last AGM held on September 21, 2019	Number of directorship in other Boards/Committees		Directorship in other Listed entities' Board		Shareholding in Fiem Industries Limited (No. of Shares as on 31.03.2020)
						Number of other Boards in which Director is a Member or Chairman*	Number of other Public Company's Board Committees in which Director is a Member or Chairman**	Name of other Listed entities in which Director have Directorship	Category of Directorship	
1.	Mr. J. K. Jain	Chairman & Managing Director	PED	6/6	Yes	NIL	NIL	NIL	NA	3129367
2.	Mrs. Seema Jain	Whole-time Director	PED	6/6	Yes	NIL	NIL	NIL	NA	3010000
3.	Mr. J.S.S. Rao #	Whole-time Director	NPED	3/4	No	NIL	NIL	NIL	NA	12
4.	Mr. K. R. Yadav	Whole-time Director	NPED	6/6	Yes	NIL	NIL	NIL	NA	338
5.	Ms. Aanchal Jain	Whole-time Director	PED	5/6	Yes	NIL	NIL	NIL	NA	898184
6.	Mr. Rahul Jain	Whole-time Director	PED	6/6	Yes	NIL	NIL	NIL	NA	1625668
7.	Mr. Iqbal Singh	Independent Director	ID	6/6	Yes	NIL	NIL	NIL	NA	20014
8.	Mr. Vinod K. Malhotra	Independent Director	ID	6/6	Yes	NIL	NIL	NIL	NA	NIL
9.	Mr. Subodh Kumar Jain	Independent Director	ID	6/6	Yes	NIL	NIL	NIL	NA	NIL
10.	Mr. Mohan Bir Sahni	Independent Director	ID	6/6	No	1 [^]	NIL	NIL	NA	NIL
11.	Mr. Ashok Kumar Sharma	Independent Director	ID	6/6	Yes	NIL	NIL	NIL	NA	NIL
12.	Mr. Jawahar Thakur	Independent Director	ID	6/6	Yes	NIL	NIL	NIL	NA	NIL
13.	Ms. Shobha Khatri #	Independent Director	ID	2/2	NA	NIL	NIL	NIL	NA	NIL
14.	Mr. Rajesh Sharma #	Whole-time Director	NPED	1/2	NA	NIL	NIL	NIL	NA	NIL

PED (Promoter Executive Director), NPED (Non Promoter Executive Director), ID (Independent Director)

* Excludes directorship held in Private Companies, Section 8 Companies and Foreign Companies.

** As required under Regulation 26(1) of the Listing Regulations, the disclosure includes membership / chairpersonship of the audit committee and stakeholders' relationship committee in Indian public companies (listed and unlisted).

[^] Mr. M.B. Sahni is the Board Member of Elofic Industries Limited.

Mr. J.S.S. Rao resigned from the Directorship of the Company w.e.f. 31.12.2019.

Ms. Shobha Khatri and Mr. Rajesh Sharma were appointed w.e.f. 01.01.2020 as Independent Director and Whole-time Directors, respectively.

- e. None of the Directors on the Board hold directorships in more than ten (10) public companies. Further, none of them is a member of more than ten (10) committees or chairman of more than five (5) committees across all the public companies in which he is a Director.
- f. Independent Directors are Non-Executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("the Act"). The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act.
- g. The members of the Board have made the required disclosures to the Board regarding their direct or indirect concerns or interests in any contract or transaction with the Company.
- h. Six (6) Board Meetings were held during the financial year under review and the gap between two consecutive meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

May 14, 2019, August 14, 2019, November 14, 2019, December 26, 2019, February 13, 2020 and March 11, 2020.

The necessary quorum was present at all the meetings. All material information were circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations.

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/division. The Chief Financial Officer and Company Secretary attend all the Board Meetings and assist and advises the Board on compliances with applicable laws and governance.

The Company has proper systems to enable the Board to review on a quarterly basis compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

- i. During the financial year under review one separate meeting of Independent Directors was also held on February 13, 2020 without the attendance of Non-Independent Directors and members of the Management. All Independent Directors attended the said meeting. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole.

- j. **Inter-se relation among Directors:** Mr. J.K. Jain, Chairman & Managing Director is husband of Mrs. Seema Jain and father of Mr. Rahul Jain and Ms. Aanchal Jain, Whole-time Directors of the Company. Hence all four are related to each other. Further, these all are promoters of the Company. Except these, none of other directors are related to each other.

- k. The Company has not issued any convertible instruments.

- l. The details of the familiarization programme of the Independent Directors are available on the website of the Company (www.fieminindustries.com). At the time of appointing an Independent Director, a formal letter of appointment is given to him, which inter-alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also briefed about his duties and compliance, disclosure requirement as well as Codes of Conduct he has to observe under the Companies Act, 2013, Listing Regulations, PIT Regulations and other various statutes. The Chairman & Managing Director also meet one-to-one with the newly appointed Director to familiarize him with the Company's operations. Periodic plant visits also facilitated to give them first hand experience of manufacturing. 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 and its subsidiaries/associates businesses 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.

m. Matrix of Core Skills/Expertise/ Competencies of the Board.

The Board of Directors has identified following matrix of core Skills/Expertise/ Competencies for itself, as required in the context of business of the Company and automotive sector, to function affectively:

- (i) Strategic, Futuristic and Growth oriented approach.
- (ii) Domain Knowledge of Automotive Components business, especially Automotive lighting.
- (iii) Indian and global Automobile Business matrix, especially OEMs.
- (iv) Operational, Finance, Marketing and Business Development competencies.

Current Board of the Company is competent enough and possesses above core Skills/Expertise/ Competencies to function effectively and running the Company successfully. Though, all the Board members possess above Skills / Expertise / Competencies. However, some members are



having more depth in some domain areas as under:

Skills/Expertise/ Competencies	Name of Directors
Strategic, Futuristic and Growth oriented approach	All Directors
Automotive Components business, especially Automotive lighting	Mr. J.K. Jain, Mr. Rahul Jain, Mrs. Seema Jain, Ms. Aanchal Jain, Mr. K.R. Yadav, Mr. Rajesh Sharma Mr. M.B. Sahni, Mr. Iqbal Singh.
Indian and global Automobile Business matrix, especially OEMs.	Mr. J.K. Jain, Mr. Rahul Jain, Mrs. Seema Jain, Ms. Aanchal Jain, Mr. K.R. Yadav, Mr. Rajesh Sharma Mr. M.B. Sahni, Mr. Iqbal Singh.
Operational skills and competencies	Mr. J.K. Jain, Mr. Rahul Jain, Mr. K.R. Yadav, Ms. Aanchal Jain, Mr. M.B. Sahni, Mr. Iqbal Singh. Ms. Shobha Khatri
Finance, Marketing and Business Development	Mr. J.K. Jain, Mr. Rahul Jain, Mrs. Seema Jain, Mr. Rajesh Sharma, Mr. M.B. Sahni, Mr. Iqbal Singh, Mr. S.K. Jain, Mr. A.K. Sharma, Mr. Jawahar Thakur, Mr. V.K. Malhotra, Ms. Shobha Khatri.

- n. It is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and they are independent of the management.
- o. As no Independent Director has resigned from the Company during the year, hence requirement of giving detailed reasons for the resignation of an independent director along with a confirmation by such director that there are no other material reasons other than those provided, does not apply.
- p. The Company has received a certificate from Mrs. Ranjana Gupta, Practicing Company Secretary to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report.
- a) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval,
- e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- g) approval or any subsequent modification of transactions of the listed entity with related parties;
- h) scrutiny of inter-corporate loans and investments;
- i) To discuss guidelines and policies to govern risk assessment and risk management;
- j) evaluation of internal financial controls and risk management systems;
- k) To discuss the Company's major risk exposures and the steps Company's management has taken to monitor and control such exposures;
- l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) 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;

3. AUDIT COMMITTEE

The role, powers and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, as applicable, besides other terms as referred by the Board of Directors. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013 and the SEBI Listing Regulations.

3.1 Brief Description of Terms of Reference

The terms of reference of the Audit Committee are in compliance with the Companies Act, 2013 and the SEBI Listing Regulations, as amended. Further risk management is also under the scope of the Committee.

The brief terms of reference of the Committee are as under:

- n) discussion with internal auditors of any significant findings and follow up there on;
- o) 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;
- p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) to look into the reasons for substantial defaults in the payment to shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) Review the management discussion and analysis of financial condition and results of operations;
- t) Review the statement of significant related party transactions (as defined by the audit committee), submitted by management;
- u) Review the management letters / letters of internal control weaknesses issued by the statutory auditors;
- v) Review the internal audit reports relating to internal control weaknesses;
- w) Review of valuation of undertakings or assets of the Company, wherever it is necessary;
- x) Statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Listing Regulation 32(7).
- y) reviewing the utilization of loans and/ or advances by the holding company to the subsidiaries and investment by the holding company in subsidiaries, exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including loans / advances / investments existing on the effective date of SEBI (LODR) (Amendment) Regulation, 2018 (amendment effective from 1st April, 2019).

3.2 Composition of Committee

The Audit Committee comprises of Three (3) members. All of them are Independent Directors. Mr. S.K. Jain is the Member Chairman and Mr. V.K. Malhotra and Mr. Iqbal Singh are the Members of the Committee.

The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer is permanent invitee to the Meetings of the Audit Committee. The Internal Auditor, the concerned partner/ representatives of Statutory Auditors and Cost Auditors are also invited to the meetings of the Audit Committee.

3.3 Meetings and Attendance

During the year, the Audit Committee met five (5) times on May 14, 2019, August 14, 2019, November 14, 2019, February 13, 2020 and March 11, 2020 and all members of the Committee attended the aforesaid meetings. The maximum gap between any two consecutive meetings was less than one hundred and twenty days.

The Chairman of the Audit Committee attended the last Annual General Meeting held on September 21, 2019, to answer the queries of shareholders at Annual General Meeting.

The status of attendance of Members in the Committee meeting held during the financial year are as follows:

S.N.	Name of Members	Position in Committee	Attendance at Committee meetings during the financial year 2019-20
1	Mr. S.K. Jain	Chairman	5/5
2	Mr. V.K. Malhotra	Member	5/5
3	Mr. Iqbal Singh	Member	5/5

4. NOMINATION & REMUNERATION COMMITTEE

The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, besides other terms as referred by the Board of Directors. The terms of reference are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, as amended.

4.1 Brief Description of Terms of Reference

- a) 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;
- b) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) devising a policy on diversity of board of directors;
- d) 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.
- e) 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.
- f) Recommend to the board, all remuneration, in whatever form, payable to senior management.



4.2 Composition of Committee

The Nomination & Remuneration Committee comprises of Three (3) members. All of them are Independent Directors. Mr. S.K. Jain is the Member Chairman and Mr. V.K. Malhotra and Mr. Iqbal Singh are the Members of the Committee. The Company Secretary is the Secretary of the Committee.

4.3 Meetings and Attendance

During the year, the Nomination & Remuneration Committee met four (4) times on May 14, 2019, August 14, 2019, December 26, 2019 and February 13, 2020. The necessary quorum was present at all the meetings.

The Chairman of the Nomination & Remuneration Committee attended the last Annual General Meeting held on September 21, 2019, to answer the queries of shareholders at Annual General Meeting.

The status of attendance of Members in the Committee meeting held during the financial year are as follows:

S.N.	Name of Members	Position in Committee	Attendance at Committee meetings during the financial year 2019-20
1	Mr. S.K. Jain	Chairman	4/4
2	Mr. V.K. Malhotra	Member	4/4
3	Mr. Iqbal Singh	Member	4/4

4.4 Performance Evaluation Criteria for Independent Directors:

In terms of the provisions of the Companies Act, 2013 and Listing Regulations, Company has laid down criteria for performance evaluation of Directors, Chairman of Board, Board Committees and Board as a whole and also the evaluation of Independent Directors.

Performance Evaluation for Board is aimed to use constructively as a mechanism to improve Board's effectiveness, maximize strengths and tackle weaknesses. It involves questionnaires to be filled by every Director about his own performance (self-assessment), performance of Board as whole, performance of Chairman and performance of respective Committee(s) where he is a member.

Provision of Section 178 provides that the Nomination and Remuneration Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out, either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation

and compliance. Though the above amendment permit that the evaluation of performance of Board, its committees and individual directors may be carried out by any one of the Board or by the Nomination and Remuneration Committee or by an independent external agency, still Company had designed the evaluation process to comply other applicable provisions of Schedule-IV of Companies Act and provisions of Listing Regulations as well, hence the existing framework of evaluation is continued which involves following method.

Initially, Nomination & Remuneration Committee carry out the primary evaluation of every Director's performance which is subject to next level of evaluation by the Board and Independent Directors. As per Section 178(2) of the Act, the Committee conduct the performance evaluation of every Individual Director. As per Performance Evaluation framework of the Company, the evaluation process consists of evaluation on the basis of filled questionnaires' received from all directors and opinions, inputs from all Committee members and any other information as may be required by the Committee.

The outcome of Committee in respect of Independent Directors is subject to final evaluation by the Board. Outcome of Committee in respect of Non-Independent Directors is subject to final evaluation by the Independent Directors. Performance evaluation of Board as a whole as well as Chairman of the Board is also conducted by the Independent Directors.

5. REMUNERATION POLICY

The Remuneration Policy as mandated under Section 178 of the Act has been formulated by the Company and the same has been enclosed with Directors' Report forming part of this Annual Report.

- 5.1 There are no pecuniary relationships or transactions between Non-Executive Directors vis-a-vis the Company except payment of sitting fees and travelling expenses, if any, incurred for attending the Meetings.
- 5.2 The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors or separate meeting of Independent Directors attended by them. No other remuneration is paid to the Non-Executive Directors.
- 5.3 The Company pays remuneration to Managing Director and to Whole-time Directors by way of salary, benefits, perquisites and allowances. Annual increments are decided by the Nomination & Remuneration Committee for the executive directors and are generally effective from the month of April of each year.

Details of Remuneration to all Directors

(a) Remuneration of Chairman & Managing Director and Whole-time Directors:

(Amount Rs in Lakhs)

SN	Particulars of Remuneration	Name of CMD / WTD							Total Amount
		Mr. J. K. Jain	Mrs. Seema Jain	Mr. J.S.S. Rao	Mr. K. R. Yadav	Mr. Rajesh Sharma	Ms. Aanchal Jain	Mr. Rahul Jain	
		(CMD)	(WTD)	(WTD)	(WTD)	(WTD)	(WTD)	(WTD)	
1	Gross Salary								
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	123.00	66.00	81.00	102.00	32.25	54.00	66.00	524.25
	b. Value of perquisites u/s 17(2) of Income tax Act, 1961	1.80	-	-	-	-	-	-	1.80
	c. Profit in lieu of Salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-	-	-	-	-
2	Commission	-	-	-	-	-	-	-	-
	• As % of profit	-	-	-	-	-	-	-	-
	• Other, specify	-	-	-	-	-	-	-	-
3	Others (Company Contribution towards PF, Medical Reimbursement)	-	-	-	1.45	-	-	-	1.45
	Total (1+2+3)	124.80	66.00	81.00	103.45	32.25	54.00	66.00	527.50

(b) Remuneration to other Directors (all Non-executive Directors are Independent Directors):

SN	Particulars of Remuneration Independent Director	Name of Directors							Total Amount
		Mr. Iqbal Singh	Mr. Vinod K. Malhotra	Mr. Subodh Kumar Jain	Mr. Mohan Bir Sahni	Mr. A.K. Sharma	Mr. Jawahar Thakur	Ms. Sobha Khatri	
1	Independent Directors								
	Fee for attending Board/ Committee meetings	4.40	4.70	4.40	3.50	3.50	3.50	1.50	25.50
	Stock Option	-	-	-	-	-	-	-	-
	Sweat Equity	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	• As % of profit	-	-	-	-	-	-	-	-
	• Other, specify	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Total (1)	4.40	4.70	4.40	3.50	3.50	3.50	1.50	25.50

Notes:

- The Company does not have any Stock Option Scheme or performance-linked incentives for the Directors.
- The Nomination & Remuneration Committee considers and recommends the remuneration on appointment/re-appointment of Directors or any change in remuneration during the currency of tenure as per Remuneration Policy of the Company. The appointment and remuneration of all the Whole-time Directors and Managing Director are approved at the Board Meeting subject to approval of Members in the General Meeting. There are no provisions for notice period, service contract and severance fees for the Directors.
- Mr. Kashi Ram Yadav was elevated to the Board w.e.f. October 25, 2008. Prior to that he was working with the Company as regular employee of the Company. The above remuneration of Rs. 103.45 lacs for Financial Year 2019-20 includes Rs 13,824 as Bonus and Rs 1,31,040 as employer's contribution towards Provident Fund. Except Mr. Kashi Ram Yadav, none of the other Directors are receiving these benefits.
- The above remuneration of Whole-time Directors does not include provisions for leave encashment and gratuity as the same is provided on actuarial basis for the Company as a whole. The amount pertaining to directors is not separately ascertainable and therefore not included above. Mr. J.S.S Rao resigned from Directorship of the company and he held the office upto 31.12.2019. On his resignation, he was also paid Rs. 30.75 Lacs as retirement benefits.
- The Company did not pay any amount to Directors by way of Commission as a percentage of profits.



6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees, inter-alia, redressal of shareholder and investor grievances, transfer / transmission of shares, issue of duplicate shares, recording re-materialization/ dematerialization of shares and related matters. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

In addition, the Committee also look into matters that can facilitate better investor services and relations. The Board was kept apprised of all the major developments on investors' issues throughout the year.

The brief terms of reference / role of the committee inter-alia include the following:

- a) Resolving the grievances of the security holders of the listed entity 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.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being

rendered by the Registrar & Share Transfer Agent.

- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- 6.1 The Committee comprises of Mr. V. K. Malhotra, Independent Director, as the Member Chairman of the Committee and Mr. Rahul Jain and Mr. Kashi Ram Yadav, Whole-time Directors are the Members of the Committee.
- 6.2 The Committee had only one meeting during the year on May 14, 2019. All members attended the meeting.
- 6.3 Name and designation of Compliance Officer: Mr. Arvind K. Chauhan, Company Secretary.
- 6.4 With reference to Regulation 46 of the Listing Regulations, Company has designated an exclusive e-mail ID as investor@fiemindustries.com for investors to register their grievances, if any. This has been initiated by the Company to resolve such investors' grievances, immediately. The Company has displayed the said e-mail ID on its website for the use of investors.
- 6.5 The Status and details of the Shareholder's complaint received during the Financial Year 2019-20 is as follows:

Particulars / Details	Opening Complaints	No. of Complaints received	No. of Complaint resolved	No. of Complaint not solved to the satisfaction of Shareholders	Pending Complaints
Received directly from shareholders	NIL	20	17	NIL	03*
Received through BSE	NIL	NIL	NIL	NIL	NIL
Received through NSE	NIL	NIL	NIL	NIL	NIL
Received through SEBI	NIL	NIL	NIL	NIL	NIL
Total	NIL	20	17	NIL	3

Note: * The pending complaints as on 31.03.2020 has since been resolved.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

7.1 The Committee oversees planning, implementation and operational aspects of Corporate Social Responsibility programs of the Company. This Committee also discharges the role under section 135 of the Companies Act, 2013, which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Companies Act, 2013, recommending the amount of expenditure to be incurred; and monitoring the CSR programme and activities of the Company.

- 7.2 The CSR Committee comprises of Mr. Rahul Jain, Whole-time Director as Member Chairman, Mr. Kashi Ram Yadav, Whole-time Director and Mr. V. K. Malhotra, Independent Director as members. The Company Secretary act as the Secretary to the Committee.
- 7.3 The Committee met two (2) times during the year on May 14, 2019 and February 13, 2020. All the members attended the aforesaid meetings.

8. GENERAL BODY MEETINGS

8.1 Details of the last three Annual General Meetings of FIEM are as follows:

Year	Date and Time	Venue	Details of Special Resolutions passed
2018-19	21.09.2019 at 10.00 am	Mithas Motel & Resorts, 92/16, G.T. Karnal Road, Alipur, New Delhi-110036	Special Resolutions passed for re- appointment of following Independent Directors for their 2nd term of five (5) years: <ul style="list-style-type: none">• Mr. Iqbal Singh (DIN: 00014256)• Mr. Vinod Kumar Malhotra (DIN: 03544095)• Mr. Subodh Kumar Jain (DIN: 00165755)• Mr. Mohan Bir Sahni (DIN: 00906251)• Mr. Ashok Kumar Sharma (DIN: 07610447)• Mr. Jawahar Thakur (DIN: 07650035)
2017-18	17.09.2018 at 10.00 am	Mithas Motel & Resorts, 92/16, G.T. Karnal Road, Alipur, New Delhi-110036	None
2016-17	21.08.2017 at 10.00 am	Mithas Motel & Resorts, 92/16, G.T. Karnal Road, Alipur, New Delhi-110036	None

* No "Extra Ordinary General Meeting" was held during the last three years

8.2 Details of special resolution passed in the previous three Annual General Meetings:

As detailed above total 6 Special Resolutions were passed at the previous AGM held on 21.09.2019. No Special Resolution passed at AGM held on 17.09.2018 and 21.08.2017,

8.3 Details of special resolution passed through postal ballot during last year, the persons who conducted the postal ballot exercise and details of the voting pattern.

During last financial year, no resolution passed through Postal Ballot.

8.4 Details of special resolution proposed to be conducted through postal ballot and procedure for postal ballot:

The Company do not propose to pass any resolution through postal ballot at the ensuing Annual General Meeting of the Company. Hence, details for providing procedure for postal ballot not required. As and when company conduct the postal ballot, the Notice of Postal Ballot provides a detailed procedure thereof.

9. MEANS OF COMMUNICATION

The Company provide adequate and timely information to its members inter-alia through the following means:

Quarterly Results are communicated through publishing in newspaper advertisement in prominent national and regional dailies like the Financial Express (English-National) and Jansatta (Hindi- Delhi). The financial results are also hosted on the Company's website (www.fiemindustries.com) in addition to submission to stock exchanges.

During the year, Company has not released any official press release, except release of results as mentioned above.

Presentations made to the institutional investors and analysts are also hosted on the Company's website (www.fiemindustries.com) in addition to submission to the stock exchanges.

The disclosures and announcements filed by the Company under from time to time to stock exchanges are also uploaded on the website of Company, if that is required pursuant to Listing Regulations.



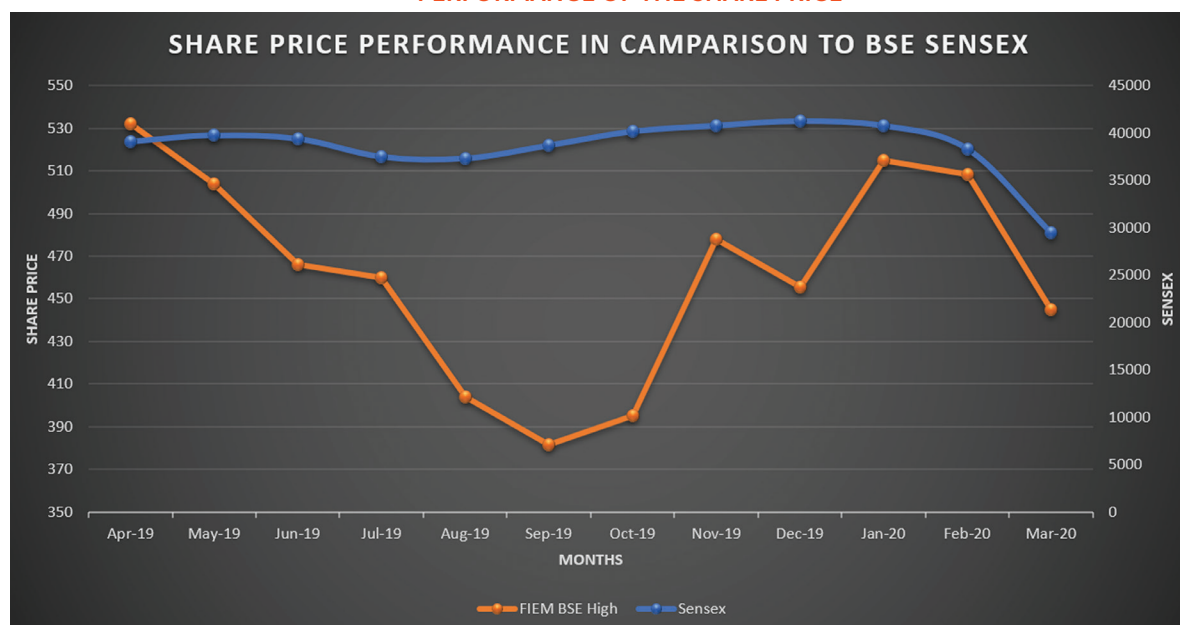
10. GENERAL SHAREHOLDER INFORMATION

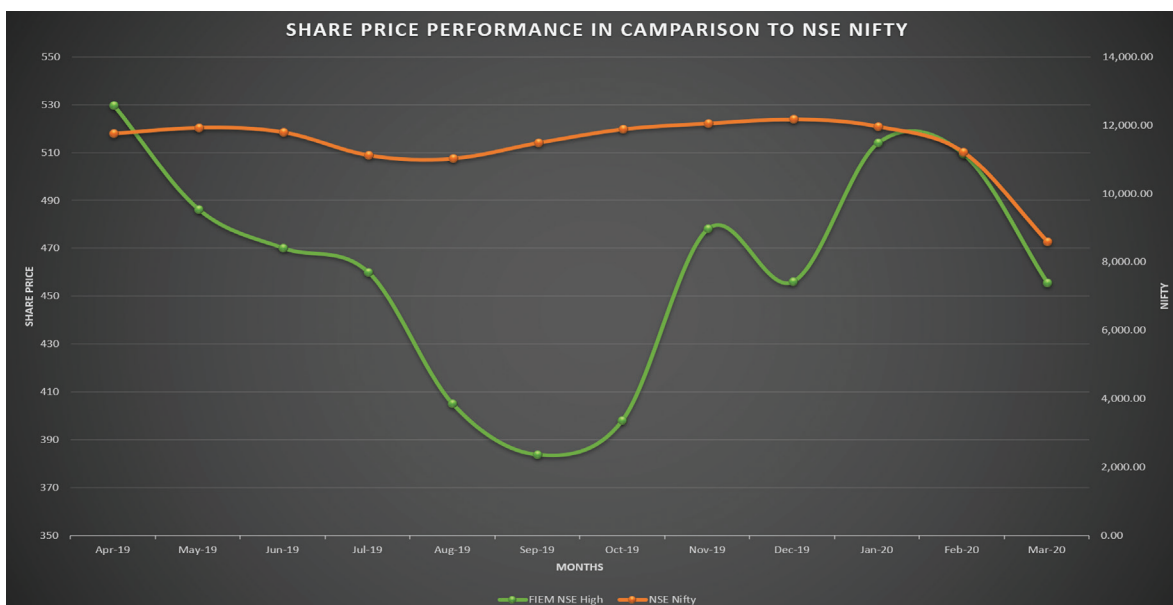
a) Annual General Meeting for financial year 2019-20	Monday, September 21, 2020
	Time: 10.00 AM
Venue:	Meeting will be held through Video Conference ('VC') / Other Audio Visual Means ('OVAM')
b) Financial Year	April to March
c) Date of Book Closure	September 15, 2020 to September 21, 2020 (Both days inclusive)
d) Dividend Payment Date	The dividend, if declared, shall be paid/ credited on or before October 15, 2020.
e) Stock Exchanges Names and Address, where securities of the Company are listed	B S E Ltd. P.J. Towers, Dalal Street, Fort, Mumbai - 400001 National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Mumbai -400051
f) Stock Codes	The Stock Codes are 532768 (BSE) and FIEMIND (NSE) Listing Fee as applicable for financial year 2019-20 has been paid to both Stock Exchanges.
g) Market Price Data	High, Low in comparison to Sensex during each month in the financial year 2019-20 on NSE and BSE

Month	NSE		BSE		Sensex	NIFTY
	High Price	Low Price	High Price	Low Price	Closing	Closing
Apr-19	529.75	477.10	532.20	468.95	39031.55	11748.15
May-19	486.15	404.55	504.00	407.60	39714.20	11922.80
Jun-19	470.00	422.15	466.10	422.05	39394.64	11788.85
Jul-19	460.00	360.00	460.00	352.00	37481.12	11118.00
Aug-19	405.00	361.55	404.00	362.00	37332.79	11023.25
Sep-19	383.85	314.00	381.75	313.10	38667.33	11474.45
Oct-19	397.95	328.25	395.25	323.00	40129.05	11877.45
Nov-19	478.10	345.50	478.00	346.60	40793.81	12056.05
Dec-19	455.95	400.00	455.50	401.70	41253.74	12168.45
Jan-20	514.00	395.40	515.00	418.00	40723.49	11962.10
Feb-20	509.35	422.15	508.30	422.00	38297.29	11201.75
Mar-20	455.60	203.30	445.00	230.20	29468.49	8597.75

h) Performance of the share price of the Company in comparison to the BSE Sensex:

PERFORMANCE OF THE SHARE PRICE





i) The securities of the Company are never suspended for trading.

j) Share Transfer Agent M/s. Link Intime India Pvt. Ltd.

Noble Heights, 1st Floor, Plot NH 2,
C-1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi-110058
Ph: 011-41410592/93/94
Fax No: 011-41410591

k) Share Transfer System

Application for Transfer of Shares held in Physical form is received at the office of RTA. All valid transfers are processed within 15 days from the date of lodgment. The Company Secretary, under the authority of the Board approves transfers which are noted at subsequent Stakeholders' Relationship Committee and Board Meetings.

l) Distribution of shareholding as on March 31, 2020:

Category code	Category of shareholder	Number of share holders	Total number of shares	As a % of Total Capital
(I)	(II)	(III)	(IV)	(V)
(A)	Shareholding of Promoter Group	6	8759157	66.56%
(B)	Public Shareholding			
1	Institutions			
(a)	Mutual Funds	1	316102	2.40%
(b)	Foreign Portfolio Investors	3	1230297	9.35%
(c)	Financial Institutions / Banks	1	3964	0.03%
(d)	Alternate Investment Fund	0	0	0.00%
	Insurance Companies	0	0	0.00%
	Central/State Government(s)	0	0	0.00%
2	Non-Institutions			
(a)	Individuals	14192	1750004	13.30%
(b)	NBFCs registered with RBI	0	0	0.00%
(c)	Any Other (specify)–			
	i. Hindu Undivided Family	451	100246	0.76%
	ii. Foreign Corporate Bodies	1	104051	0.79%
	iii. Non-Resident Indians	514	338716	2.57%
	iv. Clearing Members	33	8165	0.06%
	v. Bodies Corporate	154	548982	4.17%
	vi. IEPF	1	146	0.00%
	Total Public Shareholding			
	TOTAL (A)+(B)	15357	13159830	100%



m) Distribution by Size:

DISTRIBUTION OF SHAREHOLDING (SHARES)

Sr. No.	Shares Range			Number of Shareholders	% of Total Shareholders	Total shares for the range	% of Issued Capital
1	1	to	500	15288	96.109	1011191	7.684
2	501	to	1000	336	2.112	251371	1.910
3	1001	to	2000	138	0.868	198625	1.509
4	2001	to	3000	51	0.321	126656	0.962
5	3001	to	4000	21	0.132	72928	0.554
6	4001	to	5000	15	0.094	65604	0.499
7	5001	to	10000	28	0.176	189101	1.437
8	10001	and	above	30	0.189	11244354	85.445
Total (Not consolidated on PAN basis)				15907	100	13159830	100

n) Dematerialization of shares and Liquidity status as on March 31, 2020

Sr. No.	Demat / Physical	No. of Shares	Free to Trade / lock-in	%age of Total shares
1	NSDL	3528346	Free to trade	26.81
2	CDSL	9527031	Free to trade	72.40
3	Physical	104453	Free to trade	0.79
Total		13159830		100

o) Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/ Warrants or any Convertible Instruments till date.

p) Address for Correspondence:

Registered Office Address:

D-34, DSIDC Packaging Complex, Kirti Nagar
New Delhi - 110015, India

Tel: +91-11-25927820, 25927919

Fax: +91-11-25927740

Email: investor@fiemindustries.com

Website: www.fiemindustries.com

CIN: L36999DL1989PLC034928

q) Address of compliance officer & corporate office

Company Secretary
Plot No. 1915, Rai Industrial Estate,
Phase-V, Distt. Sonapat, Haryana, 131029, India

Tel: +91-130-2367905 to 10

Fax: +91-130-2367903

Email: investor@fiemindustries.com

Website: www.fiemindustries.com

r) The Company has not obtained any credit rating for any debt instrument or fixed deposit scheme.

11. OTHER DISCLOSURES:

11.1 Disclosure on materially significant related party transactions that may have potential conflict with the

interest of the Company at large:

There were no materially significant related party transactions during the financial year 2019-20 which may have conflict with the interest of the Company. Applicable disclosures have been made in notes to financial statements regarding all related party transactions.

11.2 Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no instance of non-compliance by the Company for any matter related to capital markets during the last three years.

11.3 Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has implemented the Whistle Blower Policy and established the necessary vigil mechanism as defined under Regulation 22 of the Listing Regulations pursuant to which Whistle Blowers can raise concerns relating to Reportable Matters (defined in the Policy). This includes the mechanism adopted by the Company to encourage the Whistle Blower to report genuine concerns or grievances and provides for adequate safeguard against victimization and also provides for access to the Chairman of the Audit Committee.

It is affirmed that no person has been denied access to Audit Committee.

The details of Whistle Blower Policy are available on the website of the Company (www.fiemindustries.com).

11.4 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company has complied with all applicable mandatory requirements prescribed under the Listing Regulations.

11.5 Web link where policy on for determining 'material' subsidiary & dealing with related party transactions is disclosed:

The Web link is: http://www.fiemindustries.com/Subsi%20&%20RPT%20Policy%20-%20LODR_web.pdf

11.6 Disclosure of foreign exchange risk & hedging activities and commodity price risk & commodity hedging activities:

The major turnover of the Company come from Auto components supply to Original Equipment Manufacturers (OEMs) in India for which, the Company has suitable arrangements with OEMs for commodity price variations. For other sales, Company suitably adjust the prices as per commodity prices movement. Regarding import of raw material and components, this is scattered throughout the year, so risk on foreign exchange movement remains there, though sometimes it is favorable and sometimes it is adverse. However, considering overall hedging cost and scattered timing of import and payments for these raw material and components, company don't go for hedging of these payments. Further, import and export is not much in comparison to the size of its operations and turnover. Further, Company takes external commercial borrowings, or foreign currency loans which are fully hedged against risk of foreign exchange rate movement.

The Company does not have any exposure hedged through commodity derivatives. Therefore, details in prescribed format as per SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 in compliance of Regulation 34(3) read with clause 9(n) of Part C of Schedule V of Listing Regulations, are not applicable.

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

There is no such fund with the Company during Financial Year 2019-20.

11.8 Recommendation of Committee(s) of the Board.

The Board has accepted all the mandatory recommendations of all the Committee(s), wherever applicable.

11.9 The details of total fees for all services paid by the listed entity (Company) and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is as under:

Company's Auditors are M/s. V. Sachdeva & Associates, Chartered Accountants. He is a standalone firm and not a part of any network firm/network entity. Further,

he has not taken any fee from any subsidiary of the Company. Details of total fee for all services paid to Company's Auditors by the listed entity / Company is provided in notes to the financial statements.

11.10 The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

Sr.	Particulars	Nos.
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 at the end of financial year	Nil

12. The Company has complied with all requirements of corporate governance report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of the Listing Regulations.

13. The Company has duly adopted the following discretionary requirements as prescribed in Part E of Schedule II of the SEBI Listing Regulations:

- Unmodified opinion(s) in audit report: Company endeavored to move towards a regime of financial statements with unmodified audit opinion.
- Reporting of Internal Auditors: The Internal Auditor also reports to the Audit Committee while submitting internal audit report.

14. Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed by Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent as applicable.

15. The members of the senior management have made disclosure to the Board relating to all material financial and other transactions, if any, stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

16. The Company has adopted the Indian Accounting Standards (Ind AS).

17. The Chairman & Managing Director and Chief Financial Officer of the Company have certified about financial statements, internal control and accounting policies etc. for Financial Year 2019-20 to the Board under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

18. The Management Discussion & Analysis Report form part of Annual Report.

19. Code of Conduct

The Declaration/Confirmation from the Chairman & Managing Director regarding compliance with the Code of Conduct by all the Directors and Senior Management Personnel for F.Y. 2019-20, forms part of this Report. The Code of Conduct is available on the website of the Company (www.fiemindustries.com).



20. Code of Conduct for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, following Codes has been approved and adopted by the Company:

1. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons & their Immediate Relatives' (Code of Conduct-PIT),
2. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code of Fair Disclosure and Conduct).

21. Brief profile of the Directors retiring by rotation and eligible for re-appointment is attached to the Notice convening Annual General Meeting.

22. Disclosure about unpaid dividend transferred to Investor Education and Protection Fund

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate the transfer of shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, the dividend for the year mentioned as follows will be transferred to IEPF on respective dates, if the dividend remains unclaimed for seven years, and the corresponding shares will also be transferred to IEPF if dividend is unclaimed for seven consecutive years:

Year	Type of Dividend	Dividend per share	Date of Declaration	Tentative due date of transfer to IEPF
2012-13	Final	4	September 23, 2013	November 22, 2020
2013-14	Final	6	September 29, 2014	December 4, 2021
2014-15	Final	7	September 25, 2015	November 29, 2022
2015-16	Interim	5	March 12, 2016	May 17, 2023
2015-16	Final	3	September 20, 2016	November 25, 2023
2016-17	Final	8	August 21, 2017	October 26, 2024
2017-18	Final	9	September 17, 2018	November 22, 2025
2018-19	Interim	8	March 18, 2019	May 22, 2026
2018-19	Final	4	September 21, 2019	November 26, 2026
2019-20	Interim	10	March 11, 2020	May 15, 2027

The Company sends periodic intimation to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividends. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any can be claimed back from IEPF following the procedure prescribed in the Rules. All unclaimed/unpaid Dividend for the Financial Years from 2006-07 to 2011-12 have been transferred to the IEPF established by the Central Government. No claim lies with the Company for the funds transferred to Investor Education and Protection Fund.

23. Disclosure under Regulation 39 read with Schedule VI of the Listing Regulations

As per Regulation 39 read with Schedule VI of the Listing Regulations, the Information and Disclosure for securities issued pursuant to the public issue or any other issue, physical or otherwise, which remain unclaimed and/or are lying in the demat suspense account / unclaimed suspense account, are as under:

It is hereby informed that no Share of the Company was left unclaimed in Escrow Account, therefore, requirement of opening a Demat Suspense Account / Unclaimed Suspense Account and applicable related disclosures and manner of dealing to such shares etc. as mandated under Schedule VI of the Listing Regulations are not applicable on the Company.

24. Plant Locations:

Unit I	32 Mile Stone, G. T. Road, Kundli, Distt. Sonapat, Haryana
Unit II	219/2B, Thally Road, Kallukondapalli, Hosur, Tamil Nadu
Unit III	Kelamngalam, Achittapalli Post, Hosur, Tamil Nadu
Unit IV	133, KIADB Industrial Area, Kadakola Post, Mysore 571311, Karnataka
Unit V	Kelamangalam, Achittapalli Post, Hosur, Tamil Nadu
Unit VI	Village Bhatian, Tehsil -Nalagarh, Himachal Pradesh
Unit VII	Plot No. 1915, Rai Industrial Estate, Phase -V, Distt. Sonapat, Haryana.
Unit VIII	Plot No. SP1-C, Industrial Area Tapukara, Distt. Alwar, Rajasthan.
Unit IX	Survey No. 151-153, Village Karsanpura, Taluka-Mandal, Distt. Ahmedabad, Gujarat

Certificate of Compliance of Conditions of Corporate Governance

[Pursuant to Regulation 34(3) read with Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Fiem Industries Limited
(CIN: L36999DL1989PLC034928)
D-34 DSIDC Packaging Complex,
Kirti Nagar, New Delhi-110015

We have examined the compliance of conditions of Corporate Governance by Fiem Industries Limited ('the Company') for the year ended on March 31, 2020, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of the Listing Regulations.

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

For **Ranjana Gupta & Associates**
Company Secretaries

Date: 29th June, 2020
Place: New Delhi
UDIN: F008613B000392920

Sd/-
Ranjana Gupta
Prop.
FCS No.: 8613
CP No.: 9920



Certificate of Non-Disqualification of Directors

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

To,
 The Members
 Fiem Industries Limited
 (CIN: L36999DL1989PLC034928)
 D-34 DSIDC Packaging Complex,
 Kirti Nagar, New Delhi-110015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Fiem Industries Limited (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Date of First Appointment in Company
1	Jagjeevan Kumar Jain	00013356	06-02-1989
2	Seema Jain	00013523	06-02-1989
3	Aanchal Jain	00013350	02-12-1999
4	Rahul Jain	00013566	14-11-2004
5	Iqbal Singh	00014256	05-10-2005
6	Kashi Ram Yadav	02379958	25-10-2008
7	Vinod Kumar Malhotra	03544095	04-08-2011
8	Subodh Kumar Jain	00165755	09-11-2012
9	Mohan Bir Sahni	00906251	12-02-2015
10	Ashok Kumar Sharma	07610447	10-09-2016
11	Jawahar Thakur	07650035	12-11-2016
12	Rajesh Sharma	08650703	01-01-2020
13	Shobha Khatri	08650727	01-01-2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification.

We further state that this certificate is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ranjana Gupta & Associates**
 Company Secretaries

Sd/-
Ranjana Gupta
 Prop.
FCS No.: 8613
CP No.: 9920

Date: 29th June, 2020
Place: New Delhi
UDIN: F008613B000392964

Certification By Managing Director and CFO for Financial Year 2019-20

(Pursuant to Regulation 17(8) read with Part B of Schedule II of the Listing Regulations)

To
The Board of Directors
Fiem Industries Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Fiem Industries Limited ("the Company") to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2020 and that to the best of our knowledge and belief:
- these Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these Statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards (Ind AS), applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial 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
- significant changes in internal control over financial reporting during the year, if any;
 - significant changes in accounting policies during the financial year and that the same have been disclosed in the Notes to the Financial Statements; and
 - instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

Sd/-
O.P. Gupta
Chief Financial Officer

Sd/-
(J. K. Jain)
Chairman & Managing Director
(DIN: 00013356)

Compliance with Code of Conduct

(Pursuant to Regulation 26(3) read with Para D of Schedule V of the Listing Regulations)

I, J.K. Jain, Chairman & Managing Director of the Company hereby certify that as required under Regulation 26(3) read with Schedule V(D) of the Listing Regulations, all the Directors and the Senior Management Personnel of the Company have affirmed compliance of the Code of Conduct of the Company for the financial year ended March 31, 2020.

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

Sd/-
(J. K. Jain)
Chairman & Managing Director
(DIN: 00013356)



Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L36999DL1989PLC034928
2	Name of the Company	Fiem Industries Limited
3	Registered address	D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi-110015, India
4	Website	www.fiemindustries.com
5	E-mail id	arvind.chauhan@fiemindustries.com
6	Financial year reported	2019-20
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
a.	Automotive lights, signaling equipment and parts	2740
b.	Rear View Mirror and Parts	2310
c.	Plastic Moulded Parts	2930
d.	LED Luminaries (including LED IPIS)	2740
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	a. Automotive Lights, signaling equipment and parts b. Rear View Mirror and Parts c. Plastic Moulded Parts
9	Total number of locations where business activity is undertaken by the Company	
a.	Number of international locations	3 (Through Joint Venture & Subsidiaries)
b.	Number of national locations (Plants)	10 (including Joint Venture Company)
10	Markets served by the Company – Local/ State/ National/ International	Majorly Indian Market (all over India) and exports to countries / regions like Japan, Indonesia, Thailand, Europe, USA etc.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

Financial details of the Company		FY 2019-20 (Rs. in lakhs)	FY 2018-19 (Rs. in lakhs)
1.	Paid up Capital	1315.98	1315.98
2.	Total Turnover	136624.87	143396.13
3.	Net Profit After Taxes	7892.85	5548.75

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

During the financial year 2019-20 the CSR spent was Rs. 141.90 lakh, which is equivalent to 2% of average profits of previous 3 financial years.

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

- Extending financial aid to poor patients, majorly through Social Welfare Unit of AIIMS, New Delhi.
- Arranging Mass Marriages of Poor Couples.
- Extending financial support to NGO, engaged in helping Poor & needy people for Eye and Dental care.
- Extending financial support to NGO, running shelter home for abandoned and disabled people.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
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)	Not Applicable, as the subsidiary companies are located outside India and comply with the law of their respective country of incorporation.
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 % of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Company undertake BR initiatives on its own without participation of any other suppliers, distributors etc. However, Company encourages such other entities to undertake BR initiatives.

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR

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

DIN Number	00013356
Name	Mr. Jagjeevan Kumar Jain
Designation	Chairman & Managing Director

(b) Details of BR Head

DIN Number (if applicable)	08650703
Name	Mr. Rajesh Sharma
Designation	Whole-time Director
Telephone number	0130-2367905
e-mail id	rajesh.sharma@fiemindustries.com

2. PRINCIPLE-WISE (As per National Voluntary Guidelines (NGVs)) BR POLICY/ POLICIES

Principle	Applicable Policy / Policies
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	- Whistle Blower Policy - Code(s) of Conduct - Anti-Bribery Policy
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	- Environment Policy - Quality Policy
Principle 3: Businesses should promote the wellbeing of all employees.	- Occupational Health & Safety Policy - Code(s) of Conduct - Prevention of Sexual Harassment Policy
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	- Corporate Social Responsibility Policy
Principle 5: Businesses should respect and promote human rights.	- Code(s) of Conduct
Principle 6: Businesses should respect, protect and make efforts to restore the environment.	- Environment Policy
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	- Code(s) of Conduct - Whistle Blower Policy
Principle 8: Businesses should support inclusive growth and equitable development.	- Corporate Social Responsibility Policy
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.	- Quality Policy
During Financial Year 2019-20, Board of Directors has also approved Company's ' Business Responsibility Policy ' considering National Voluntary Guidelines on Social, Environment & Economic Responsibilities of Business, issued by Ministry of Corporate Affairs and SEBI's Circular No. CIR/CFD/CMD/10/2015 dated November 04, 2015 on Format for Business Responsibility Report (BRR).	

(a) Details of Compliance [Principle (P), Reply in Yes (Y)/No(N)]

SN	Question	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	Do you have a policy for...	Y	Y	Y	Y	Y	Y	Y	Y	
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	
3	Does the policy conform to any national /international standards? If yes, specify? [Note1]	Y	Y	Y	Y	Y	Y	Y	Y	
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	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? [Note2]	Y	Y	Y	Y	Y	Y	Y	Y	
6	Indicate the link for the policy to be viewed online? [Note3]	http://fiemindustries.com/investors/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	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	
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies? [Note2]	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? [Note2]	Y	Y	Y	Y	Y	Y	Y	Y	



Notes:

1. The Whistle Blower Policy, Code of Conduct for Directors & Senior Management, and Corporate Social Responsibility Policy are framed as per the requirements of the Companies Act and/or SEBI Listing Regulations. Prevention of Sexual Harassment Policy is framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Quality Policy, Environment Policy, Occupational Health & Safety Policy, Anti-Bribery Policy and Code of Conduct for all Employees are framed conforming to Integrated Management System (IMS) implemented in the Company, which consists of ISO 9001:2015 and IATF 16949:2016 (Quality Management Systems), ISO14001:2015 (Environmental Management System), OHSAS 18001:2007 (Occupational Health & Safety Management System).

2. The Whistle Blower Policy is overseen by the Audit Committee of the Board of Directors of the Company and Corporate Social Responsibility Policy is overseen by the Corporate Social Responsibility Committee of the Board of Directors of the Company. Any violation of Code of Conduct for Directors & Senior Management is reportable to Chairman or Compliance Officer for further action. Prevention of Sexual Harassment Policy is being

overseen by Internal Complaints Committees (ICCs) constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The grievance, if any, arising out of Whistle Blower Policy, Code of Conduct and Prevention of Sexual Harassment Policy is being redressed by the respective committees which oversee them.

Implementation of Quality Policy, Environment Policy, Occupational Health & Safety Policy, Anti-Bribery Policy and Code of Conduct for all Employees and other connected procedures and processes are being monitored by the Plant Co-coordinators as a process defined in ISO 9001:2015, IATF 16949:2016, ISO14001:2015 and OHSAS 18001:2007. Further, implementation of these Management Systems are subject to periodic Internal and external audits.

3. The dissemination / display / circulation of each Policy is governed by its respective applicable provisions. Some policies are required to be posted on website, some to be displayed at conspicuous place in factory premises and some are to be circulated internally. Accordingly, only those Policies are posted on website, the governing provisions of which require to do so.

(b) IF ANSWER TO THE QUESTION AT SN. 1 AGAINST ANY PRINCIPLE, IS 'NO', PLEASE EXPLAIN WHY: (TICK UP TO 2 OPTIONS)

SN	Question	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

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.

The BR performance of the Company will be assessed periodically and/or annually at the end of financial year.

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

This is the first Business Responsibility Report of the Company. Henceforth, this would be published annually as part of Annual Report. This report can be accessed at www.fiemindustries.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

This principle is covered under Code(s) of Conduct, Anti-Bribery Policy and Whistle Blower Policy of the Company. At present these are framed for the Company's employees and Directors, including Wholly-owned subsidiaries. Regarding the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others, Company expect that these entities would be subject to their own policies covering this principle.

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

No stakeholder complaint was received during the financial year 2019-20 under the Whistle Blower Policy mechanism.

PRINCIPLE 2:

BUSINESSES 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 top 3 products manufactured by the Company are (i) Automotive Lights, signaling equipment and parts (ii) Rear View Mirror and Parts (iii) Plastic Moulded Parts. All of these products are for Vehicle applications and are being supplied to Vehicle Manufacturers (Original Equipment Manufacturers) majorly and some percentage in replacement market also. All of these products are manufactured in conformity to applicable parameters and norms. Raw material and components used are also subject to applicable parameters and norms related to environmental concerns or risks. Largely, there is no social concern or risk involved in the products manufactured by the Company.

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

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

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

There is a large range of above products being manufactured by the Company for different models of vehicles. Though power is a major cost in overall running of the factories operations, however, ours is not a power intensive industry. Details in respect of resource use/ reduction (energy, water, raw material etc.) per unit of product is not provided. However, the Company always take initiatives and efforts for energy conservation and optimum utilization of natural resources across its processes and operations and this is among most focused areas.

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

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

Company has well defined procedure in place for sourcing from its vendor partners. Supplier Quality Assurance Manual (SQAM) is the guiding document for vendor partners and they need to comply the policies and procedures enumerated therein. In addition to the Quality Systems to be adhered by the vendor partners, it include the Quality Policy, Environment Policy and Occupational Health & Safety Policy expected to be adhered by the vendor partners. The SQAM has been formulated on the basis of ISO 9001:2015, IATF 16949: 2016, ISO 14001:2015 and OHSAS 18001:2007 requirements. Company continue its efforts for more sustainable sourcing practices.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

During the selection of vendor partner, Quality, Cost, Delivery & Management remains the prime criteria. However, Company encourages the local and small producers, if they remain competitive on these parameters. We have a fair no. of vendor partners for procurement of goods and services, who are local and small vendors. As a strategic sourcing also, we always take initiatives for localization, though our vendor includes large, mid-size and small scale industries who meets our quality, delivery, cost and technology expectations.

Supplier Quality Assurance Manual (SQAM) is the guiding document for the vendor partners and Company takes all initiatives and extend full support by way of factory visits and audits to improve the capacity and capability of local and small vendors and also provides ratings to them for continued improvements.

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

Company's business operations don't involve significant waste and recycling is also minimal. Further, Company takes care that during its operations the waste generation can be minimized. In all its recycling and waste disposal process, Company takes care environmental factors.

PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

Employee well-being is integral part of the affairs of the Company and remain a focus area on continuous basis. Following are the requisite information about employees.

1. Please indicate the total number of employees.

The number of permanent employees as on March 31, 2020 were 2267.

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

The number of temporary/ contractual employees during March, 2020 were 4752.

3. Please indicate the number of permanent women employees.

The number of permanent woman employees as on March 31, 2020 were 397.

4. Please indicate the number of permanent employees with disabilities.

The number of permanent employees with disabilities as on March 31, 2020 were 5.

5. Do you have an employee association that is recognized by management?



Yes, Company has one employee association / union which is recognized by the management in Unit No. 2 & 3 at Hosur.

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

2.65%

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.

S No.	Category	No. of complaints filed during the financial year 2019-20	No. of complaints pending as on March 31, 2020
1	Child labour/ forced labour/ involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

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

All categories of employees are given training on safety & skill up-gradation on periodic basis the details are as under:

S No.	Category	Employees (%) who were given safety training	Employees (%) who were skill up- gradation training
1	Permanent Employees	66%	52%
2	Permanent Women Employees	63%	44%
3	Casual/Temporary/Contractual Employees	73%	53%
4	Employees with Disabilities	80%	20%

PRINCIPLE 4:

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

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

Yes, the Company has mapped and identified its internal and external stakeholders. These stakeholders include our valued OEM customers, investors, employees, dealers, suppliers, regulators, media, governments and NGOs to work with to serve the disadvantaged, vulnerable and marginalized stakeholders through our social intervention programs.

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

Yes, Company has also identified the disadvantaged, vulnerable and marginalized stakeholders.

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

There are different initiatives taken to engage and empower underprivileged people through healthcare programs etc., as detailed under principle No. 8.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

As a socially responsible organization, the Company is committed to protect and safeguard human rights.

Currently, the Code(s) of Conduct are applicable to employees, though we expect other stakeholders to adhere and uphold the standards enumerated therein.

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

No complaints with regard to violation of the Code(s) of Conduct received in FY 2019-20.

PRINCIPLE 6:

BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

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

Environmental Policy is applicable to all the factories of the Company located in India. It extends to vendor partners and contractors etc., though large no. of vendor partners have their own policies. Company encourages to all stakeholders to care for environment.

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

Company has an 'Environment Policy' which guides the organization to continually work for environment protection by ensuring compliances, conserving natural resources and minimizing waste as well as preventing pollution. The Company works continuously to reduce the waste and focused on creating green infrastructure which are designed for better energy efficiency and more environment friendly.

3. Does the company identify and assess potential environmental risks?

Out of our 9 Manufacturing facilities, 7 are certified with ISO 14001:2015 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System). Under Environmental Management System, Company identify and assess the potential environment risk. The scope include identification, evaluation, determination of significance & further control measures for all Environmental Aspects and Impacts, OHS Hazards & Risks arising directly from the Company's activities, products and services under normal, abnormal and potential emergency conditions. Company takes necessary steps required to mitigate such risks.

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

Presently, Company does not have any Clean Development Mechanism (CDM) Project.

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

Please refer Annexure to Director Report on 'Conservation of Energy and Technology Absorption...', which forms part of the Annual Report.

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

Yes, emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year being reported.

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

There is no such show cause / legal notice pending as on end of Financial Year under review.

PRINCIPLE 7:

BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

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

The Company is member of several trade and chamber or association. Following are the major ones that our business deals with:

- The Automotive Component Manufacturers Association of India (ACMA)
- Confederation of Indian Industry (CII)
- Electronic Industries Association of India (ELCINA)
- Electric Lamp & Component Manufacturers' Association of India (ELCOMA)

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

As and when such association make any representation or take initiatives for protecting the interests of industry or any advancement or improvement of public good in the areas indicated above, Company also extend its support on desired occasions.

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

Yes. The Company has a Corporate Social Responsibility (CSR) Policy as per requirements of the Companies Act, 2013. Company has whole-heartedly adopted the CSR as a mechanism of giving back to the society and extending a helping hand to the underprivileged section and supporting them for better life. Extending the financial aid to the poor and needy patients for their treatment, has remained the major activity under CSR. Company has major focus on 'health care' to poor and needy, as Company consider this is the most difficult time for poor and needy when they need a helping hand most.

Company continued its major CSR Project in collaboration with Social Welfare Unit of AIIMS, New Delhi, wherein Company is giving financial aid to poor patients suffering from cancer and other life-threatening diseases for getting their treatment done in 'All India Institute of Medical Sciences', New Delhi (AIIMS).

Company also extend financial support to NGO, Kutch Vikas Trust, who engaged in social welfare programme of providing treatment to poor and needy patient, free eye operations, dental treatment etc.

In addition to above, Company has also collaborated with 'The Earth Saviours Foundation'. This NGO is running Shelter Home/ Centre for caring the people who are abandoned senior citizens, deprived, mentally disabled, bedridden, HIV Infected, patients on death bed, people dying with hunger on roads and patients suffering with incurable disease. NGO provide the facilities free of charge such as accommodation, food, medical and every day needs.

Company has also extended support to 'Rotary Club of Delhi Midtown' for setting-up a Rotary Diagnostic Centre for free / subsidized services to poor people, deprived, disabled, underprivileged patients.

Company also arranged mass marriages of poor girls and other activities to help underprivileged.

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

Major activities are undertaken by 'Fiem Foundation' – the CSR vehicle of the Company in collaboration with other NGOs. 'Fiem Foundation' collaborate with specialized and experienced NGOs / organization working in their



respective fields for quite long time. Some programs / activities are directly undertaken by the Company / Fiem Foundation.

3. 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. Company has received positive feedback about its activities from the benefited community and people involved in the process.

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

Fiem Foundation / Company has undertaken 4 major projects / activities:

- (a) Extending financial aid to poor patients, majorly through Social Welfare Unit of AIIMS, New Delhi.
- (b) Arranging Mass Marriages of Poor Couples.
- (c) Extending financial support to NGO, engaged in helping Poor & needy people for Eye and Dental care.
- (d) Extending financial support to NGO, running shelter home for abandoned and disabled people.

For other details, please refer **Annexure-V** to Board's Report, Annual Report for Corporate Social Responsibility.

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

Yes, all our initiatives, once started has been successfully and happily adopted by the benefiting community and we received applaud and accolades for all these initiatives. Like, we started extending financial aid to poor and needy patients in collaboration with Social Welfare Unit of AIIMS, New Delhi. We noticed that poor patients from all over North India benefited by this initiative and they showered blessing on the Fiem Foundation / Company for helping them in the critical times, when they need such help most.

PRINCIPLE 9:

BUSINESSES 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.

Company's major business is supply of automotive parts to OEM customers. Whatever complaints / issue raised by

these customers, there is a robust & defined mechanism to resolve all these promptly and at times it require joint effort of OEM customer as well. Hence, there is no specific percentage, which can be provided here, because of the special nature of business of the Company, in which it operates. Company also serve replacement market through its dealer and distributor network.

Further, company also sells LED general lighting products through its dealer and distributor network and supply and install Integrated Passenger Information System (IPIS) with LED displays to railways. This business is very small in comparison to automotive business and for any issues raised by customers in these segments, there is a prompt resolution system at place.

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)

Yes, on some products and as per instruction from the respective OEM customer, Company provide information at specific place of the product, as mandated by the OEM customer.

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.

There is no such case filed, neither any such case pending against the Company at the end of financial year.

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

Company's major business is to supply the automotive parts to OEM customers. All OEMs generally give their feedback and company also receive the same to gauge customer satisfaction and improve in its processes / operations, where it is needed. In Automobile Industry, OEM generally hold their Vendor Conferences on annual basis and honor the best performing vendors by way of Awards and Accolades. These are generally on parameters like Quality, Cost, Delivery, Development, Management, Technology etc. Based on superior performance, the Company has been successfully and consistently receiving the Awards and Accolades from its valued OEM customers.

Independent Auditor's Report

To the Members of
Fiem Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Fiem Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the standalone financial statements" or "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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, the profit and other comprehensive income, changes in equity and its cash flows for the

year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<p>Evaluation of uncertain tax positions</p> <p>The Company has uncertain tax positions matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 34 to the Standalone Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments upto the year ended March 31, 2020 from management. We considered, the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties</p>
2	<p>Carrying value of investment in subsidiaries, associates and joint ventures</p> <p>The Company carries its investments in subsidiaries, associates and joint ventures at cost (net of provision) at an aggregate amount of Rs 2909.49 lakhs as at 31st March 2020.</p> <p>The amount being significant to the standalone financial statements, the determination of impairment charge required the application of significant judgments by management, in particular with respect to determination of recoverable/fair value amount of these investments which in aggregate is significant to the standalone financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include:</p> <ul style="list-style-type: none">Comparing the carrying amount of investments with audited financial statements of investee companies to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount.Obtaining and reviewing recoverable amounts as determined by the management for each investment.



Other Information

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure- A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. **A.** As required by Section 143(3) of the Act, we report that:
 - a.)** we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b.)** in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c.)** the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and cash flow statement and 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 Accounting Standards specified under Section 133 of the Act

e.) On the basis of written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f.) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and

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

i.) The Company has disclosed the impact of pending litigations as at 31st march 2020 on its financial position in its financial statements – Refer Note 34(A) to the standalone Ind AS financial statements;

ii.) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

iv.) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31st March 2020.

C. 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 explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **V. Sachdeva & Associates**
Chartered Accountants

Firm Registration Number -004417N

Sd/-

(V. Sachdev)

Proprietor

Place: Rai, Sonepat (HR.)

Dated: 30/06/2020

Membership No.:-083435

UDIN 20083435AAAAEF5196



Annexure-A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended on 31.03.20, we report that:

1. **a)** The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, the company has a planned programme for physically verifying all fixed assets once in three years which in our opinion, is reasonable having regard to the size and nature of assets. During the year, the fixed assets have been physically verified by the management in accordance with the programme and no material discrepancies were identified on such verification.
c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company except for freehold land situated in Ahmedabad, Gujarat, acquired during the Fy 16-17 for Rs 18.23 Lakhs, wherein final registration is pending as disclosed in Note 2 on "Property Plant and equipment" to the standalone Ind AS financial statements.
2. The inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable and there were no material discrepancies noticed on physical verification of the inventory as compared to the book of accounts.
3. According to the information and explanations given to us, during the year the Company has granted unsecured loans to one of its wholly owned foreign subsidiary -M/s Fiem Research and Technology S.r.l., of euro 1.50 lakhs amounting to Rs 117.71 lakhs, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
(a) The terms and conditions of the grant of such loans are, in our opinion prima facie, not prejudicial to the Company's interest.
- (b)** The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
- (c)** There is no overdue amount remaining outstanding as at the year-end as the loan has been converted into share capital during the year.
4. In our Opinion and as per information and explanation given to us, the company has complied the provisions of section 185, section 186 of the companies act 2013.
5. The company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, no detailed examination of the same has been carried out by us.
7. **a)** According to the records of the company and also the information and explanations given to us, the company is generally regular in depositing with appropriate authorities all undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.
According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as at the year end for a period of more than six months from the date they became payable.
b) According to the records of the Company, the dues outstanding of income tax, sales-tax, wealth tax, service tax, Goods and Service tax, duty of customs, duty of excise and cess on account of any dispute are as follows

(Rs in Lakhs)

S. No.	Name of Statue	Nature of Due	Period to which it Pertains	Amount Involved	Amount Deposited	Net Amount	Forum where dispute is Pending
1	The Central Excise Act, 1944	Custom Duty demand on sale of Moulds	F.Y. 2007-08	57.87	14.47	43.40	CESTAT, Chennai
2	Haryana Value Added Tax 2003	Sales tax Assessment Dues	F.Y. 2010-11	23.75	3.75	20.00	High Court Punjab & Harayana
3	Tamil Nadu VAT act 2006	Sales tax demand on reversal of input tax credit pertaining to CST Sales	F.Y. 2014-15	150.07	-	150.07	High court, Chennai
4	Income Tax Act 1961	Disallowance of Loss on account of foreign exchange derivative contracts	For Assessment Year 2011-12	617.71	See Note *	617.71	ITAT, New Delhi
Total				849.40	18.22	831.18	

Note:- No demand is outstanding as on the reporting date as the matter has been decided in favour of the company by the CIT (Appeal). However the issue has been challenged in ITAT by the income tax department. Also during the current year, the cases on similar ground for AY 09-10, AY 10-11, AY 12-13 and AY 13-14 also been decided in companies favour by the ITAT, New Delhi.

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks.
9. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised. Further the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
10. According to the information and explanations given to us, no material fraud on or by the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the company.

for **V. Sachdeva & Associates**
Chartered Accountants
 Firm Registration Number -004417N

Sd/-
(V. Sachdev)
 Proprietor

Place: Rai, Sonapat (HR.)
 Dated: 30/06/2020

Membership No.: -083435
 UDIN 20083435AAAAEF5196

Annexure “B” - to the Independent Auditor’s Report

Annexure “B” - To the Independent Auditor’s Report of Even Date on the Standalone Ind as Financial Statements of Fiem Industries Limited

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

Opinion

1. We have audited the internal financial controls over financial reporting of FIEM INDUSTRIES LIMITED (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

3. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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

4. 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, 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.
5. 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

7. 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. 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.

for **V. Sachdeva & Associates**
Chartered Accountants
 Firm Registration Number - 004417N

Sd/-
(V. Sachdev)
 Proprietor

Place: Rai, Sonapat (HR.)
 Dated: 30/06/2020

Membership No.: -083435
 UDIN 20083435AAAAEF5196

Standalone Balance Sheet as at 31.03.2020

(Amount Rs in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
1 NON CURRENT ASSETS			
(a) Property, plant and equipment	2	54,967.57	56,315.58
(b) Capital work-in-progress	2	25.21	790.95
(c) Right-of-use assets	3	3,549.68	-
(d) Intangible assets	4	438.94	96.04
(e) Intangible assets under development	4	-	358.31
(f) Financial Assets			
(i) Investments	5	2,911.49	2,774.10
(ii) Trade receivables	6	124.90	124.90
(iii) Loans	7	937.98	890.44
(iv) Other Financial Assets	8	560.92	201.87
(g) Income tax assets (net)	9	-	449.13
(h) Other non-current assets	10	645.68	831.39
Total Non Current Assets		64,162.37	62,832.71
2 CURRENT ASSETS			
(a) Inventories	11	12,909.09	14,724.21
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	6	7,670.70	14,637.58
(iii) Cash and cash equivalents	12	4,521.05	119.17
(iv) Bank balances other than (iii) above	13	59.29	25.87
(v) Loans	7	49.25	50.27
(vi) Other Financial Assets	8	1,073.47	1,690.23
(c) Current Tax Assets (Net)	9	-	-
(d) Other current assets	10	1,881.74	2,091.92
Total Current Assets		28,164.59	33,339.25
TOTAL ASSETS		92,326.96	96,171.96
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital	14	1,315.98	1,315.98
(b) Other Equity	15	51,581.43	46,348.79
Total Equity		52,897.41	47,664.77
2 LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	5,809.27	9,296.24
(ii) Lease liability	3	2,509.02	-
(iii) Trade payables		-	-
(iv) Other financial liabilities		-	-
(b) Provisions	17	563.96	674.17
(c) Deferred tax liabilities (Net)	40	3,685.38	5,191.87
(d) Other non-current liabilities		-	-
Total Non Current Liabilities		12,567.63	15,162.28
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	1.08	3,846.66
(ii) Trade payables			
-Total outstanding dues of micro and small enterprises	19	476.85	122.62
-Total outstanding dues of creditors other than micro and small enterprises	19	16,250.43	18,755.43
		16,727.28	18,878.05
(iii) Other financial liabilities	20	6,192.21	6,350.93
(b) Other current liabilities	21	3,381.31	3,808.25
(c) Provisions	17	437.79	189.62
(d) Current Tax Liabilities (Net)	22	122.25	271.40
Total Current Liabilities		26,861.92	33,344.91
TOTAL LIABILITIES		39,429.55	48,507.18
TOTAL EQUITY AND LIABILITIES		92,326.96	96,171.96

Significant Accounting Policies and Notes to financial Statements.

1 to 59

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

For and on behalf of the Board of Directors

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants

Firm Registration Number -004417N

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

Sd/-
(V. Sachdev)
Proprietor

Membership No.: -083435

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



Standalone Statement of Profit and Loss for the year ended 31.03.2020

(Amount Rs in Lakhs)

Particulars	Note No.	Current Year 2019-20	Previous Year 2018-19
INCOME			
Revenue From Operations			
a) Net Sales	23	1,36,624.87	1,43,396.13
b) Other Operating Income	24	1,073.11	1,003.67
I Revenue from Operations (a+b)		1,37,697.98	1,44,399.80
II. Other Income	25	173.30	86.21
III Total income (i+ii)		1,37,871.28	1,44,486.01
IV EXPENSES			
a) Cost of Raw Materials and Components Consumed	26	80,824.33	89,559.93
b) Purchase of Stock-in-Trade	27	777.16	741.55
c) Changes in Inventories of Finished Goods, Work in progress and Stock in trade	28	2,394.70	(492.11)
d) Employees benefits expenses	29	19,552.34	19,570.33
e) Finance costs	30	1,766.66	2,209.79
f) Depreciation and amortization expense	31	5,272.14	4,891.61
g) Other expenses	32	18,483.71	19,493.78
TOTAL EXPENSES		1,29,071.04	1,35,974.88
V Profit before exceptional item and tax (iii-iv)		8,800.24	8,511.13
Exceptional item- income/(expenditure)	33	(88.23)	-
VI Profit before tax after exceptional item		8,712.01	8,511.13
VII TAX EXPENSES			
a) Current Tax Expense		2,178.45	2,541.48
b) (Excess)/Short Tax provision for earlier years		20.95	14.79
c) Deferred Tax Liability/ (Assets)		(1,380.24)	406.11
		819.16	2,962.38
VIII Profit after tax for the year from continuing operations (vi-vii)		7,892.85	5,548.75
IX Other comprehensive income/(loss)			
A) Items that will not be reclassified subsequently to the statement of profit and loss			
(i) Remeasurement of Defined Benefit Plans		(85.23)	(130.16)
(ii) Income tax on items Items that will not be reclassified subsequently to the statement of profit and loss		21.45	45.48
		(63.78)	(84.68)
B) Items that will be reclassified subsequently to the statement of profit and loss			
Total other comprehensive income (net of tax)		(63.78)	(84.68)
X Total comprehensive income (netof tax) (viii+ix)		7,829.07	5,464.07
Basic and Diluted Weighted Earning per Equity Share (Nominal value Rs 10 per share)	44	59.98	42.16

Significant Accounting Policies and Notes to financial Statements. 1 to 59

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

For and on behalf of the Board of Directors

 As per our report of even date
 for **V. Sachdeva & Associates**
Chartered Accountants
 Firm Registration Number -004417N

 Sd/-
(J. K. Jain)
 Managing Director

 Sd/-
(Rahul Jain)
 Director

 Sd/-
(O.P. Gupta)
 Chief Financial Officer

 Sd/-
(Arvind K. Chauhan)
 Company Secretary

 Sd/-
(V. Sachdev)
 Proprietor
 Membership No.: -083435

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020

Standalone Statement of Changes in Equity for the year ended 31.03.2020

(Amount Rs in Lakhs)

Particulars	Note No.	Number	(Amount Rs in Lakhs)
A Equity Share Capital			
Equity share of Rs 10/- each Issued, subscribed and fully paid			
Balance as at 1st April 2018		13,159,830	1,315.98
Changes in equity share capital during the year		-	-
Balance as at 1st April 2019		13,159,830	1,315.98
Changes in equity share capital during the year		-	-
Balance as at 31st March 2020	14	13,159,830	1,315.98

Particulars	Note No.	Securities Premium Reserve	General Reserve	Foreign currency Monetary Translation Difference Account	Retained Earnings	Total
B. Other Equity						
Balance as at 1st April 2018		16,722.77	3,280.00	1.27	23,579.01	43,583.05
Addition during the year						
1) Profit for the year					5,548.75	5,548.75
2) Other Comprehensive Income (loss) for the Year					(84.68)	(84.68)
3) Exchange Difference on translation				(1.27)		(1.27)
Deduction during the year						
1) Transfer to General Reserve			560.00		(560.00)	-
2) Dividend Paid (Rs 9 per share)					(1,184.38)	(1,184.38)
3) Tax on dividend paid					(243.49)	(243.49)
4) Interim Dividend Paid (Rs 8 per share)					(1,052.79)	(1,052.79)
5) Tax on Interim dividend paid					(216.40)	(216.40)
Balance as at 1st April 2019		16,722.77	3,840.00	(0.00)	25,786.01	46,348.79
Addition during the year						
1) Profit for the year					7,892.85	7,892.85
2) Other Comprehensive Income (loss) for the Year					(63.78)	(63.78)
3) Transition impact of Ind AS 116- Leases , net of tax					(375.35)	(375.35)
Deduction during the year						
1) Transfer to General Reserve			800.00		(800.00)	-
2) Dividend Paid (Rs 4 per share)					(526.39)	(526.39)
3) Tax on dividend paid					(108.20)	(108.20)
4) Interim Dividend Paid (Rs 10 per share)					(1,315.98)	(1,315.98)
5) Tax on Interim dividend paid					(270.50)	(270.50)
Balance as at 31st March 2020	15	16,722.77	4,640.00	(0.00)	30,218.66	51,581.43

Significant Accounting Policies and Notes to financial Statements. 1 to 59

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

For and on behalf of the Board of Directors

As per our report of even date for **V. Sachdeva & Associates**
Chartered Accountants
 Firm Registration Number - 004417N

Sd/-
(J. K. Jain)
 Managing Director

Sd/-
(Rahul Jain)
 Director

Sd/-
(O.P. Gupta)
 Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
 Company Secretary

Sd/-
(V. Sachdev)
 Proprietor
 Membership No.:-083435

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020



Standalone Cash Flow Statement for the year ended 31.03.2020

(Amount Rs in Lakhs)

Particulars	Year ended	
	31st March, 2020	31st March, 2019
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (Loss) Before Tax	8,712.01	8,511.13
Adjustments for:		
Depreciation & amortisation expense	5,272.14	4,891.61
Net loss (gain) on sale/theft of property plant and equipment	(18.62)	(13.06)
Unrealised foreign exchange (gain)/Loss	66.50	(19.05)
Provision for bad and doubtful debt	25.00	24.15
Bad debts written-off	2.31	53.44
Finance costs	1,766.66	2,209.79
Interest income/Income on term deposit & current investment	(83.18)	(52.64)
Operating Profit (Loss) before Working Capital changes	15,742.83	15,605.37
Adjustment for changes in Working Capital:		
Decrease/(Increase) in loans (non-current)	(47.54)	(112.62)
Decrease/(Increase) in other financial assets (non-current)	5.40	(197.34)
Decrease/(Increase) in other non-current assets	(21.80)	(5.44)
Decrease/(Increase) in inventories	1,815.12	(697.10)
Decrease/(Increase) in trade receivables	6,950.53	(321.37)
Decrease/(Increase) in loans (current)	1.02	7.44
Decrease/(Increase) in other financial assets (current)	616.76	1,094.69
Decrease/(Increase) in other current assets	210.18	(602.98)
(Decrease)/Increase in non-current provisions	(110.21)	289.22
(Decrease)/Increase in trade payables	(2,237.04)	(3,046.13)
(Decrease)/Increase in other financial liabilities (current)	102.17	(12.16)
(Decrease)/Increase in other financial liabilities (non-current)	-	(186.81)
(Decrease)/Increase in current provisions	162.94	(191.92)
(Decrease)/Increase in other current liabilities	(426.94)	2,252.23
Cash generated from Operating Activities	22,763.42	13,875.08
Income tax paid (net of refunds)	(1,877.96)	(1,947.39)
Net cash from/(used in) Operating Activities (A)	20,885.46	11,927.69
B CASH FLOW FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment, intangible assets, capital work in progress, intangible assets under development and capital advances	(4,689.40)	(8,361.55)
Proceeds from sales of property, plant and equipment (including transfer of land allotment rights)	93.09	953.77
Payments/Conversions for Investments in Joint Ventures/Subsidiaries	(157.08)	(2,681.38)
Proceeds from/dissolved of equity share	19.68	1.00
Proceeds from redemption of debt mutual fund	-	1,909.56
Maturity from (Investment in) other bank balance	(33.42)	17.08
Interest income/Income on term deposit & current investment	83.18	52.64
Net cash from/(used in) Investing Activities (B)	(4,683.95)	(8,108.88)

Cash Flow Statement for the year ended 31.03.2020

(Amount Rs in Lakhs)

C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of long term borrowings	(3,897.31)	(3,580.59)
Proceeds from long term borrowings	78.00	4,549.16
Increase (Decrease) in short term borrowings	(3,845.58)	139.84
Finance cost paid other than finance lease	(1,736.16)	(2,220.74)
Payment of Final dividend on equity shares	(526.39)	(1,184.38)
Payment of Interim dividend on equity shares	(1,315.98)	(1,052.79)
Payment of dividend distribution tax	(378.71)	(459.89)
Principal Payment of finance lease	(154.47)	-
Interest Payment of finance lease	(31.83)	-
Net cash from/(used in) Financing Activities (C)	(11,808.44)	(3,809.39)
D Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	4,393.08	9.42
Add:-Cash and cash equivalents at the beginning of the period	119.17	110.36
Effect of Exchange Rate change Gain/(Loss)	8.80	(0.61)
Cash and cash equivalents at the end of period	4,521.05	119.17
I Component of cash and cash equivalents		
Cash on hand	29.27	15.80
Balance with Banks:		
Cash Credit Account	4,122.13	-
Deposits with original maturity of less than three months	-	41.51
On current accounts	369.65	61.86
Total cash and cash equivalents	4,521.05	119.17

Note:1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note:2. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure

For and on behalf of the Board of Directors

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



Notes on Financial Statements for the year ended 31.03.2020

1. GENERAL INFORMATION

Fiem Industries Limited ("The Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The address of its registered office is D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi-110015. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is in the business of manufacturing and supply of auto components comprising of automotive lighting & signalling equipments, rear-view mirror, prismatic mirror, plastic moulded parts and sheet metal components for motorised vehicles, and LED luminaries comprising of indoor and outdoor lighting, display panels and integrated passengers information system.

Significant Accounting Policies

A) Statement of Compliance

The financial statement has 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 provision of the Act.

These standalone financial statements are approved by the Company's Board of Directors on 30th June 2020.

(B) Accounting Convention

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 end of each reporting period, as explained in the accounting policies mentioned below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(C) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and 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. Revision to accounting estimates are recognised in the period in which the estimates are revised and in which future periods are also affected.

Assumptions and estimation uncertainties and judgements

Information about judgements, assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2020 and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- (i) Recognition of deferred tax assets - note 40 - The Company has recognized deferred tax assets and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.
- (ii) Provision for employee benefits - note 48 - The measurement of obligations and assets related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations.
- (iii) Provision for warranty - note 17 - The provision is based on historical warranty data and weighing of all possible outcomes by their associated probabilities. Provisions for warranties are adjusted regularly to take account of new circumstances and the impact of any changes recognised in the income statement.
- (iv) Tools, mould and dies - Revenue from sale of tools, mould and dies is recognised on a completed contract method considering that substantial activity for preparation of mould is outsourced to sub-contractors. Further, development of such tools, moulds and dies does not take the substantial time period, unless due to procedural delays from the customer's end.
- (v) Measurement of lease liabilities and right of use asset (ROUA) (Note-3)

Notes on Financial Statements for the year ended 31.03.2020

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations in many of Fiem Industries Limited's manufacturing facilities and depots got temporarily disrupted. Fiem manufactures and supplies non-essential products.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. 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 and the Company will continue to closely monitor any material changes to future economic conditions.

Recent Accounting Standard Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(D) Current-Non Current Classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or;
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for a least 12 months after the reporting date

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or;
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Operating Cycle

Based on the nature of products/activities of the Company and the normal time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities



Notes on Financial Statements for the year ended 31.03.2020

(E) Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the items of property, plant and equipment. For qualifying assets borrowing costs are capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets is provided on the same basis as other property assets & commences when the assets are ready for their intended use.

Subsequent costs are included in the assets's carrying amount only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

The estimated useful lives, residual values 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 calculated using the straight-line method on a pro-rata basis from the date in which each asset is put to use to allocate their cost, net of their residual values, over their useful life generally in accordance with that provided in the Schedule II to the Act. Moulds and dies & tools are depreciated over a period of 6 years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Capital Work-in-Progress

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date & expenditure during construction period pending allocation and fixed assets in transit that are not yet received for their intended use at the balance sheet date. Depreciation is not charged on capital work in progress until construction and installation are complete and asset ready for its intended use.

Capital Advances

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

(F) Intangible Assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible Assets Under Development

Intangible Assets Under Development comprises the cost of intangible assets that are not yet ready for their intended use at the balance sheet date. Amortization is not charged on intangible assets under development.

(G) Financial Instruments

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

Notes on Financial Statements for the year ended 31.03.2020

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in subsidiaries and Joint Ventures

Investment in subsidiaries and joint ventures are measured at cost. Cost represents amount paid for acquisition of the said investment.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Company recognises equity instruments at proceeds received net off direct issue cost.

Reclassification of Financial Assets

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

Offsetting of financial instruments

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



Notes on Financial Statements for the year ended 31.03.2020

(H) Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments.

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(I) Inventory

- (i) Raw materials, components, stores and spares are valued at lower of cost or net realizable value. However, raw materials and other supplies held for use in the production of finished products are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. In determining the cost, First in First Out method (FIFO) is used.
- (ii) Semi-finished goods and finished goods are valued lower of cost or net realizable value. Cost includes direct materials and direct labour and a proportion of manufacturing overheads based on normal operating capacity.
- (iii) Moulds, block & dies are valued at lower of cost or net realizable value. Manufactured moulds, block & dies include direct material, direct labour and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined on a First in First Out basis (FIFO).
- (iv) Inventories of non-reusable waste say scrap for which facilities for reprocessing do not exist have been valued at net realizable value.
- (v) Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (vi) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.
- (vii) Goods in transit are stated as a component of inventories if the significant risk and rewards of ownership have passed to the company and valued at actual cost incurred up to the date of Balance Sheet.

(J) Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for any trade discounts, volume rebates & others similar allowances. Amounts disclosed as revenue are net of goods and service tax (GST).

Sale of Goods

Revenue arising from the sale of goods (including moulds) is recognized when the customer obtains control of the promised asset, i.e. either at the delivery or dispatch of goods (based on the agreed terms of sale with the respective customers), which is the point in time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.

Sale of Services

Customers obtain control of design and testing services when the services are completed to the satisfaction of the Customer.

Insurance Claim

Insurance claims lodged with insurance companies are accounted for on the basis of claim admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Notes on Financial Statements for the year ended 31.03.2020

Dividend and Interest Income

Dividend income from investments is recognized when the right to receive the dividend is established at the Balance Sheet date.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(K) Government Grants, Subsidies and Export Incentives

- (i) Government grants and subsidies are recognised in the statement of profit and loss in accordance with related schemes and when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received.
- (ii) Duty drawback is recognised in the statement of profit and loss at the time of exports subject to the right to entitlement has been established.

(L) Foreign Currency Transactions

Functional and Presentation Currency

The functional currency of the Company is Indian rupee.

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

Non-monetary items denominated in foreign currency such as investments, fixed assets, inventories etc., are valued at the exchange rate prevailing on the date of transaction.

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(M) Research and Development

Revenue expenditure pertaining to research is charged to Statement of Profit and Loss. Development costs of products expenses are capitalized when the Company is certain to recover the development cost from future economic benefits. Property, plant and equipment utilized for research and development are capitalized and depreciated/amortised in accordance with the policies stated for property, plant and equipment & intangible assets.

(N) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. These benefits include salaries and wages, bonus etc. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment Benefits:

Provident Fund & Employee State Insurance

Retirement Benefits in the form of Provident Fund and ESI schemes are a defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis and the contributions are charged to Statement of Profit & Loss of the year when the contributions to the respective funds are due.



Notes on Financial Statements for the year ended 31.03.2020

Earned Leave

Leave encashment is applicable to all permanent and full time employees of the company and is provided for on the basis of actuarial valuation made at the end of each financial year using Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in statement of profit or loss.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Exide Life Insurance Company under its Company's Gratuity Scheme.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in statement of profit or loss.

(O) Provisions and Contingent Liabilities

Provision

A provision is recognized when the Company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The estimated liability for product warranties is recorded when products are sold based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

Contingent Liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

(P) Taxation

Income Tax expense represent the sum of the tax currently payable and deferred tax

Current Income 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 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. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the

Notes on Financial Statements for the year ended 31.03.2020

relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred Income Tax

Deferred income tax is recognised using the balance sheet approach. Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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.

Deferred tax liabilities and assets are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends and has ability to settle its current tax assets and liabilities on a net basis.

Current and Deferred Tax For The Year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(Q) Borrowing Cost

Borrowing costs are interest and other costs that incur in connection with the borrowing of funds and include interest expense calculated using the effective interest method as described in Ind AS 39 Financial Instruments: Recognition and Measurement, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(R) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



Notes on Financial Statements for the year ended 31.03.2020

(S) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS-7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

(T) Derivatives Instruments and Hedge Accounting

The Company enters into derivatives contracts in the nature of foreign currency swaps, currency options, forward contracts etc. to hedge its exposure to movements in foreign exchange rates. The use of these contracts reduces the risk or cost to the Company and the Company does not use those for trading or speculative purposes.

(U) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Core Management Committee examines performance both from product and a geographical perspective. The Company has identified two reportable business segments viz. Automotive and LED Luminaries Segment on the basis of the nature of products, the risk and return profile of individual business and the internal business reporting systems.

(V) Lease

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease 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 leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured 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. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(W) Dividend on Equity Share

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

(X) Earnings Per Share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the profit after tax (loss) for the year by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit (loss) for the year attributable to equity shareholder and the weighted average number of share outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The weighted average number of shares outstanding during the year are adjusted for events of bonus issue and share split, if any.

Notes on Financial Statements for the year ended 31.03.2020

2. PROPERTY, PLANT AND EQUIPMENT & CAPITAL-WORK-IN-PROGRESS

(Amount Rs in Lakhs)

Particulars	Gross Block			Depreciation			Net Block					
	As at 01.04.2019	Additions	Deductions	Reclassified on account of adoption of IND AS 116	As at 31.03.2020	As at 01.04.2019	For the Year	Deductions	Reclassified on account of adoption of IND AS 116	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land Free hold (Note-1)	3,636.63	-	-	-	3,636.63	-	-	-	-	-	3,636.63	3,636.63
Land Lease hold	1,843.43	-	-	1,843.43	-	211.90	-	-	211.90	-	-	1,631.53
Buildings	20,121.97	1,859.86	-	-	21,981.83	3,546.18	696.19	-	-	4,242.37	17,739.46	16,575.79
Plant & Equipment	51,721.14	2,949.88	12.33	-	54,658.68	21,404.86	3,505.68	2.24	-	24,908.30	29,750.38	30,316.27
Furniture & Fixtures	2,752.45	184.40	-	-	2,936.85	1,092.59	245.17	-	-	1,337.76	1,599.09	1,659.86
Motor Vehicles	2,026.19	163.17	194.15	-	1,995.21	959.51	229.75	129.78	-	1,059.48	935.73	1,066.68
Office Equipment	708.48	31.64	-	-	740.12	472.83	74.58	-	-	547.40	192.71	235.65
Electrical Installation	2,199.42	98.84	-	-	2,298.26	1,151.69	180.65	-	-	1,332.35	965.91	1,047.72
Computer	704.14	77.14	-	-	781.28	558.69	74.91	-	-	633.60	147.68	145.45
Total	85,713.83	5,364.93	206.49	1,843.43	89,028.86	29,398.25	5,006.93	132.02	211.90	34,061.27	54,967.57	56,315.58
Previous Year	80,033.89	5,948.32	268.36	-	85,713.83	24,774.18	4,822.50	198.44	-	29,398.25	56,315.58	-
Capital work-in-progress	790.95	18.51	784.25	-	25.21	-	-	-	-	-	25.21	790.95

Previous Year

Particulars	Gross Block			Depreciation			Net Block			
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land Free hold (Note-1)	3,635.40	1.23	-	3,636.63	-	-	-	-	3,636.63	3,635.40
Land Lease hold	1,843.43	-	-	1,843.43	186.63	25.27	-	211.90	1,631.53	1,656.80
Buildings	19,431.40	690.57	-	20,121.97	2,894.41	651.77	-	3,546.18	16,575.79	16,537.00
Plant & Equipment	47,341.43	4,386.92	7.22	51,721.14	18,024.92	3,384.95	5.01	21,404.86	30,316.27	29,316.51
Furniture & Fixtures	2,493.07	259.99	0.61	2,752.45	867.91	224.84	0.16	1,092.59	1,659.86	1,625.16
Motor Vehicles	2,019.70	261.95	255.46	2,026.19	922.61	225.57	188.67	959.51	1,066.68	1,097.09
Office Equipment	641.82	67.23	0.57	708.48	396.50	76.65	0.32	472.83	235.65	245.32
Electrical Installation	2,018.78	180.87	0.23	2,199.42	982.07	169.85	0.22	1,151.69	1,047.72	1,036.71
Computer	608.84	99.56	4.26	704.14	499.14	63.61	4.06	558.69	145.45	109.71
Total	80,033.89	5,948.32	268.36	85,713.83	24,774.18	4,822.50	198.44	29,398.25	56,315.58	55,259.71
Previous Year	69,189.94	13,201.86	2,357.91	80,033.89	21,336.45	4,369.02	931.28	24,774.18	55,259.71	-
Capital work-in-progress	560.98	784.25	554.28	790.95	-	-	-	-	790.95	560.98

NOTES:

- Gross block to land free hold includes an amount of Rs. 18.23 Lakhs for purchase of factory land, the registration of which is still pending in the name of Company
- During the current year, the company has capitalised borrowing cost relating to construction of buildings amounting to Rupee 45.07 Lakhs (31 March 2019-Rupee 24.04 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.50%, which is the effective rate of borrowing.
- During the current year, the company has capitalised expenditure relating to property, plant and equipment amounting to Rupee 215.73 Lakhs (31 March 2019-Rupee 323.96 Lakhs)
- Property, plant and equipment amounting to Rupee 37,018.48 Lakhs (31 March 2019-Rupee 38,930.16 Lakhs) have been pledged as security by the Company.

Notes on Financial Statements for the year ended 31.03.2020

3. RIGHTS OF USE ASSETS

Particulars	Gross Block				Depreciation			Net Block			
	As at 01.04.2019	Additions	Deductions	Reclassified on account of adoption of IND AS 116	As at 31.03.2020	As at 01.04.2019	For the Year	Reclassified on account of adoption of IND AS 116	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	-	-	-	1,843.43	1,843.43	-	25.27	211.90	237.17	1,606.26	-
Building	-	2,072.98	-	2,072.98	2,072.98	-	129.56	-	129.56	1,943.42	-
Total	-	2,072.98	-	1,843.43	3,916.41	-	154.83	211.90	366.73	3,549.68	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-

Notes:

The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. This has resulted in recognising a right-of-use asset of Rs. 2,072.98 lakhs and a corresponding lease liability of Rs. 2,574.58 Lakhs. The difference of Rs. 375.35 Lakhs (net of deferred tax asset created of Rs. 126.25 Lakhs) has been adjusted to retained earnings as at 1st April 2019.

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share.

4. INTANGIBLE ASSETS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Gross Block				Amortization			Net Block		
	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	For the Year	Deductions	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Computer Software	352.06	437.96	-	790.02	293.57	95.45	-	389.02	401.00	58.49
Technical Know-how	55.43	15.31	-	70.74	17.88	14.91	-	32.79	37.95	37.55
Total	407.49	453.27	-	860.76	311.46	110.37	-	421.82	438.94	96.04
Previous Year	361.03	46.46	-	407.49	242.34	69.12	-	311.46	96.04	-
Intangible assets under development	358.31	-	358.31	-	-	-	-	-	-	358.31
Previous Year	-	-	-	-	-	-	-	-	-	-

Particulars	Gross Block				Amortization			Net Block		
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Computer Software	320.79	31.27	-	352.06	236.30	57.27	-	293.57	58.49	84.49
Technical Know-how	40.24	15.19	-	55.43	6.04	11.84	-	17.88	37.55	34.20
Total	361.03	46.46	-	407.49	242.34	69.12	-	311.46	96.04	118.69
Previous Year	278.58	113.89	31.44	361.03	210.33	63.45	31.44	242.34	118.69	-
Intangible assets under development	130.81	227.50	-	358.31	-	-	-	-	358.31	130.81

NOTES:

1. During the current year, the company has capitalised borrowing cost relating to intangible assets amounting to Rupee 17.72 Lakhs (31 March 2019:-Rupee 16.41 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.50%, which is the effective rate of borrowing.

Notes on Financial Statements for the year ended 31.03.2020

5 NON - CURRENT INVESTMENTS

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
UNQUOTED EQUITY SHARES (At cost)				
1 in wholly owned Subsidiaries (Overseas)				
a) Fiem Industries Japan Co., Ltd.				
100 (Previous Year- 100) fully Paid Equity shares of 50,000 JPY each	29.49		29.49	
b) Fiem (Thai) design and technology Co. Ltd.				
Nil (Previous Year 100) fully paid equity shares of 10,000 Thailand Bhatt each	-		19.68	
c) Fiem Research and technology S.r.l.				
a Limited Liability Company incorporated in Italy- Amount invested 3.00 Lakhs Euros (Previous Year -1.00 Lakhs Euros)	238.44		81.38	
		267.93		130.54
2 in Joint Venture (JV)				
a) Indian				
a) Aisan Fiem Automotives India P. ltd.				
2,60,00,000 Equity Share (Previous year - 2,60,00,000 Equity Share) of Rs 10 Each of the company, a Joint venture with Aisan Industry Co., Ltd. Japan (69% share) and Toyota Tsusho India Private Limited (5% share)	2,600.00		2,600.00	
b) Overseas				
a) Centro Ricerche FIEM Horustech S.r.l.				
A Limited Liability Company incorporated in Italy on 50:50 JV basis with Horustech Lighting S.r.l. Italy. Total amount invested 0.40 Lakhs Euros. (Previous Year 0.40 Lakhs Euros)	33.16		33.16	
b) Fiem Kyowa (HK) Mould Company Limited				
Company incorporated in Hong Kong on 50:50 basis with Kyowa Co., ltd. Japan. 1,000 fully paid shares (Previous Year -1000) of 100 Hong Kong dollar each	8.40		8.40	
		2,641.56		2,641.56
3 in Others				
a) Shivalik Solid Waste Management Ltd.				
20,000 equity shares (Previous Year 20,000) of Rs 10 each fully paid up	2.00		2.00	
		2.00		2.00
TOTAL		2,911.49		2,774.10

Investment dissolved during the year through voluntary liquidation

- 1 Fiem (Thai) design and technology Co. Ltd.



Notes on Financial Statements for the year ended 31.03.2020

6 TRADE RECEIVABLES (Unsecured but considered Good)

(Amount Rs in Lakhs)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Retention money with Customers	124.90	124.90	-	-
b) Trade receivables				
Considered Good		-	7,670.70	14,637.58
Credit Impaired			142.32	117.32
Total	-	-	7,813.02	14,754.90
Less:- Allowances for Credit losses	-	-	142.32	117.32
TOTAL	124.90	124.90	7,670.70	14,637.58

Trade Receivables includes dues from wholly owned subsidiary company- Fiem Industries Japan Co., Ltd /- Rs 16.41 Lakhs (Previous year Rs 6.80 Lakhs)

7 LOANS (Unsecured but considered Good)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Loan to wholly owned foreign subsidiary company	-	39.37	-	-
b) Loan to employees	19.69	21.84	49.25	45.72
c) Security deposit	918.29	829.23	-	4.55
TOTAL	937.98	890.44	49.25	50.27

8 OTHER FINANCIAL ASSETS (Unsecured but considered Good)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Term deposit held as margin money, with more than 12 months maturity	27.77	32.00	-	-
b) Income accrued on deposits	0.77	1.94	66.61	69.74
c) Insurance Claim Recoverable	-	-	860.38	1,473.14
d) Export Incentive Receivables	-	-	50.10	63.85
e) Derivative Assets -Long term	532.39	167.94	-	-
f) Other Advances recoverable	-	-	96.38	83.50
TOTAL	560.92	201.87	1,073.47	1,690.23

9 INCOME TAX ASSETS (NET)

Particulars	As at 31.03.2020	As at 31.03.2019
Advance Income tax		449.13
TOTAL		449.13

10 OTHER ASSETS (Unsecured but Considered Good)

(Amount Rs in Lakhs)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Capital Advances	613.89	821.40	-	-
b) Advances other than capital advances				
i) Advances to Suppliers	-	-	1,175.41	1,659.41
ii) Balance with Customs or GST departments	-	-	491.32	237.80
iii) Prepaid Expenses	31.80	9.99	215.01	194.72
TOTAL	645.68	831.39	1,881.74	2,091.92

Notes on Financial Statements for the year ended 31.03.2020

11 INVENTORIES

(Amount Rs in Lakhs)

(As per Inventory taken valued & certified by the management and valued at lower of cost or net realisable value)

Particulars	Aa at 31.03.2020		As at 31.03.2019	
a) Raw Materials and Components	7,441.58		6,878.32	
b) Raw Materials and Components in transit	-		-	
c) Work in Progress	1,215.30		3,555.53	
d) Finished Goods	3,899.15		3,953.54	
e) Stock in trade (Others)	-		0.08	
f) Stores and Spares (including Packing Material)	353.06		336.74	
g) Stores and Spares (including Packing Material) in transit	-		-	
		12,909.09		14,724.21
TOTAL		12,909.09		14,724.21

12 CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020		As at 31.03.2019	
a) Balances with Banks in current account		369.65		61.86
b) Cash Credit account (see also note 18 below)		4,122.13		-
c) Deposits with original maturity of less than three months		-		41.51
d) Cash on Hand		29.27		15.80
TOTAL		4,521.05		119.17

13 OTHER BANK BALANCES

Particulars	As at 31.03.2020		As at 31.03.2019	
1) Unpaid Dividend Account	17.17		16.67	
2) Margin money deposit with original maturity for more than 3 months but less than 12 months	42.11		9.20	
		59.29		25.87
TOTAL		59.29		25.87

14 EQUITY SHARE CAPITAL

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
Authorised				
3,00,00,000 (as at 31.03.19- 3,00,00,000) Equity shares of Rs 10 each		3,000.00		3,000.00
Issued, Subscribed and Paid-up				
1,31,59,830 (as at 31.03.19- 1,31,59,830, Equity Shares of Rs. 10/- each fully paid up)		1,315.98		1,315.98
TOTAL		1,315.98		1,315.98

a) Terms/rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of the equity shares held by the shareholders.



Notes on Financial Statements for the year ended 31.03.2020

b) The Details of shareholder holding more than 5% shares in the company (Equity share of Rs 10 each fully paid up)

Name of the Shareholder	As at 31.03.2020		As at 31.03.2019	
	No of Shares	% held	No of Shares	% held
1) J.K. Jain	3,129,367	23.78%	3,055,808	23.22%
2) Seema Jain	3,010,000	22.87%	2,960,000	22.49%
3) Rahul Jain	1,625,668	12.35%	1,552,340	11.80%
4) Aanchal Jain	898,184	6.83%	800,000	6.08%
5) Saif India V Fii Holdings Limited	1,152,081	8.75%	1,152,081	8.75%

c) Reconciliation of Number of Shares

	As at 31.03.2020		As at 31.03.2019	
	No of shares	Amount (In Rs Lakhs)	No of shares	Amount (In Rs Lakhs)
Equity shares				
Opening Balance	13,159,830	1,315.98	13,159,830	1,315.98
Issued During the Year	-	-	-	-
Closing balance	13,159,830	1,315.98	13,159,830	1,315.98

15 OTHER EQUITY

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
SECURITIES PREMIUM		
As Per Last Balance Sheet	16,722.77	16,722.77
GENERAL RESERVE		
As Per Last Balance Sheet	3,840.00	3,280.00
Add :- Transferred from Surplus in the statement of Profit and Loss	800.00	560.00
Closing balance	4,640.00	3,840.00
SURPLUS -OPENING BALANCE	25,786.01	23,579.01
Add:- Profit after tax	7,892.85	5,548.75
Add:- Other Comprehensive Income (loss)	(63.78)	(84.68)
Transition impact of Ind AS 116- Leases, net of tax	(375.35)	-
Amount Available for Appropriation	33,239.73	29,043.08
Less :- Appropriations		
i) Final Dividend Paid Rs 4 per share- (Previous Year Rs 9 per share)	526.39	1,184.38
ii) Corporate Dividend Tax Paid on Final Dividend	108.20	243.49
iii) Interim Dividend paid Rs 10 per share (Previous Year Rs 8 per share)	1,315.98	1,052.79
iv) Corporate Dividend Tax Paid on Interim Dividend	270.50	216.40
v) Transfer to General Reserve	800.00	560.00
	3,021.07	3,257.07
SURPLUS -CLOSING BALANCE	30,218.66	25,786.01
TOTAL	51,581.43	46,348.79

Description of nature and purpose of each reserve

- 1 General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- 2 Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Companies Act, 2013.

Notes on Financial Statements for the year ended 31.03.2020

16 NON-CURRENT BORROWINGS

(Amount Rs in Lakhs)

Particulars	Non Current Portion		Current Maturities	
	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19
SECURED LOANS				
1) TERM LOANS FROM BANKS				
a) Indian Rupee Loan	200.00	1,747.06	400.00	752.94
b) Foreign Currency Loan	5,504.58	7,367.42	3,772.51	3,086.37
	5,704.58	9,114.48	4,172.51	3,839.31
2) VEHICLE LOANS				
a) from Banks	104.68	181.75	128.14	157.59
b) from Others	-	-	-	4.63
	104.68	181.75	128.14	162.21
TOTAL	5,809.27	9,296.24	4,300.65	4,001.52

INDIAN RUPEE TERM LOANS FROM BANKS INCLUDE

- From HSBC Bank:- Outstanding as on 31.03.20 is Rs 600.00 lakhs, (as on 31.03.19 Rs 1000 Lakhs) The Loan is for 6 year and has 20 quarterly equal repayment beginning after moratorium period of 15 months. Interest is monthly payable. The loan carries fixed interest rate of 9.50% p.a.. The Loan is Secured against First Pari-Passu charge with HSBC -Mauritius and with CITIBANK FCNR TERM LOAN -3 by way of equitable mortgage on land and building and hypothecation of Plant and machinery at project in Gujarat(Survey no 151-153, village karsanpura, Taluka mandal, Distt Ahmedabad) and secured against first pari passu charge by way of equitable mortgage on Land and Building and hypothecation of Plant and Machinery at Tapukara Rajasthan along with HSBC Mauritius, CITIBANK FCNR TERM LOAN -3 and STANDARD CHARTERED BANK ECB-3 LOAN
- From Citibank :- Outstanding as on 31.03.20 is Nil, as during the year 2019-20, the loan has been converted into Citibank FCNR foreign currency loan having fully hedged interest cost of 8.80% p.a. from earlier floating interest rate of INR Loan. other conditions related to tenure, repayment schedule,Secuirty etc remaining the same. (see note f below also in Foreign currency term loan) (as on 31.03.19 Is Rs 1500 Lakhs).

FOREIGN CURRENCY TERM LOAN FROM BANKS INCLUDE

- From Citibank :- FCNR Term Loan -2 outstanding as on 31.03.20- Rs NIL - (as on 31.03.19 - Rs 419.73 Lakhs) had tenor of 5 years with 16 equal quarterly repayments beginning from the end of 12 months from drawdown. Interest was payable on monthly basis. The loan carried fully hedged interest cost of 10.25% p.a. The Loan was secured against exclusive charge on fixed assets financed out of the term loan and is secured against First pari-passu charge on the fixed assets of Kundli Unit-1 and Hosur Unit-2 with working capital Lenders viz. Citibank, Standard Chartered Bank, HDFC bank and Indusind Bank Guarantee limit. The Loan was also secured against exclusive charge on fixed assets financed out of the term loan and first charge of the movable fixed assets of Unit-V situated at Hosur, tamilnadu.The loan was fully repaid during the current financial year.
- From Citibank :- FCNR Term Loan -3 outstanding as on as on 31.03.20 - Rs 1564.82 lakhs,(as on 31.03.19- Rs 2161.26 Lakhs) has tenor of 6 years with 20 equal quarterly repayments beginning from the end of 15 months from drawdown. Interest is payable on monthly basis. The loan carries fully hedged interest cost of 9% p.a. The Loan is secured against First pari-passu charge on the fixed assets of the company including land and building and plant and machinery at Rajasthan unit with other lender viz. HSBC India, HSBC Mauritius and SCB 5.50 Million USD ECB LOAN and is secured against first pari-passu charge on all the fixed assets including land and building and plant and machinery of Gujarat unit shared with other lenders viz. HSBC India, HSBC Mauritius .
- From Standard Chartered Bank ECB -3 for 55 lakh USD :- Loan outstanding as on 31.03.20- Rs 2091.96 Lakhs (as on 31.03.19- Rs 2680.39 Lakhs). The loan is for 6 years with 16 equal quarterly repayment beginning from the end of 15 months from the drawdown. Interest is quarterly payable. The loan carries fully hedged interest cost of 8.90% p.a. The Loan is secured on first pari passu charge basis with HSBC INDIA, HSBC Mauritius and CITIBANK FCNR TERM LOAN-3 on all assets of Tapukara plant (Present and future) and secured against exclusive charge on movable fixed assets situated at Mysore unit-4, and Hosur Unit-3 Kalamangalam Road.



Notes on Financial Statements for the year ended 31.03.2020

- d) From HSBC Mauritius ECB :- Loan outstanding as on 31.03.20- Rs 1790.41 Lakhs, (as on 31.03.19- Rs 2680.39 Lakhs). The loan is for 6 years with 20 equal quarterly repayment beginning from the end of 15 months from the drawdown. Interest is quarterly payable. The loan carries fully hedged interest cost of 8.99% p.a. The Loan is secured against Equitable Mortgage with CITIBANK FCNR TERM LOAN-3 (1st Pari Passu with HSBC, India) on Land and Building and Hypothecation of Plant and Machinery (1st pari- Passu with HSBC, India) located at Ahmedabad, Gujarat and secured against equitable mortgage on Land and Building with (1st pari- Passu with HSBC, India) and hypothecation of Plant and Machinery (1st pari- Passu with HSBC, India) along with CITIBANK FCNR TERM LOAN -3 AND STANDARD CHARTERED BANK ECB-3 at Tapukara Rajasthan.
- e) From Citibank FCNR Term Loan -4:- Outstanding as on 31.03.20 is Rs 2576.68 lakhs (as on 31.03.19- Rs 2512.02 lakhs) The Loan is for 5 year and has 17 quarterly equal repayment starting from the end of 12 months of drawdown. Interest is monthly payable. The loan carries fully hedged interest cost of 9.00% p.a.. The Loan is Secured against exclusive charge on fixed assets financed out of the term loan and first exclusive charge of the movable assets of Unit-V situated at Hosur, Tamilnadu and exclusive charge on Plant and Machinery and Land and Building of unit-VI Located at Village Bhatian, tehsil Nalagarh, Distt. Solan -174101.
- f) From Citibank FCNR Term Loan -5 :- Outstanding as on 31.03.20 is Rs 1253.22 Lakhs (31.03.19- Nil as till 31.03.19 this loan was INR loan having outstanding of Rs 1500 Lakhs, during the current year the loan has been converted from INR loan to Foreign currency FCNR loan) The Loan is for 5 year and has 17 quarterly equal repayment starting from the end of 12 months of drawdown which is same as that of INR loan . Now the Loan carries fully hedged interest cost of 8.80% pa. instead of floating interest rate in case of INR loan . The Loan is Secured against exclusive charge on fixed assets financed out of the term loan and first charge of the movable assets of Unit-V situated at Hosur, Tamilnadu which is same as that of INR loan

VEHICLE LOANS FROM BANKS AND OTHERS

Vehicle loan from banks and others outstanding as on 31.03.20- Rs 232.82 Lakhs, (31.03.19- Rs 343.96 Lakhs), secured against hypothecation of the respective vehicles acquired out of proceeds thereof. The Loans carries interest rate between 8.50% p.a.to 10.00% p.a..

(Amount Rs in Lakhs)

	1-2 years	2-3 years	3-4 years	4 years & above
Maturity Profile of Term Loans and Vehicle Loans are as	3,564.72	1,497.02	747.53	-

17 PROVISIONS

(Amount Rs in Lakhs)

Particulars	Non -Current		Current	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
1 Provision for Retirement Benefits				
a) Leave Encashment	455.86	418.85	113.21	62.98
b) Gratuity	108.09	255.33	257.28	54.94
2 Provision for Warranties	-	-	67.30	71.70
TOTAL	563.96	674.17	437.79	189.62
Provision for Warranties				

The company gives warranties on certain products and services, undertaking to repair and replace the items that fails to perform satisfactorily during the warranty period. Provision made as at 31.03.20 represents the amount of the expected cost of meeting such obligation of rectification or replacement. The timing of the outflow is expected to be within warranty period.

Particulars	31.03.2020	31.03.2019
Opening Balance	71.70	61.55
Addition	67.30	71.70
Utilization /reversal	71.70	61.55
Closing Balance	67.30	71.70
Current Portion	67.30	71.70
Non Current Portion	-	-

Notes on Financial Statements for the year ended 31.03.2020

18 CURRENT BORROWINGS

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
SECURED LOANS				
Cash Credit/Working Capital Loans repayable on demand from Banks				
Indian Rupee Loan (see note 12 above also)		1.08		3,846.66
TOTAL		1.08		3,846.66

Indian Rupee Loan includes

- From Citibank NA :- Loan outstanding as at 31.03.20 -Nil , (as on 31.03.19- Rs 2185.60 Lakhs). Interest is payable with monthly rest on the last date of each month in each year or at such other rest as determined by the bank. The rate of interest is based on relevant circumstances, including market conditions which currently is around 9.00% p.a.. The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/Inventories with Standard Chartered Bank Cash Credit Loan, HDFC Bank Cash Credit Loan , Indusind Bank Bank Guarantee Limit and secured against First Pari Passu charge on all the fixed assets of the company (excluding assets specifically purchased out of the term loans from Citibank and other term loan lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Standard Chartered Bank, HDFC Bank, Indusind Bank.
- From Standard Chartered Bank :- Loan outstanding as at 31.03.20- Rs 1.08 Lakhs (as on 31.03.19- Rs 483.28 Lakhs), Interest is monthly payable. Interest is payable at base rate plus margin basis which may be agreed with bank from time to time which currently is around 9.50% p.a.. The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/ Inventories with Citibank Cash Credit Loan, HDFC Bank Cash Credit Loan , Indusind bank Bank Guarantee Limit and secured against First Pari Passu Charge on present and future moveable fixed assets of the company with Citibank , HDFC Bank, Indusind Bank (excluding assets specifically purchased out of term loan from term lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank , HDFC Bank, Indusind bank.
- From HDFC BANK :- Loan outstanding as at 31.03.20- NIL (as on 31.03.19- Rs 1177.78 Lakhs), Interest is monthly payable. Interest is payable at base rate plus margin basis which may be agreed with bank from time to time which currently is around 9.00% p.a.. The loan is secured against First Pari Passu charge on all present and future receivables, stocks/Inventories with Citibank Cash Credit Loan, Standard Chartered Bank Cash Credit Loan, Indusind bank Bank Guarantee Limit and secured against First Pari Passu Charge on all fixed assets of the company (excluding assets specifically purchased out of term loan from term loan lenders) with Citibank, Standard Chartered Bank, Indusind Bank including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank, Standard Chartered Bank, Indusind Bank.
- Indusind Bank Bank Guarantee Limit:- The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/Inventories with Citibank Cash Credit Loan, Standard Chartered Bank Cash Credit Loan, HDFC bank Cash Credit Loan Limit and secured against First Pari Passu Charge on present and future moveable fixed assets of the company with Citibank, Standard Chartered Bank, HDFC bank (excluding assets specifically purchased out of term loan from term lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank, Standard Chartered Bank, HDFC bank.

19 CURRENT TRADE PAYABLES

Particulars	Aa at 31.03.2020		As at 31.03.2019	
- Micro and Small enterprises	476.85		122.62	
-Other than Micro and Small enterprises	16,250.43		18,755.43	
		16,727.28		18,878.05
TOTAL		16,727.28		18,878.05

Considering the company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under "The Micro, Small and Medium Enterprises Development Act 2006" during the year.

There is also no amount of outstanding interest in this regard, brought forward from previous years. The above information is on basis of intimations received, from the vendors who have communicated their status with regards to vendors registration under the said Act on requests made by the company.



Notes on Financial Statements for the year ended 31.03.2020

20 OTHER FINANCIAL LIABILITIES- CURRENT

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
a) Trade Security Deposits		297.12		304.37
b) Current Maturity of Long- term debt	4,300.65		4,001.52	
Add/(Less) Derivative liability/ (Assets) Short Term	(398.16)		(131.14)	
		3,902.49		3,870.38
c) Current maturity of Lease Liability		33.73		-
d) Interest accrued		27.98		89.16
e) Liabilities for Expenses		1,502.70		1,393.76
f) Unpaid Dividend - (Investor Education and Protection Fund will be credited by this amount (as and when due))		17.17		16.67
g) Creditors for Capital Expenditure		411.03		676.58
TOTAL		6,192.21		6,350.93

21 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020		As at 31.03.2019	
a) Advances received from Customers		2,056.73		2,413.12
b) Statutory Dues payable		1,324.58		1,395.13
TOTAL		3,381.31		3,808.25

22 CURRENT TAX LIABILITIES (NET)

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
Provision for Income tax (Net of advance tax and Tds)		122.25		271.40
TOTAL		122.25		271.40

23 NET SALES

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
a) Sales of Products				
- Sales of Finished Goods				
Automotive Segment	133,626.26		139,601.01	
LED Luminaries Segment	2,008.46		2,876.42	
	135,634.72		142,477.43	
- Sales of Raw material/Traded goods				
Automotive Segment	966.53		863.38	
LED Luminaries Segment	-		25.79	
	966.53		889.17	
b) Sales of Services (Job work charges received)		136,601.25		143,366.60
Automotive Segment	-		-	
LED Luminaries Segment	23.62		29.53	
		23.62		29.53
TOTAL		136,624.87		143,396.13

Notes on Financial Statements for the year ended 31.03.2020

24 OTHER OPERATING INCOME

(Amount Rs in Lakhs)

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
1) Scrap sales		420.72		524.84
2) Testing, Design and Development charges received		210.30		110.53
3) Support fee received (Aisan Fiem Automotives India Pvt Ltd)		260.00		211.56
4) Duty Drawback Received		33.87		45.26
5) Merchandise export Incentive received		41.62		60.02
6) Rebate and Discount Received		12.60		0.96
7) Govt subsidy received		100.00		-
8) Difference in foreign exchange		(57.82)		19.09
9) Segregation, Packing and Forwarding charges Received		51.82		28.85
10) Insurance claim		-		2.56
TOTAL		1,073.11		1,003.67

25 OTHER INCOME

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
1) Interest income on Fixed Deposits and others Deposits		83.18		41.97
2) Income on Income tax refund		43.94		-
3) Income from Mutual fund		-		10.67
4) Sundry Creditors written back		15.39		22.88
5) Rental Income received		9.18		9.02
6) (Profit)/Loss on sale of Property, Plant and Equipment		18.62		-
7) Other Non Operating Income		2.99		1.67
TOTAL		173.30		86.21

26 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Opening Stock		6,878.32		6,663.76
Add : Purchases		81,387.59		89,774.49
Less :- Inventories at the end of the year		7,441.58		6,878.32
TOTAL		80,824.33		89,559.93

27 PURCHASE OF STOCK IN TRADE

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Purchase of Traded Goods		777.16		741.55
TOTAL		777.16		741.55

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Inventories at the end of the year				
a) Finished Goods	3,899.15		3,953.54	
b) Work -in- Progress	1,215.30		3,555.53	
c) Traded Goods	-		0.08	
		5,114.45		7,509.15
Inventories at the beginning of the year				
a) Finished Goods	3,953.54		3,134.68	
b) Work -in- Progress	3,555.53		3,882.22	
c) Traded Goods	0.08		0.14	
		7,509.15		7,017.04
		2,394.70		(492.11)



Notes on Financial Statements for the year ended 31.03.2020

29 EMPLOYEES BENEFITS EXPENSES

(Amount Rs in Lakhs)

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Salaries,Wages and Bonus to employees		18,139.33		18,152.95
Contribution to Provident and other Funds		434.43		354.01
Staff Welfare Expenses		641.35		709.68
Gratuity Expenses		203.95		194.77
Earned Leave to staff		133.28		158.91
TOTAL		19,552.34		19,570.33

30 FINANCE COSTS

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Interest Expense				
a) Interest on borrowings	1,600.19		2,155.92	
b) Interest on leasehold obligation	154.47		-	
		1,754.66		2,155.92
Other Borrowing Costs		12.00		53.87
TOTAL		1,766.66		2,209.79

31 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Depreciation on Property,plant and equipment (see note -2)		5,006.93		4,822.50
Depreciation on Right of Use assets (see Note-3)		154.84		-
Amortization of Intangible assets (See Note-4)		110.37		69.12
		5,272.14		4,891.61

32 OTHER EXPENSES

Particulars	Current Year F.Y. 2019-20		Previous Year F.Y. 2018-19	
Manufacturing Expenses				
1) Job Charges	266.65		308.23	
2) Machinery running and Maintenance				
a) Machinery Repair and Service Charges	180.72		108.31	
b) Machinery Spares	906.77		953.90	
3) Consumption of Stores and Spare parts	1,901.64		2,070.98	
4) Packing Expenses	2,338.20		2,688.99	
5) Power and Fuel	4,966.61		5,313.35	
6) Repair - Dies	87.45		150.18	
7) Factory / Godown Rent#	62.01		49.86	
8) Freight, Cartage & Octroi	671.76		766.42	
9) Testing and Design Fees	666.38		404.68	
10) Segregation Charges Paid	0.72		14.11	
		12,048.91		12,829.02

Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakhs)

Administrative and Selling Expenses			
1) Advertisement, Sub & Membership Exp.	94.83		79.79
2) Payment to Auditors	85.71		81.65
3) Donation	27.04		30.63
4) Rates and taxes	250.42		172.29
5) Insurance	153.86		91.75
6) Bad debt written off	2.31		53.44
7) Provision for Bad and Doubtful Debt	25.00		24.15
8) Rent#	70.55		263.84
9) Repair & Maintenance- Building	73.21		64.06
10) Repair & Maintenance- Other	379.42		254.25
11) Royalty	62.49		50.00
12) (Profit)/Loss on sale of Property, Plant and Equipments	-		(13.06)
13) Selling & Distribution Expenses	2,395.05		2,632.59
14) Travelling and Conveyance Expenses	607.82		557.25
15) Contribution toward CSR (Note-52)	141.90		137.94
16) Other Office Expenses	2,065.19		2,184.18
		6,434.80	6,664.76
TOTAL		18,483.71	19,493.78

Represents lease rentals for short term leases and leases of low value assets

33 EXCEPTIONAL ITEMS- INCOME/(EXPENDITURE)

Particulars	Current Year F.Y. 2019-20	Previous Year F.Y. 2018-19
Loss on insurance claim on Inventory	(88.23)	-
	(88.23)	-

During the year, the Insurance claim on inventory was settled and the company received Rs 511.08 lakhs as final payment against inventory loss claimed which resulted in loss of Rs 88.23 lakhs. The balance insurance claim is under process.

34 CONTINGENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
(A) Claims against the Company/disputed liabilities not acknowledged as debts (See Note-1)		
(i) Income Tax		
Case decided in the Company's favour by First Appellate Authorities for AY 2011-12 and for which the department has filed further appeals, No demand is outstanding as on the reporting date as the matter has been decided in favour of the company by the CIT(Appeal). However the issue has been challenged in ITAT by the income tax department. Also during the current year, the cases on similar ground for AY 09-10, AY 10-11, AY 12-13 and AY 13-14 also been decided in companies favour by the ITAT, New Delhi.	617.71	827.27
(ii) Custom Duty		
(a) Import Duty Demand towards imported capital goods which were sold to the customer in relation to nil import duty being paid at the time of import of said capital goods as a 100% EOU unit for which the company has filed an appeal with CESTAT, Chennai (Net of deposit)	43.40	43.40



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakhs)

(iii) Excise Duty		
Excise Duty Demand towards interest & penalty on short payment/reversal of Cenvat Credit on clearance of capital goods for the period April, 2015 to March, 2017 for which company has filed appeal with The commissioner, CGST & C.Ex., Ahmadabad-North. During the current year, the department has discharged the company from payment of any further duty, interest or penalty with respect to the aforesaid matter under SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME RULES, 2019.	-	39.19
(iv) Sales Tax		
(a) Sales Tax Demand for F.Y. 2014-15 on Central Sales Tax Reversal under Section 19(2)(v) of the TNVAT Act, 2006 for which company has filed appeal with High Court, Chennai	150.07	150.07
(b) Sales Tax Demand for A.Y. 2010-11 for which company has filed appeal with High Court of Punjab & Haryana (net of deposit)	20.00	20.00
	831.18	1,079.93
Note: -1- Based on the advice taken by the company, the company believes that it has good case in respect of all the items under (i) to (iv) above and hence no provision is considered necessary against the same.		

(B) Other Money for which the Company is contingently liable	As at March 31, 2020	As at March 31, 2019
(a) Liability in respect of bill of exchange discounted from bank	4,593.57	4,786.14
(b) The Hon'ble Supreme Court of India, through a ruling in February 2019, provided interpretation on the components of Salary on which the Company and its employees are to contribute towards Provident Fund under the Employee's Provident Fund Act. Based on the current evaluation, the Company believes it is not probable that certain components of Salary paid by the Company will be subject to contribution towards Provident Fund due to the Supreme Court order. The Company will continue to monitor and evaluate its position based on future events and developments.		

35 CAPITAL & OTHER COMMITMENTS

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Estimated amount of contracts remaining to be executed on capital account and not provided, (net of advances)	429.44	812.98
(ii) Estimated amount of contracts remaining to be executed on purchases account not provided, (net of advances)	919.02	3,644.88
(iii) Estimated amount of Bank Guarantee Charges payable to Banks	0.85	3.43
Total	1,349.31	4,461.29

36 EARNING IN FOREIGN EXCHANGE

Particulars	2019-20	2018-19
Export of Goods (FOB)	1,820.58	2,258.45
Export of Service	7.98	-
Sales of Moulds & Dies (the goods did not cross the custom frontiers of India)	315.50	219.41
Total	2,144.06	2,477.86

37 CIF VALUE OF IMPORT

Particulars	2019-20	2018-19
Raw Material	14,690.45	11,206.68
Capital Goods	758.13	917.33
Components and Spare Parts	93.67	166.47
Consumable Store	27.52	15.30
Total	15,569.77	12,305.77

Notes on Financial Statements for the year ended 31.03.2020

38 EXPENDITURE IN FOREIGN EXCHANGE

(Amount Rs in Lakhs)

Particulars	2019-20	2018-19
Finance Cost	180.41	257.29
Travelling Expenses	96.00	102.39
Design/Testing Charges Paid	488.36	252.83
Royalty	12.49	-
Others	39.48	46.78
Total	816.74	659.29

39 AUDITOR'S REMUNERATION

Particulars	2019-20	2018-19
(a) Auditor's Remuneration		
For Statutory Audit	43.00	43.00
For Tax Audit	4.00	4.00
For GST Audit	4.00	-
For Limited Review	7.00	7.00
For Other Services	25.00	25.00
Total (a)	83.00	79.00
(b) Cost Auditor's Remuneration		
For Cost Audit Fees	2.50	2.50
For Certification Fees	0.13	0.07
For Reimbursement of Travelling and Out-of-Pocket Expenses	0.08	0.09
Total (b)	2.71	2.65
Total (a+b)	85.71	81.65

40 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Property, Plant and Equipment & Intangible Assets	4,217.72	5680.61
Unrealised Exchange Gain	-	0.19
Total (a)	4,217.72	5,680.80
Deferred Tax Assets		
Allowances for Credit Losses	35.82	40.99
Provision for Leave Encashment	143.24	168.35
Provision for Gratuity	91.97	108.41
Provision for Bonus	91.81	145.80
Welfare Fund	0.60	0.34
Provision for Warranties	16.94	25.05
Lease Liabilities	150.85	-
Others	1.11	-
Total (b)	532.34	488.93
Net Deferred Tax Liability (a-b)	3,685.38	5,191.87



Notes on Financial Statements for the year ended 31.03.2020

Movement in Deferred Tax Liabilities and Deferred Tax Assets (Amount Rs in Lakhs)

Particulars	As on 31st March, 2020	Recognised in profit and loss	Impact on account of Ind AS 116 adoption	As on 31st March, 2019
Movement in Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	4,217.72	(1,462.89)	-	5,680.61
Unrealised Exchange gain on capital accounts	-	(0.19)	-	0.19
Total (A)	4,217.72	(1,463.09)	-	5,680.80
Movement in Deferred Tax Assets				
Allowances for Credit Losses	35.82	(5.17)	-	40.99
Provision for Leave Encashment	143.24	(25.12)	-	168.35
Provision for Gratuity	91.97	(16.44)	-	108.41
Provision for Bonus	91.81	(53.99)	-	145.80
Welfare Fund	0.60	0.27	-	0.34
Provision for Warranties	16.94	(8.11)	-	25.05
Lease Liabilities	150.85	24.60	126.25	-
Others	1.11	1.11	-	-
Total (B)	532.34	(82.85)	126.25	488.93
Net Deferred Tax Liability (A-B)	3,685.38	(1,380.24)	126.25	5,191.87

(a) Tax expense

Particulars	2019-20	2018-19
Current Tax		
Current tax on profit for the year	2,178.45	2,541.48
Adjustment for current tax of prior periods	20.95	14.79
Total current tax expense	2,199.40	2,556.27
Deferred tax		
Decrease/(Increase) in deferred tax assets	82.85	(102.50)
(Decrease)/Increase in deferred tax liabilities	(1,463.09)	508.61
Total deferred tax expense(benefit)	(1,380.24)	406.11
Tax Expense (Current Tax plus Deferred tax)	819.16	2,962.38

(b) Income Tax recognised in other comprehensive income (Loss)

	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Before Tax	Tax expense	Net of tax	Before Tax	Tax expense	Net of tax
Premeasurement of Defined Benefit Plans	(85.23)	21.45	(63.78)	(130.16)	45.48	(84.68)

(c) Reconciliation of Effective Tax Rate

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Profit before tax	8,712.01	8,511.13
(b) Enacted tax rate in India	25.17%	34.94%
(c) Expected tax expenses	2,192.81	2,974.13
(d) Difference due to		
Excess Deduction of R&D expenses	-	(153.83)
Disallowances of CSR Expenditure	35.72	46.52
Deferred Tax Liability (Assets)	(1,380.24)	406.11
Others	(29.13)	(310.55)
Income Tax Expenses	819.16	2,962.38

Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakhs)

Impact of Tax Rate Change: The Company has exercised the option permitted under section 115BAA of the Income tax Act 1961, as introduced by the Taxation Laws (Amendment) ordinance 2019. Accordingly, the Deferred Tax Liabilities (net) as at March 31, 2019 and the estimate of tax expense for the year ended 31st March 2020 has been re-measured. The resultant impact is being recognised during the current financial year. This has resulted in proportionate reversal of deferred tax expense of Rs 1451.76 lakhs for the current financial year ended 31st March 2020, on account of remeasurement of deferred tax liability as at March 31, 2019.

Amount on which deferred tax assets has not been created and related expiry period

Deferred tax assets has not been recognised in respect of deductible temporary differences arising from investment in subsidiaries and interests in joint arrangements and unused tax losses arising from capital loss carried forward under Income Tax Act, 1961 on sale of property, transfer of land allotment rights and unquoted equity share because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Assessment Year	Nature of Loss	As at March 31, 2020	As at March 31, 2019	Available up to A.Y.
2014-15	Long-term capital loss	644.98	644.98	2022-23
2019-20	Long-term capital loss	185.03	185.03	2027-28
2019-20	Long-term capital loss	0.06	0.10	2027-28
		830.07	830.12	

(b) Deductible Temporary Differences

Particulars	Nature of Entity	As at March 31, 2020	As at March 31, 2019
Aisan Fiem Automotives India Pvt Limited	Joint Venture	551.46	105.05
Fiem Research and Technology Srl	Subsidiary	7.48	-
		558.94	105.05

Aggregate amount of temporary differences associated with investment in subsidiaries/joint venture for which deferred tax liability has not been recognised

Name of Company	Nature of Entity	As at March 31, 2020	As at March 31, 2019
Fiem Industries Japan Co., Ltd	Subsidiary	179.42	158.98
Fiem Research and Technology Srl	Subsidiary	-	0.98
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture	20.81	8.21
Centro Ricerche Fiem Horustech Srl	Joint Venture	13.26	9.03
Total		213.49	177.20

Deferred Tax Assets on Lease-hold Land

Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will not be recovered through sale and indexation benefit at the time of disposal will not be available, accordingly deferred tax asset on the difference between carrying value and indexed value has not been created.

41 OPERATING LEASE TRANSACTION

A. Lease as Lessee

The company has taken commercial premises under cancellable operating lease. Minimum lease payments in respect of assets taken on operating lease are as follows:-

Particulars	2019-20	2018-19
Total of future minimum lease payments under operating lease for following periods:		
Not later than one year	2.50	-
Later than one year and not later than five years	-	-
later than five years	-	-
Total	2.50	-

Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakhs)

Lease Rental recognized in Statement of Profit & Loss in respect of leases of low value assets, leases with term less than twelve months and variable leases.	132.56	131.45
Long-term leases- Nil in Current year as accounted as Lease liability as per Ind AS 116	-	182.25
Total	132.56	313.70

B. Lease as Lessor

The Company has leased out a portion of its building and subleased a building under a operating lease arrangement. The leases may be renewed for a further period based on mutual agreement of the parties. During the year, an amount of Rupee 9.18 lakhs (previous year Rupee 9.02 lakhs) was recognised as rental income in the Statement of Profit and Loss. As at 31 March 2020, there are no future minimum lease payments under non-cancellable operating lease as receivable.

42 EXCHANGE DIFFERENCES ON ACCOUNT OF FLUCTUATION IN FOREIGN CURRENCY RATES

Particulars	2019-20	2018-19
Exchange Differences recognized in the Statement of Profit & Loss		
(i) Exchange Gain /(Loss) Relating to Export during the year as a part of "Sales"	31.51	34.90
(ii) Exchange Gain/(Loss) Relating to Import during the year as a part of "Purchase"	50.55	35.49
(iii) Exchange Gain/(Loss) on Settlement of monetary items pertaining to previous year and Revaluation of monetary items at balance sheet date as a part of "Other operating income"	(57.82)	19.09
Exchange Differences recognized in the Property, Plant and Equipment		
(i) Exchange Gain/(Loss) Gain Relating to Liabilities against Property, plant and equipments settled during the year	0.44	(2.50)
	24.69	86.98

43 FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	-	(1.27)
Exchange loss/(gain) during the year	-	-
Less:-Amortization of Exchange Fluctuation for the year	-	(1.27)
Closing Balance	-	-

44 EARNING PER SHARE

Particulars	2019-20	2018-19
Net Profit after tax attributable to equity shareholders	7,892.85	5,548.75
Weighted average number of equity shares outstanding during the year (Nos in lakhs)	131.60	131.60
Basic/diluted earning per share* (In Rs.)	59.98	42.16
Face value per equity share (In Rs.)	10	10

*There are no dilutive instruments issued by the Company.

45 GOVERNMENT GRANT

Particulars	2019-20	2018-19
Duty Drawback on Export in Foreign Currency	33.87	45.26
Merchandise Export Incentive on Export in Foreign Currency	41.62	60.02
Interest Subsidy Under the Scheme for Assistance to Labour Intensive Industries in Unit-9 situated in Gujarat	100.00	-
Waiver of Electricity Duty (Notional)	73.03	65.40
Total	248.52	170.68

Notes on Financial Statements for the year ended 31.03.2020

46 SEGMENT REPORTING

(Amount Rs in Lakhs)

(a) Identification of Segments:

Primary-Business Segments

The Company has identified two reportable business segments viz. Automotive and LED Luminaries Segment on the basis of the nature of products, the risk and return profile of individual business and the internal business reporting systems. The products included in each of the reported business segments are as follows:-

(i) Automotive comprising of automotive lighting & signalling equipment, rear view mirror, prismatic mirror, plastic moulded parts, and sheet metal components for motorised vehicles and others parts for automotive.

(ii) LED Luminaries Segment comprising of led luminaries viz. indoor and outdoor lighting, display panel, LED integrated passenger information system etc.

(b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to a segment on reasonable basis have been disclosed as "unallocated"

(c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Income tax related assets/liabilities, borrowings, deferred tax liabilities (Net) and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocated".

(i) Primary-Business Segments

Segment Revenue

Particulars	2019-20			2018-19		
	Automotive	LED Luminaries	Total	Automotive	LED Luminaries	Total
Segment Revenue						
External Sales	134,592.79	2,032.08	136,624.87	140,464.39	2,931.74	143,396.13
Other Operating Income	1,061.58	11.53	1,073.11	951.97	51.70	1,003.67
Inter-Segment Sales	-	-	-	-	-	-
Total	135,654.37	2,043.61	137,697.98	141,416.36	2,983.44	144,399.80
Results						
Segment Results (Earning Before Interest & Tax) before Exceptional item	12,191.86	(176.78)	12,015.08	12,677.54	(328.93)	12,348.61
Exceptional item (Expenditure)	(88.23)	-	(88.23)	-	-	-
Segment Results (Earning Before Interest & Tax)	12,103.63	(176.78)	11,926.85	12,677.54	(328.93)	12,348.61
Unallocated corporate expenses			1,613.70			1,713.90
Other Income			165.52			86.21
Operating Profit			10,478.67			10,720.92
Cost of Finance			1,766.66			2,209.79
Profit before tax			8,712.01			8,511.13
Tax expense			819.16			2,962.38
Profit after tax (PAT)			7,892.85			5,548.75
Other Comprehensive Income (Loss) (Net of tax)			(63.78)			(84.68)
Total Comprehensive Income			7,829.07			5,464.07
Depreciation & Amortization	5,047.74	224.40	5,272.14	4,552.05	339.56	4,891.61



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakhs)

Segment Assets	As at 31st March, 2020			As at 31st March, 2019		
Particulars						
Segment Assets						
Segment Assets	75,427.68	9,773.08	85,200.76	85,285.59	9,948.09	95,233.68
Unallocated Corporate Assets			7,126.20			938.28
Total Assets			92,326.96			96,171.96

Segment Liabilities	As at 31st March, 2020			As at 31st March, 2019		
Particulars						
Segment Liabilities						
Segment Liabilities	22,850.26	257.31	23,107.58	25,202.15	678.76	25,880.91
Unallocated Corporate Liabilities			16,321.97			22,626.28
Total Liabilities			39,429.55			48,507.18
Capital Employed (Total Assets Minus Total Liabilities)			52,897.41			47,664.77

Capital Expenditure During the year (Net of CWIP)	4,671.99	22.16	4,694.15	6,439.94	12.31	6,452.25
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* Note - The capital employed of Automotive and LED luminaries segment has been worked out by excluding the amount of common financial facilities viz. Term loans and working capital limits. The common financial facilities are reflected under unallocable corporate liabilities.

(ii) Secondary-Geographical Segments:-

The analysis of geographical segments is based on geographical location of the customers

The following is the distribution of Company's revenue by geographical market, regardless of where the goods were produced

(a) Revenue from External Customers

Particulars	2019-20	2018-19
India	135,513.27	141,862.86
Outside India	2,184.71	2,536.94
Total	137,697.98	144,399.80

(b) Segment Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
India	7,603.95	14,555.16
Outside India	191.65	207.32
Total	7,795.60	14,762.48

1. The Company has common assets for producing goods for domestic market and overseas market. Hence, separate figures for fixed assets have not be furnished.

(c) Major Customers

Details of customers which accounts for more than 10% of Company's total revenue are as follows

Particulars	Segment	2019-20	in %	2018-19	in %
Honda Motorcycle and Scooter India Private Limited	Automotive	53,785.53	39.06%	53,831.57	37.28%
TVS Motors Company Limited	Automotive	35,561.26	25.83%	40,216.75	27.85%

Notes on Financial Statements for the year ended 31.03.2020

47 RELATED PARTY DISCLOSURES UNDER IND AS 24

Name of Related Parties, Transactions and Balances at Reporting date are as follows

Name of Related Party

(i) Key Management Personnel

Mr. Jagjeevan Kumar Jain	Chairman and Managing Director
Mrs. Seema Jain	Whole-time Director
Ms. Aanchal Jain	Whole-time Director
Mr. Rahul Jain	Whole-time Director
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)
Mr. Kashi Ram Yadav	Whole-time Director
Mr. Rajesh sharma	Whole-time Director (w.e.f 1st January, 2020)
Mr. Ashok Kumar Sharma	Independent Director
Mr. Iqbal Singh	Independent Director
Mr. Jawahar Thakur	Independent Director
Mr. Mohan Bir Sahni	Independent Director
Mr. Subodh Kumar Jain	Independent Director
Mr. Vinod Kumar Malhotra	Independent Director
Ms. Shobha Khatri	Independent Director (w.e.f 1st January, 2020)
Mr. OP Gupta	Chief Financial Officer
Mr. Arvind Kumar Chauhan	Company Secretary

(ii) Relative of Key Management Personnel with whom transactions have taken place

Mrs. Pallavi Jain	Vice President (Spouse of Mr. Rahul Jain, Whole-time Director)
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(iii) Related Parties Controlled by Key Management personnel and/or their Relatives

Fiem Auto Private Limited	Entity Controlled by Mr. Jagjeevan Kumar Jain
Jagjeevan Kumar Jain (HUF)	Entity Controlled by Mr. Jagjeevan Kumar Jain
Fiem Auto & Electrical Industries	Entity Controlled by Mr. Jagjeevan Kumar Jain
Fiem Foundation	Entity Controlled by Key Management Personnel

(iv) Subsidiaries Company

Fiem Industries Japan Co., Limited	100% Subsidiary Company incorporated in Japan
Fiem (Thai) Design & Technology Co., Ltd	100% Subsidiary Company incorporated in Thailand (Liquidation dated 18th December, 2019)
Fiem Research & Technology S.R.L	100% Subsidiary Company incorporated in Italy

(v) Joint Ventures

Aisan Fiem Automotives India Pvt Ltd	JV incorporated in India, 26% ownership interest held by the company
Centro Ricerche Fiem Horustech S.R.L	JV incorporated in Italy, 50% ownership interest held by the company
Fiem Kyowa (HK) Mould Company Ltd	JV incorporated in Hong Kong, 50% ownership interest held by the company

(vi) Other Related Party

Fiem Industries Limited Group Gratuity Trust	Post-employment benefit plan of Fiem Industries Limited
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Notes on Financial Statements for the year ended 31.03.2020

Transaction with related party			(Amount Rs in Lakh)			
Particulars			2019-20		2018-19	
(a) Sale of Goods to:-	Nature of Related Party					
Fiem Industries Japan Co. Ltd	Subsidiary Company		81.74		58.13	
Aisan Fiem Automotives India Pvt Limited	Joint Venture		-		15.00	
Centro Ricerche Fiem Horustech S.R.L	Joint Venture		-		19.48	
			81.74		92.61	
(b) Rendering of Services to:	Nature of Related Party					
Aisan Fiem Automotives India Pvt Limited	Joint Venture		260.00		211.56	
			260.00		211.56	
(c) Interest Received on Unsecured Loan Given to :	Nature of Related Party					
Fiem Research & Technology S.R.L	Subsidiary Company		1.39		0.14	
			1.39		0.14	
(d) Gain(Loss) on Voluntary Liquidation	Nature of Related Party					
Fiem (Thai) Design & Technology Co. Ltd	Subsidiary Company		1.44		-	
			1.44		-	
(e) Purchase of Goods from:	Nature of Related Party					
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture		907.70		68.11	
Fiem Industries Japan Co. Ltd	Subsidiary Company		2.36		-	
			910.06		68.11	
(f) Services received from	Nature of Related Party					
Fiem Research & Technology S.R.L	Subsidiary Company		242.86		55.95	
Centro Ricerche Fiem Horustech S.R.L	Joint Venture		25.62		184.95	
Fiem Auto & Electrical Industries (For Brand Royalty)	Related party controlled by KMP		50.00		50.00	
			318.48		290.90	
(g) Lease Rent Paid to	Nature of Related Party					
Mr. Jagjeevan Kumar Jain	Key Management Personnel		4.80		4.80	
Ms. Aanchal Jain	Key Management Personnel		125.75		123.02	
Mr. Rahul Jain	Key Management Personnel		60.55		59.23	
			191.10		187.05	
(h) Dividend on Equity Paid to	Nature of Related Party		Interim Dividend		Final Dividend	
			2019-20	2018-19	2019-20	2018-19
Mr. Jagjeevan Kumar Jain	Chairman and Managing Director		312.94	244.27	125.17	266.40
Mrs. Seema Jain	Whole-time Director		301.00	236.80	120.40	266.40
Ms. Aanchal Jain	Whole-time Director		89.82	64.00	35.93	72.00
Mr. Rahul Jain	Whole-time Director		162.57	124.19	65.03	139.71
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)		-	0.00	0.00	0.00
Mr. Kashi Ram Yadav	Whole-time Director		0.03	0.03	0.01	0.03
Mr. Iqbal Singh	Independent Director		2.00	1.60	0.80	1.80
Fiem Auto Private Limited	Related party controlled by KMP		8.44	6.75	3.38	7.60
Jagjeevan Kumar Jain (HUF)	Related party controlled by KMP		1.15	0.92	0.46	1.04
			877.95	678.56	351.18	754.98

Notes on Financial Statements for the year ended 31.03.2020

(i) Benefits to Key Management and their relative

(Amount Rs in Lakh)

Particulars	2019-20	2018-19
Short-term benefits	692.18	642.56
Long-term benefits	30.75	-
Sitting Fee	25.50	21.20
Total Compensation	748.43	663.76

Short-term benefits	Nature of Related Party	2019-20	2018-19
Mr. Jagjeevan Kumar Jain	Chairman and Managing Director	124.80	124.80
Mrs. Seema Jain	Whole-time Director	66.00	60.00
Mr. Rahul Jain	Whole-time Director	66.00	60.00
Ms. Aanchal Jain	Whole-time Director	54.00	48.00
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)	81.00	102.00
Mr. Kashi Ram Yadav	Whole-time Director	103.45	97.45
Mr. Rajesh Sharma	Whole-time Director (w.e.f 1st January, 2020)	32.25	-
Mr. OP Gupta	Chief Financial Officer	61.80	57.00
Mr. Arvind Kumar Chauhan	Company Secretary	72.88	68.31
Mrs. Pallavi Jain	Spouse of Mr. Rahul Jain	30.00	25.00
		692.18	642.56

Long-term benefits	Nature of Related Party	2019-20	2018-19
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)	30.75	-
		30.75	-

Sitting Fee	Nature of Related Party	2019-20	2018-19
Mr. Iqbal Singh	Independent Director	4.40	4.30
Mr. Ashok Kumar Sharma	Independent Director	3.50	2.50
Mr. Jawahar Thakur	Independent Director	3.50	3.50
Mr. Mohan Bir Sahni	Independent Director	3.50	2.50
Mr. Subodh Kumar Jain	Independent Director	4.40	3.60
Mr. Vinod Kumar Malhotra	Independent Director	4.70	4.80
Ms. Shobha Khatri	Independent Director	1.50	-
		25.50	21.20

Note:1. The above short-term benefits does not include provisions for incremental gratuity and leave encashment liabilities since the provisions are based on actuarial valuations for the Company as a whole.

Note:2. The above long-term benefits include gratuity and leave encashment paid at the time of retirement/ resignation.

(j) Purchase of Mould and Dies for own use from:	Nature of Related Party	2019-20	2018-19
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture	132.85	-
		132.85	-

(k) Sale of Property, Plant & Equipment to:	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotives India Pvt Limited	Joint Venture	-	915.35
		-	915.35

(l) investment in equity shares/ contribution in share capital	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotives India Pvt Limited	Joint Venture	-	2,600.00
Fiem Research & Technology S.R.L	Subsidiary Company	157.08	81.38
		157.08	2,681.38



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

(m) Equity share dissolved/Transfer during the year	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotives India Pvt Limited (Transfer of share)	Joint Venture	-	1.00
Fiem (Thai) Design & Technology Co. Ltd (under voluntary liquidation)	Subsidiary Company	19.68	-
		19.68	1.00
(n) Expenses Recovered from:	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotives India Pvt Limited	Joint Venture	-	112.07
		-	112.07
(o) Unsecured Loan Recovered from:	Nature of Related Party	2019-20	2018-19
Fiem Industries Japan Co. Ltd	Subsidiary Company	-	25.29
		-	25.29
p) (Unsecured Loan Given to:	Nature of Related Party	2019-20	2018-19
Fiem Research & Technology S.R.L	Subsidiary Company	117.71	39.37
		117.71	39.37
(q) Loan Converted into Investment in Share Capital:	Nature of Related Party	2019-20	2018-19
Fiem Research & Technology S.R.L	Subsidiary Company	157.08	-
		157.08	-
(r) Contribution to Corporate Social Responsibility Activities	Nature of Related Party	2019-20	2018-19
Fiem Foundation	Entity Controlled by KMP	126.73	122.34
		126.73	122.34
(s) Contribution to Gratuity Fund	Nature of Related Party	2019-20	2018-19
Fiem Industries Limited Group Gratuity Trust	Post-employment Benefit Plan	234.07	211.59
		234.07	211.59
Balances outstanding at Year-end			
(a) Other Current Assets (Advance to Suppliers other than capital goods):	Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture	129.66	264.81
		129.66	264.81
(Amount Rs in Lakh)			
(b) Non-Current Investment:	Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Aisan Fiem Automotives India Pvt Limited	Joint Venture	2,600.00	2,600.00
Centro Ricerche Fiem Horustech Srl	Joint Venture	33.16	33.16
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture	8.40	8.40
Fiem Industries Japan Co. Ltd	Subsidiary Company	29.49	29.49
Fiem Research & Technology S.R.L	Subsidiary Company	238.45	81.38
Fiem (Thai) Design & Technology Co. Ltd	Subsidiary Company	-	19.68
		2,909.50	2,772.09

Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

(c) Security Deposit Receivables Against Lease Rent		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Mr. Jagjeevan Kumar Jain		Chairman and Managing Director	1.20	1.20
Ms. Aanchal Jain		Whole-time Director	54.68	54.68
Mr. Rahul Jain		Whole-time Director	26.33	26.33
			82.21	82.21
(d) Trade Receivables:		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Aisan Fiem Automotives India Pvt Limited		Joint Venture	140.40	-
Centro Ricerche Fiem Horustech Srl		Joint Venture	-	11.15
Fiem Industries Japan Co. Ltd		Subsidiary Company	16.41	6.80
			156.81	17.95
(e) Interest Receivables on Loan Given		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fiem Research & Technology S.R.L		Subsidiary Company	-	0.14
			-	0.14
(f) Trade Payable:		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Centro Ricerche Fiem Horustech Srl		Joint Venture	12.10	32.82
Fiem Kyowa (HK) Mould Company Ltd		Joint Venture	78.23	-
Fiem Industries Japan Co. Ltd		Subsidiary Company	24.73	22.19
Fiem Research & Technology S.R.L		Subsidiary Company	-	50.35
			115.05	105.36
(g) Other Current Financial Liabilities:		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Mr. Jagjeevan Kumar Jain	Short term benefits payable	Chairman and Managing Director	6.71	7.85
Mrs. Seema Jain	Short term benefits payable	Whole-time Director	3.54	3.61
Ms. Aanchal Jain	Short term benefits payable	Whole-time Director	3.37	3.15
Mr. Rahul Jain	Short term benefits payable	Whole-time Director	7.61	3.05
Mr. JSS Rao	Short term benefits payable	Whole-time Director (upto 31st December, 2019)	-	5.50
Mr. Rajesh Sharma	Short term benefits payable	Whole-time Director (w.e.f 1st January, 2020)	7.27	-
Mr. Kashi Ram Yadav	Short term benefits payable	Whole-time Director	5.90	5.56
Mr. OP Gupta	Short term benefits payable	Chief Financial Officer	4.77	3.45
Mr. Arvind Kumar Chauhan	Short term benefits payable	Company Secretary	3.81	4.06
Mrs. Pallavi Jain	Short term benefits payable	Spouse of Mr. Rahul Jain	2.03	3.94
Fiem Auto & Electrical Industries	For Brand Royalty	Related party controlled by KMP	13.50	13.50
			58.51	53.67



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

(h) Non-Current Loan	Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fiem Research & Technology S.R.L	Subsidiary Company	-	39.37
		-	39.37

48 POST EMPLOYMENT BENEFITS PLAN

Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as 'Employee Benefits Expenses' for the year are as under:

Particulars	2019-20	2018-19
Employer's Contribution to Provident Fund	362.20	270.55
Employer's Contribution to ESI Fund	64.25	80.85
Employer's Contribution to Wages Welfare Fund	7.98	2.61
Total	434.43	354.01

Defined Benefit Plans

(a) Gratuity

The Company has defined benefit gratuity plan for its employees, which requires contributions to be made to a separately administered fund. It is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with Exide Life Insurance Company Limited in the form of qualifying insurance policy.

(b) Earned Leave

The Present value obligation of Leave Encashment is determined based on actuarial valuation using projected unit credit method.

Disclosure requirement as per Indian Accounting Standard on Employee Benefits-Ind AS (19)-As per actuarial valuation as on 31.03.2020 are as follows:

(i) Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Current service cost	190.78	187.67	100.23	91.12
Interest cost	13.18	7.10	31.29	27.30
Actuarial (Gain)/Loss	-	-	1.75	40.49
Expenses recognized in Statement of Profit and Loss	203.95	194.77	133.28	158.91

Amount to be recognised in the Balance Sheet

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Liability at the end of the year	1,565.61	1234.32	569.07	481.84
Fair value of plan assets at the end of the year	1,200.23	924.06	-	-
Amount to be recognised in Balance Sheet	365.38	310.26	569.07	481.84
Current	257.28	54.94	113.21	62.98
Non-Current	108.09	255.33	455.86	418.85

Reconciliation of benefit obligation

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Liability at the beginning of the year	310.26	196.92	481.84	377.87
Interest cost	-	-	31.29	27.30
Recognised in Accumulated Other Comprehensive Income	(241.52)	(111.35)	-	-
Current service cost	203.95	194.77	100.23	91.12
Employers Contribution	(234.07)	(211.59)	(46.04)	(54.95)
Remeasurement (gain) / loss	326.75	241.52	1.75	40.49
Liability at the end of the year	365.38	310.26	569.07	481.84

Notes on Financial Statements for the year ended 31.03.2020

Reconciliation of fair value of plan assets:

(Amount Rs in Lakh)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fair value of plan assets at the beginning of the year	924.06	777.71	-	-
Interest income	68.68	63.77	-	-
Employers Contribution	234.07	211.59	46.04	54.95
Benefits paid	(68.09)	(129.75)	(46.04)	(54.95)
Return on plan assets-gain /(loss)	41.52	0.74	-	-
Fair value of plan assets at the end of the year	1,200.23	924.06	-	-
Actual return on plan assets	110.20	64.51	-	-

Amount recognised in statement of other comprehensive income (OCI)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening amount recognised in OCI	241.52	111.35	-	-
Remeasurement for the year - Obligation (gain)/ loss	126.75	130.91	1.75	40.49
Remeasurement for the year - plan assets (gain)/ loss	(41.52)	(0.75)	(1.75)	(40.49)
Net Increasing in OCI	326.75	241.51	-	-
Total remeasurements cost / (credit) for the year recognised in OCI	326.75	241.51	-	-
Closing amount recognised in OCI	326.75	241.51	-	-

Principal actuarial assumptions

Particulars	2019-20	2018-19	2019-20	2018-19
Discount rate	6.82%	7.79%	6.82%	7.79%
Salary escalation	8% & 6% T.A.	8.00%	8% & 6% T.A.	8.00%
Expected return on assets	0.01%	7.79%	0.00%	7.79%
Attrition rate	2.00%	2.00%	2.00%	2.00%
Retirement age	58	58	58	58

- (a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated terms of the obligations.
- (b) Salary escalation rate: The estimates of future salary increases considered taking into the account the inflation, seniority, promotion and other relevant factors.
- (c) Expected return on assets is expected return on plan assets over the accounting period, based on an assumed rate of return.
- (d) Attrition rate is employee turnover rate based on the Company's past and expected employee turnover.
- (e) Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

(Amount Rs in Lakh)

Expected benefit payments (discounted values/present value) for the year ending:

Year ending	Gratuity		Leave Encashment	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
31st March, 2021	80.50	45.60	37.70	12.39
31st March, 2022	40.57	63.50	10.93	33.50
31st March, 2023	91.14	32.69	28.98	9.76
31st March, 2024	53.73	82.98	14.98	31.90
31st March, 2025	33.79	43.96	6.57	13.52
31st March, 2026-2030	286.01	223.27	74.73	66.01



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

(f) **Weighted Average duration of defined benefit obligation for gratuity and earned leave: 19.51 years (Previous year 18.97 years)**

(g) **Sensitivity analysis:**

Sensitivity analysis indicates the influence of a reasonable change in principal assumptions, while keeping other things constant, on the outcome of the present value of Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

A quantitative sensitivity analysis for significant assumption as at 31st March, 2020 is as shown below:

A. Effect of 1% Change in the assumed discount rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	1399.23	1111.25	1766.11	1381.81

B. Effect of 1% Change in the assumed salary escalation rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	1744.94	1366.27	1410.36	1118.82

C. Effect of 1% Change in the assumed Attrition Rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	1540.50	1224.89	1594.62	1245.04

Leave Encashment

A. Effect of 1% Change in the assumed discount rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	529.27	452.78	616.29	516.42

B. Effect of 1% Change in the assumed salary escalation rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	614.73	493.57	529.87	470.50

C. Effect of 1% Change in the assumed Attrition Rate	Gratuity			
	1% Increase	1% Increase	1% Decrease	1% Decrease
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Defined Benefit Obligation	566.74	479.61	571.36	484.47

Notes on Financial Statements for the year ended 31.03.2020

49 FAIR VALUE MEASUREMENTS

(Amount Rs in Lakh)

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments

Particulars	Carrying Amount		Fair Value	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Security Deposits	918.29	833.78	918.29	833.78
Loan to Employees	68.94	67.56	68.94	67.56
Loan to Wholly owned foreign Subsidiary Company	-	39.37	-	39.37
Trade receivables	7,795.60	14,762.48	7,795.60	14,762.48
Term Deposit held as margin money, with more than 12 month maturity	27.77	32.00	27.77	32.00
Income accrued on deposits	67.38	71.68	67.38	71.68
Insurance Claim recoverable	860.38	1,473.14	860.38	1,473.14
Export Incentive receivables	50.10	63.85	50.10	63.85
Other Advance Recoverable	96.38	83.50	96.38	83.50
Cash & Cash Equivalents	4,521.05	119.17	4,521.05	119.17
Other Bank Balances	59.29	25.87	59.29	25.87
	14,465.18	17,572.40	14,465.18	17,572.40

Financial assets measured at fair value through Statement of Profit & Loss (FVTPL)

Investment in unquoted equity shares	2,911.49	2,774.10	-	-
	2,911.49	2,774.10	-	-

FINANCIAL LIABILITIES

Financial liabilities measured at amortised cost

Non Current Borrowings	5,809.27	9,296.24	5,809.27	9,296.24
Current maturities of long-term debt	3,902.49	3,870.38	3,902.49	3,870.38
Current Borrowings	1.08	3,846.66	1.08	3,846.66
Trade Security deposits	297.12	304.37	297.12	304.37
Current Maturity of Lease Liability	33.73	-	33.73	-
Interest accrued on borrowings	27.98	89.16	27.98	89.16
Creditors for capital expenditures	411.03	676.58	411.03	676.58
Trade Payables	16,727.28	18,878.05	16,727.28	18,878.05
Unpaid Dividend	17.17	16.67	17.17	16.67
Liabilities for expenses	1,502.70	1,393.76	1,502.70	1,393.76
	28,729.85	38,371.87	28,729.85	38,371.87

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non-current						
Investment	-	-	2,911.49	-	-	2,774.10
Current						
Investment	-	-	-	-	-	-

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale.



Notes on Financial Statements for the year ended 31.03.2020

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

- Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- Fair value of quoted mutual funds is based on the net assets value at the reporting date.

50 FINANCIAL INSTRUMENTS AND RISK REVIEW

Financial Risk Management Framework

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

i) Capital Management

The Company's capital management objectives are:

The Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows:

(Amount Rs in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non Current Borrowing	5,809.27	9,296.24
Current Maturities of Non-Current Borrowing	3,902.49	3,870.38
Derivative Liability (Assets) on Non-Current Borrowings	(532.39)	(167.94)
Current Borrowing	1.08	3,846.66
Interest Accrued on Borrowing	27.98	89.16
Cash and Cash Equivalents	(4,521.05)	(119.17)
Net Debt (A)	4,687.38	16,815.33
Equity (B)	52,897.41	47,664.77
Debt Ratio (A / B)	0.09 : 1	0.35 : 1

Notes on Financial Statements for the year ended 31.03.2020

ii) Credit Risk

(Amount Rs in Lakh)

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, other balances with banks, loans and other receivables.

The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 7795.60 Lakhs (Previous Year Rs. 14762.48 Lakhs) respectively, being the total of the carrying amount of balances with trade receivables.

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Company's exposure to customers is diversified and some customers contribute more than 10% of outstanding accounts receivable which forms 71% of total receivables as of 31st March, 2020 (61% as at 31st March, 2019), however there was no default on account of those customers in the past.

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

Movement in the expected credit loss allowance:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	117.32	93.17
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	25.00	24.15
Balance at the end of the year	142.32	117.32

iii) Liquidity Risk

a) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	31st March, 2020		31st March, 2019	
	Less than 1 Year	1-5 Years	Less than 1 Year	1-5 Years
Financial liabilities				
Trade payables	16,727.28	-	18,878.05	-
Other Financial Liabilities (other than current maturity & interest accrued)	2,228.01	-	2,391.39	-
Working capital demand loans	1.08	-	3,846.66	-
Term loans (Net of Derivative Assets)	3,902.49	5,276.88	3,870.38	9,128.30
Lease Liabilities	33.73	-	-	-
Interest Accrued	27.98	-	89.16	-
	22,920.57	5,276.88	29,075.64	9,128.30



Notes on Financial Statements for the year ended 31.03.2020

c) Maturities of financial assets

(Amount Rs in Lakh)

The following table details the Company's expected maturity for financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on such assets.

Particulars	31st March, 2020		31st March, 2019	
	Less than 1 Year	1-5 Years	Less than 1 Year	1-5 Years
Non-derivative Financial assets				
Trade receivables	7,670.70	124.90	14,637.58	124.90
Loans	49.25	937.98	50.27	890.44
Other Financial Assets	1,073.47	560.92	1,690.23	201.87
Other Bank Balance	59.29	-	25.87	-
Cash & Cash Equivalents	4,521.05	-	119.17	-
Non-Current Investment	-	2,911.49	-	2,774.10
	13,373.76	4,535.29	16,523.12	3,991.31

iv) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound and Japanese Yen against the respective functional currencies of the Company. The Company The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows.

Particulars			As at 31st March, 2020		As at 31st March, 2019	
(a)	Foreign Currency exposures that are not hedged by derivative instruments	Currency	Foreign Currency	Rupees	Foreign Currency	Rupees
(a)	Trade payables (including capital assets)	USD	24.52	1,848.29	21.45	1,483.38
		EURO	0.72	59.44	1.17	91.21
		JPY	417.32	290.66	78.50	49.08
		AUD	-	-	0.19	9.58
				2,198.39		1,633.26
(b)	Trade receivables	USD	2.16	162.98	2.57	177.62
		EURO	0.15	12.26	0.27	21.14
		JPY	23.56	16.41	10.88	6.80
		GBP	-	-	0.02	1.76
				191.65		207.32
(c)	Other financial assets	USD	4.23	318.74	0.29	20.03
		EURO	-	-	0.50	38.99
		JPY	30.07	20.94	-	-
				339.68		59.02
Total (a-b-c)		USD	18.13	1,366.57	18.59	1,285.73
		EURO	0.57	47.18	0.40	31.09
		GBP	-	-	0.02	1.76
		JPY	363.69	253.31	67.62	42.28
		AUD	-	-	0.19	9.58

Notes on Financial Statements for the year ended 31.03.2020

Foreign Currency Sensitivity

(Amount Rs in Lakh)

The following table demonstrates the sensitivity to a reasonable possible change in USD, EURO and JPY exchange rates, with all other variables held constant, the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 10% represents management assessment of reasonably possible change in foreign exchange rate.

Particulars	As At 31st March, 2020			As At 31st March, 2019		
	Currency	Change in rate	Effect on pre-tax equity	Currency	Change in rate	Effect on pre-tax equity
	USD	10.00%	136.66	USD	10.00%	128.57
	USD	-10.00%	(136.66)	USD	-10.00%	(128.57)
	EURO	10.00%	4.72	EURO	10.00%	3.11
	EURO	-10.00%	(4.72)	EURO	-10.00%	(3.11)
	JPY	10.00%	25.33	JPY	10.00%	4.23
	JPY	-10.00%	(25.33)	JPY	-10.00%	(4.23)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

Particulars	31st March, 2020	31st March, 2019
Variable rate borrowings		
Cash Credit/Working Capital Loans	1.08	3,846.66
Term Loan	-	1,500.00
Fixed rate borrowings		
Term Loan (net of derivative assets)	9,179.37	11,498.68
Total	9,180.45	16,845.34
Interest rate sensitivity		

The sensitivity analysis below have been determined based on exposure to interest rate. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	31st March, 2020	31st March, 2019
Increase by 1.00%	0.01	53.47
Decrease by 1.00%	(0.01)	(53.47)



Notes on Financial Statements for the year ended 31.03.2020

51 RESEARCH AND DEVELOPMENT EXPENSES

(Amount Rs in Lakh)

The Company has incurred following expenses on its Research and Development Unit situated at Rai, Sonapat, Haryana (India).

Particulars	2019-20	2018-19
Capital Expenditure		
Capital Expenditure	-	34.73
Total (A)	-	34.73
Revenue Expenditure		
Raw Material Consumed	4.08	9.11
Employee Benefits	656.72	696.97
Design Charges	242.86	55.95
Other Expenses	69.19	75.76
Finance Cost	-	0.00
Depreciation & Amortization	58.69	74.74
Total (B)	1,031.54	912.53
Grand Total (A+B)	1,031.54	947.26

52 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

As required by section 135 of the Companies Act, 2013, CSR committee has been formed by the company. The company has formed Fiem Foundation Trust as on dated 2nd March, 2015 with an object to undertake CSR projects, programs and activities in India as listed under Schedule VII of the Act. The company has no outstanding commitment as on 31st March, 2020 towards corporate social responsibility projects. The break-up of expenditure/contribution towards under corporate social responsibility as under:-

Particulars	2019-20	2018-19
Gross amount required to be spent during the year	141.90	137.94
Amount spent during the year :-		
Contribution to the Fiem Foundation	126.73	122.34
Amount spent by the company	15.17	15.60
Total	141.90	137.94

53 JOINT VENTURE COMPANY

1. Centro Ricerche Fiem Horustech SRL	
Description of Interest	Joint Venture
Country of Incorporation	Italy
Proportion of Ownership Interest as at March 31, 2020	50%
2. Fiem Kyowa (HK) Mould Company Ltd	
Description of Interest	Joint Venture
Country of Incorporation	Hong Kong
Proportion of Ownership Interest as at March 31, 2020	50%
3. Aisan Fiem Automotives India Pvt Ltd	
Description of Interest	Joint Venture
Country of Incorporation	India
Proportion of Ownership Interest as at March 31, 2020	26%

Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

In respect of jointly control entity, the company's share of assets, liabilities, incomes and expenses are as follows-

Particulars	Centro Ricerche Fiem Horustech SRL		Fiem Kyowa (HK) Mould Company Ltd		Aisan Fiem Automotives India Pvt Ltd	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Non Current Assets	0.67	37.25	-	-	3,132.42	2,186.27
Current Assets	57.34	63.88	230.49	177.98	2,044.21	962.21
Non Current Liabilities	26.95	37.03	-	-	984.02	3.28
Current Liabilities	10.88	41.86	200.05	161.85	2,144.07	650.25
Revenue (total Income)	22.91	99.12	540.72	68.55	921.27	76.68
Expenses	25.06	101.24	528.90	60.50	1,494.75	217.92
Profit or (loss) from continuing operations	(2.15)	(2.11)	11.82	8.05	(421.59)	(105.05)
Post-tax profit or (loss) from discontinued operations	-	-	-	-	-	-
Other comprehensive income (Loss)	-	-	-	-	(0.14)	-
Total comprehensive income	(2.15)	(2.11)	11.82	8.05	(421.73)	(105.05)
Dividend Received	-	-	-	-	-	-

54 DISCLOSURE UNDER SEBI REGULATION

Particulars	Loan Outstanding At year end		Maximum Amount Outstanding in the year	
	Year ended 31.03.2020	Year ended 31.03.2019	2019-20	2018-19
Subsidiary Company				
i) Fiem Industries Japan Co. Ltd	-	-	-	24.62
ii) Fiem Research and Technology SRL	-	39.37	157.08	39.37

55 DISCLOSURE REQUIRED BY IND AS 115

- (i) Revenue from contracts with customers is disaggregated by major products and service lines and is disclosed in Note no. 23 to the standalone financial statements. Further, the revenue is disclosed in the said note is net of Rs. 471.41 lakhs (previous year Rs. 400.18 lakhs) representing discount to customers. The following table provides further information as required by Ind AS 115.

Reconciliation of Revenue from sale of products with the contracted price

Particulars	31st March, 2020	31st March, 2019
Contracted Price	137,096.28	143,796.31
Less: Trade discounts, cash discount volume rebates, etc.	471.41	400.18
Sale of Products	136,624.87	143,396.13

56 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 and March 31, 2019 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date.



Notes on Financial Statements for the year ended 31.03.2020

(Amount Rs in Lakh)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
The principal amount remaining unpaid to any supplier at the end of each accounting year;	476.85	122.62
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

57 DIVIDEND ON EQUITY SHARE

(a) Dividend on Equity Shares paid during the year

Particulars	2019-20	2018-19
Final dividend for the FY 2018-19 [Rs. 4 (Previous Year Rs. 9) per equity share of Rs. 10 each]	526.39	1,184.38
Dividend distribution tax on above	108.20	243.49
Interim dividend for the FY 2019-20 [Rs. 10 (Previous Year Rs. 8) per equity share of Rs. 10 each]	1,315.98	1,052.79
Dividend distribution tax on above	270.50	216.40
Total	2,221.08	2,697.07

(b) Proposed Dividend

The Company has recommended the final dividend of Rs. 3 per equity share (30% of nominal value of Rs. 10 per share) for the financial year ended 31st March, 2020 for amounting to Rs. 394.79 Lakhs on equity share capital of the company. The final dividend is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and hence is not recognised as a liability.

58 A fire incident happened in the year ended 31.03.2018 on 25.01.2018 around noon in one block of unit-5, situated at Kelamanglam Road, Achettipalli Post, Hosur 635110, Tamilnadu. The Company has so far received total payment of Rs. 1511.08 lakhs and salvage value of Rs. 156.70 lakhs against the insurance claim filed. During the current year, the Insurance claim on inventory loss was settled and the company received Rs 511.08 lakhs as final payment against inventory loss claimed, which resulted in loss of Rs 88.23 lakhs. The same has been accounted as exceptional item in Statement of profit and loss. The balance insurance claim amount is under process.

59 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. The Figures are rounded off to nearest rupees in lakhs unless otherwise stated.

For and on behalf of the Board of Directors

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.: -083435

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

CONSOLIDATED FINANCIAL STATEMENTS



Independent Auditor's Report

To the Members of
FIEM INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Fiem Industries Limited (hereinafter referred to as the "Holding Company") its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at 31st March, 2020, and the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements" or "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, ("Ind AS") and other the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31st March, 2020, of consolidated profits and Consolidated total comprehensive

income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 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 opinion.

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.

S.N.	Key Audit Matter	Auditor's response
1	<p>Evaluation of uncertain tax positions</p> <p>The Company has uncertain tax positions matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 34 to the Consolidated Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments upto the year ended March 31, 2020 from management. We considered, the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties</p>
2	<p>Carrying value of investment in associates and joint ventures</p> <p>The Company carries its investments in associates and joint ventures at cost (net of provision) at an aggregate amount of Rs 2121.52 lakhs as at 31st March 2020.</p> <p>The amount being significant to the consolidated financial statements, the determination of impairment charge required the application of significant judgments by management, in particular with respect to determination of recoverable/fair value amount of these investments which in aggregate is significant to the consolidated financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include:</p> <ul style="list-style-type: none"> Comparing the carrying amount of investments with audited financial statements of investee companies to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount. Obtaining and reviewing recoverable amounts as determined by the management or each investment.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report but does not include the 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence



obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

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

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

Other Matters

- a) We did not audit the financial statements of an associate M/s Aisan Fiem Automotives India Private Ltd. The consolidated financial statements include the Company's share of net loss/total comprehensive loss of Rs 421.73 lakhs for the year ended 31st March 2020, as considered in the consolidated financial statements, in respect of the aforesaid which has not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

- b) We did not audit the financial statement of two overseas 50:50 Joint Venture, Centro Ricerche Fiem Horustech Srl (CRFH) and Fiem Kyowa (HK) Mould Company Limited, whose Net loss of Rs 2.15 lakhs and Net profit of Rs 11.82 lakhs respectively for the year ended 31st March 2020, are included in the accompanying consolidated financial statements, Such financial information have not been audited and have been approved by the Board of directors of the respective Companies. The management of the company has converted these financial statements as per Ind As and other accounting principle generally accepted in India, and certified these financial statements for the purpose of preparation of consolidated financial statement. Our report, in so far as it relates to these jointly controlled entities, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group

Our opinion on the Consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements /financial information certified by the Management

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st

March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure B and
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and subsidiary companies – Refer Note 34(A) to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and associate company incorporated in India.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in

specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these consolidated financial statements since they do not pertain to the financial year ended 31st March 2020

- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company and its subsidiaries which are incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the holding company and its subsidiaries which are incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N

Sd/-
(V. Sachdev)
Proprietor

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

Membership No.: -083435
UDIN 20083435AAAAEG7677

Annexure "A" To The Independent Auditor's Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF FIEM INDUSTRIES LIMITED

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

Opinion

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2020, We have audited the internal financial controls over financial reporting of FIEM INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its one associate company, which are the companies incorporated in India, as of that date
2. In our opinion the Holding Company and its associate company which are the companies incorporated in India has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

3. The Board of Directors of the of the Holding company and its associate company which are incorporated in India, are 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 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.



Auditor's Responsibility

4. 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") issued by the ICAI 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 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.
5. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
6. 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

7. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. 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.

Other Matters

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to the one associate Company, which is the Company incorporated in India, is based on the corresponding report of the auditors of such associate Company incorporated in India.

for **V. Sachdeva & Associates**
Chartered Accountants
 Firm Registration Number -004417N

Sd/-
(V. Sachdev)
 Proprietor

Place: Rai, Sonapat (HR.)
 Dated: 30/06/2020

Membership No.: -083435
 UDIN 20083435AAAAEG7677

Consolidated Balance Sheet as at 31.03.2020

(Amount Rs in Lakh)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
1 NON CURRENT ASSETS			
(a) Property, plant and equipment	2	54,995.17	56,334.70
(b) Capital work-in-progress	2	25.21	790.95
(c) Right-of-use assets	3	3,549.68	-
(d) Intangible assets	4	517.22	99.09
(e) Intangible assets under development	4	-	358.31
(f) Investment accounted for using equity method	5	2,121.52	2,533.58
(g) Financial Assets			
(i) Investments	5	2.00	2.00
(ii) Trade receivables	6	124.90	124.90
(iii) Loans	7	943.79	856.51
(iv) Other Financial Assets	8	560.92	201.87
(h) Income tax assets (net)	9	91.17	449.13
(i) Other non-current assets	10	645.68	831.38
Total Non Current Assets		63,577.26	62,582.42
2 CURRENT ASSETS			
(a) Inventories	11	12,909.09	14,724.21
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	6	7,698.28	14,680.29
(iii) Cash and cash equivalents	12	4,694.56	420.17
(iv) Bank balances other than (iii) above	13	59.29	25.87
(v) Loans	7	49.80	51.87
(vi) Other Financial Assets	8	1,073.47	1,690.09
(c) Current Tax Assets (Net)	9	-	-
(d) Other current assets	10	1,987.43	2,107.15
Total Current Assets		28,471.92	33,699.65
TOTAL ASSETS		92,049.18	96,282.07
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital	14	1,315.98	1,315.98
(b) Other Equity	15	51,216.39	46,399.00
Total Equity		52,532.37	47,714.98
2 LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	5,809.27	9,296.24
(ii) Lease liability	3	2,509.02	-
(iii) Trade payables		-	-
(iv) Other financial liabilities		-	-
(b) Provisions	17	578.03	675.43
(c) Deferred tax liabilities (Net)	37	3,685.38	5,191.87
(d) Other non-current liabilities		-	-
Total Non Current Liabilities		12,581.70	15,163.54
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	1.08	3,846.66
(ii) Trade payables			
-Total outstanding dues of micro and small enterprises	19	476.85	122.62
-Total outstanding dues of creditors other than micro and small enterprises	19	16,260.50	18,702.40
		16,737.35	18,825.02
(iii) Other financial liabilities	20	6,217.01	6,360.89
(b) Other current liabilities	21	3,419.40	3,835.79
(c) Provisions	17	437.79	189.62
(d) Current Tax Liabilities (Net)	22	122.48	345.57
Total Current Liabilities		26,935.11	33,403.55
TOTAL LIABILITIES		39,516.81	48,567.09
TOTAL EQUITY AND LIABILITIES		92,049.18	96,282.07

Significant Accounting Policies and Notes to financial Statements. 1 to 52
The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

As per our report of even date
for V. Sachdeva & Associates
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

Consolidated Statement of Profit and Loss for the year ended 31.03.2020

		(Amount Rs in Lakhs)	
Particulars	Note No.	CURRENT YEAR FY 2019-20	PREVIOUS YEAR F.Y. 2018-19
INCOME			
Revenue From Operations			
a) Net Sales	23	136,870.92	143,900.43
b) Other Operating Income	24	1,073.20	1,001.83
I Revenue from Operations (a+b)		137,944.12	144,902.26
II. Other Income	25	172.03	86.14
III TOTAL INCOME (I+II)		138,116.15	144,988.40
IV EXPENSES			
a) Cost of Raw Materials and Components Consumed	26	80,821.80	89,559.92
b) Purchase of Stock-in-Trade	27	801.42	988.04
c) Changes in Inventories of Finished Goods, Work in progress and Stock in trade	28	2,394.70	(492.11)
d) Employees benefits expenses	29	19,849.49	19,647.31
e) Finance costs	30	1,766.66	2,209.79
f) Depreciation and amortization expense	31	5,320.28	4,892.67
g) Other expenses	32	18,388.21	19,482.76
TOTAL EXPENSES		129,342.56	136,288.39
V PROFIT BEFORE EXCEPTIONAL ITEM AND TAX (III-IV)		8,773.59	8,700.01
Exceptional Item- income/(expenditure)	33	(88.23)	-
VI PROFIT BEFORE TAX AFTER EXCEPTIONAL ITEM		8,685.36	8,700.01
VII TAX EXPENSES			
a) Current Tax Expense		2,178.91	2,615.07
b) (Excess)/Short Tax provision for earlier years		20.95	14.79
c) Deferred Tax Liability/ (Assets)		(1,383.05)	406.11
		816.81	3,035.97
PROFIT AFTER TAX FOR THE YEAR FROM CONTINUING OPERATIONS (VI-VII)		7,868.55	5,664.03
IX ADD:- SHARE OF PROFIT/(LOSS) OF ASSOCIATES		(412.06)	(99.11)
X PROFIT AFTER TAX FOR THE YEAR AFTER SHARE OF PROFIT OF ASSOCIATE (VIII+IX)		7,456.49	5,564.92
XI OTHER COMPREHENSIVE INCOME/(LOSS)			
A) Items that will not be reclassified subsequently to the statement of profit and loss			
(i) Remeasurement of Defined Benefit Plans		(85.23)	(130.16)
(ii) Income tax on items Items that will not be reclassified subsequently to the statement of profit and loss		21.45	45.48
		(63.78)	(84.68)
B) Items that will be reclassified subsequently to the statement of profit and loss			
		-	-
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		(63.78)	(84.68)
XII TOTAL COMPREHENSIVE INCOME (NET OF TAX) (X+XI)		7,392.71	5,480.24
Basic and Diluted Weighted Earning per Equity Share (Nominal value Rs 10 per share)	39	56.66	42.29

Significant Accounting Policies and Notes to financial Statements. 1 to 52
The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

As per our report of even date
for V. Sachdeva & Associates
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020

Consolidated Statement of Changes in Equity for the year ended 31.03.2020

(Amount Rs in Lakhs)

Particulars	Note No.	Number	(Amount Rs in Lakhs)
A Equity Share Capital			
Equity share of Rs 10/- each Issued, subscribed and fully paid			
Balance as at 1st April 2018		13,159,830	1,315.98
Changes in equity share capital during the year		-	-
Balance as at 1st April 2019		13,159,830	1,315.98
Changes in equity share capital during the year		-	-
Balance as at 31st March 2020	14	13,159,830	1,315.98

B Other Equity

Particulars	Note No.	Securities Premium Reserve	General Reserve	Translation Reserve	Retained Earnings	Total
Balance as at 1st April 2018		16,722.77	3,280.00	3.92	23,611.77	43,618.46
Addition during the year						
1) Profit for the year					5,564.92	5,564.92
2) Other Comprehensive Income for the Year					(84.68)	(84.68)
3) Exchange Difference on translation				(2.64)		(2.64)
Deduction during the year						
1) Transfer to General Reserve			560.00		(560.00)	-
2) Dividend Paid (Rs 9 per share)					(1,184.38)	(1,184.38)
3) Tax on dividend paid					(243.49)	(243.49)
4) Interim Dividend Paid (Rs 8 per share)					(1,052.79)	(1,052.79)
5) Tax on Interim dividend paid					(216.40)	(216.40)
Balance as at 1st April 2019		16,722.77	3,840.00	1.28	25,834.95	46,399.00
Addition during the year						
1) Profit for the year					7,456.49	7,456.49
2) Other Comprehensive Income for the Year					(63.78)	(63.78)
3) Transition impact of Ind AS 116- Leases , net of tax					(375.35)	(375.35)
4) Exchange Difference on translation				21.10		21.10
Deduction during the year						
1) Transfer to General Reserve			800.00		(800.00)	-
2) Dividend Paid (Rs 4 per share)					(526.39)	(526.39)
3) Tax on dividend paid					(108.20)	(108.20)
4) Interim Dividend Paid (Rs 10 per share)					(1,315.98)	(1,315.98)
5) Tax on Interim dividend paid					(270.50)	(270.50)
Balance as at 31st March 2020	15	16,722.77	4,640.00	22.38	29,831.23	51,216.39

Significant Accounting Policies and Notes to financial Statements. 1 to 52

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

For and on behalf of the Board of Directors

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N

Sd/-
(V. Sachdev)
Proprietor
Membership No.: -083435

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



Consolidated Cash Flow Statement as at 31.03.2020

(Amount Rs in Lakhs)

Particulars	31st March, 2020	31st March, 2019
A Cash flow from Operating Activities:		
Profit (Loss) Before Tax	8,685.36	8,700.01
Adjustments for:		
Depreciation & amortisation expense	5,320.28	4,892.67
Net loss (gain) on sale/theft of property plant and equipment	(18.62)	(13.06)
Unrealised foreign exchange (gain)/Loss	57.21	(22.91)
Provision for bad and doubtful debt	25.00	24.15
Bad debts written-off	2.31	53.44
Finance costs	1,766.66	2,209.79
Interest income/Income on term deposit & current investment	(81.91)	(52.50)
Operating Profit (Loss) before Working Capital changes	15,756.29	15,791.59
Adjustment for changes in Working Capital:		
Decrease/(Increase) in loans (non-current)	(87.28)	(102.03)
Decrease/(Increase) in other financial assets (non-current)	5.40	(197.34)
Decrease/(Increase) in other non-current assets	(21.80)	(5.44)
Decrease/(Increase) in inventories	1,815.12	(697.10)
Decrease/(Increase) in trade receivables	6,964.55	(325.37)
Decrease/(Increase) in loans (current)	2.07	6.32
Decrease/(Increase) in other financial assets (current)	616.62	1,094.83
Decrease/(Increase) in other current assets	119.72	(616.56)
(Decrease)/Increase in non-current provisions	(97.41)	290.48
(Decrease)/Increase in trade payables	(2,163.54)	(3,076.45)
(Decrease)/Increase in other financial liabilities (current)	117.01	(8.84)
(Decrease)/Increase in other financial liabilities (non-current)	-	(186.81)
(Decrease)/Increase in current provisions	162.94	(191.92)
(Decrease)/Increase in other current liabilities	(416.38)	2,274.00
Cash generated from Operating Activities	22,773.32	14,049.36
Income tax paid (net of refunds)	(2,040.71)	(1,947.03)
Net cash from/(used in) Operating Activities (A)	20,732.61	12,102.33
B Cash flow from Investing Activities:		
Payments for purchase of property, plant and equipment, intangible assets, capital work in progress, intangible assets under development and capital advances	(4,821.27)	(8,384.24)
Proceeds from sales of property, plant and equipment (including transfer of land allotment rights)	93.09	953.77
Investment in Equity Share of JV Etc.	-	(2,595.82)
Proceeds from equity share	-	1.00
Proceeds from redemption of debt mutual fund	-	1,909.56
Maturity from (Investment in) other bank balance	(33.42)	17.08
Interest income/Income on term deposit & current investment	81.91	52.50
Net cash from/(used in) Investing Activities (B)	(4,679.69)	(8,046.15)
C Cash flow from Financing Activities:		
Repayment of long term borrowings	(3,897.31)	(3,580.59)
Proceeds from long term borrowings	78.00	4,549.16
Increase (Decrease) in short term borrowings	(3,845.58)	139.84
Finance cost paid other than finance lease	(1,736.16)	(2,220.74)
Payment of Final dividend on equity shares	(526.39)	(1,184.38)
Payment of Interim dividend on equity shares	(1,315.98)	(1,052.79)
Payment of dividend distribution tax	(378.70)	(459.89)
Principal Payment of finance lease	(154.47)	-
Interest Payment of finance lease	(31.83)	-
Net cash from/(used in) Financing Activities (C)	(11,808.43)	(3,809.39)

Consolidated Cash Flow Statement as at 31.03.2020

(Amount Rs in Lakhs)

D Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	4,244.49	246.77
Add:-Cash and cash equivalents at the beginning of the period	420.17	176.65
Effect of Exchange Rate change Gain/(Loss)	8.80	(0.61)
Effect of Foreign Currency Translation Reserve	21.10	(2.64)
Cash and cash equivalents at the end of period	4,694.56	420.17
Component of cash and cash equivalents		
Cash on hand	29.27	15.82
Balance with Banks:		
Cash Credit Account	4,122.13	-
Deposits with original maturity of less than three months	-	41.51
On current accounts	543.16	362.83
Total cash and cash equivalents	4,694.56	420.17

Note:1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note:2.Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure

For and on behalf of the Board of Directors

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Place: Rai, Sonapat (HR.)

Dated: 30/06/2020



Notes to the Consolidated Financial Statements as at 31.03.2020

1. General Information

Fiem Industries Limited ("The Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The address of its registered office is D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi-110015. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is in the business of manufacturing and supply of auto components comprising of automotive lighting & signalling equipments, rear-view mirror, prismatic mirror, plastic moulded parts and sheet metal components for motorised vehicles, and LED luminaries comprising of indoor and outdoor lighting, display panels and integrated passengers information system.

Significant Accounting Policies

(A) Statement of Compliance

The financial statement has 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 provision of the Act.

These standalone financial statements are approved by the Company's Board of Directors on 30th June 2020.

(AA) Accounting policies applicable in consolidated financial statements

- (i) The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.
- (ii) Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.
- (iii) The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - assets and liabilities are translated at the closing rate at the date of that Balance Sheet
 - income and expenses are translated at average exchange rates
 - All resulting exchange differences are recognised in statement of profit & loss
- (iv) Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.
- (v) In case of foreign subsidiaries being non-integral foreign operations, any exchange difference arising on consolidation is recognised in the Translation reserve.
- (vi) The company has three wholly owned foreign subsidiary i.e. Fiem Industries Japan Co. Ltd. incorporated in Japan, Fiem (Thai) Design & Technology Co. Ltd incorporated in Thailand and Fiem Research & Technology SRL incorporated in Italy and three joint venture i.e. Centro Ricerche Fiem Horustech SRL, Fiem Kyowa (HK) Mould Company Limited and Aisan Fiem Automotive India Pvt Ltd which have been considered for consolidation.

(B) Accounting Convention

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 end of each reporting period, as explained in the accounting policies mentioned below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(C) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and 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. Revision to accounting estimates are recognised in the period in which the estimates are revised and in which future periods are also affected.

Assumptions and estimation uncertainties and judgements

Information about judgements, assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2020 and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Notes to the Consolidated Financial Statements as at 31.03.2020

- (i) Recognition of deferred tax assets - note 37 - The Company has recognized deferred tax assets and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.
- (ii) Provision for employee benefits - note 43 - The measurement of obligations and assets related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations.
- (iii) Provision for warranty - note 17 - The provision is based on historical warranty data and weighing of all possible outcomes by their associated probabilities. Provisions for warranties are adjusted regularly to take account of new circumstances and the impact of any changes recognised in the income statement.
- (iv) Tools, mould and dies - Revenue from sale of tools, mould and dies is recognised on a completed contract method considering that substantial activity for preparation of mould is outsourced to sub-contractors. Further, development of such tools, moulds and dies does not take the substantial time period, unless due to procedural delays from the customer's end.
- (v) Measurement of lease liabilities and right of use asset (ROUA) (Note-3)

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations in many of Fiem Industries Limited's manufacturing facilities and depots got temporarily disrupted. Fiem manufactures and supplies non-essential products.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. 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 and the Company will continue to closely monitor any material changes to future economic conditions.

Recent Accounting Standard Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(D) Current-Non Current Classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or;



Notes to the Consolidated Financial Statements as at 31.03.2020

- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for a least 12 months after the reporting date

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or;
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Operating Cycle

Based on the nature of products/activities of the Company and the normal time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities

(E) Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the items of property, plant and equipment. For qualifying assets borrowing costs are capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets is provided on the same basis as other property assets & commences when the assets are ready for their intended use.

Subsequent costs are included in the assets's carrying amount only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

The estimated useful lives, residual values 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 calculated using the straight-line method on a pro-rata basis from the date in which each asset is put to use to allocate their cost, net of their residual values, over their useful life generally in accordance with that provided in the Schedule II to the Act. Moulds and dies & tools are depreciated over a period of 6 years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Capital Work-in-Progress

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date & expenditure during construction period pending allocation and fixed assets in transit that are not yet received for their intended use at the balance sheet date. Depreciation is not charged on capital work in progress until construction and installation are complete and asset ready for its intended use.

Capital Advances

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Notes to the Consolidated Financial Statements as at 31.03.2020

(F) Intangible Assets

- Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible Assets Under Development

Intangible Assets Under Development comprises the cost of intangible assets that are not yet ready for their intended use at the balance sheet date. Amortization is not charged on intangible assets under development.

(G) Financial Instruments

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

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in Joint Ventures

Investment in joint ventures are measured at equity method

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Company recognises equity instruments at proceeds received net off direct issue cost.



Notes to the Consolidated Financial Statements as at 31.03.2020

Reclassification of Financial Assets

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

Offsetting of financial instruments

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

(H) Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments.

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(I) Inventory

(i) Raw materials, components, stores and spares are valued at lower of cost or net realizable value. However, raw materials and other supplies held for use in the production of finished products are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. In determining the cost, First in First Out method (FIFO) is used.

(ii) Semi-finished goods and finished goods are valued lower of cost or net realizable value. Cost includes direct materials and direct labour and a proportion of manufacturing overheads based on normal operating capacity.

(iii) Moulds, block & dies are valued at lower of cost or net realizable value. Manufactured moulds, block & dies include direct material, direct labour and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined on a First in First Out basis (FIFO).

(iv) Inventories of non-reusable waste say scrap for which facilities for reprocessing do not exist have been valued at net realizable value.

(iv) Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(v) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(vi) Goods in transit are stated as a component of inventories if the significant risk and rewards of ownership have passed to the company and valued at actual cost incurred up to the date of Balance Sheet.

(J) Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for any trade discounts, volume rebates & others similar allowances. Amounts disclosed as revenue are net of goods and service tax (GST).

Notes to the Consolidated Financial Statements as at 31.03.2020

Sale of Goods

Revenue arising from the sale of goods (including moulds) is recognized when the customer obtains control of the promised asset, i.e. either at the delivery or dispatch of goods (based on the agreed terms of sale with the respective customers), which is the point in time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.

Sale of Services

Customers obtain control of design and testing services when the services are completed to the satisfaction of the Customer.

Insurance Claim

Insurance claims lodged with insurance companies are accounted for on the basis of claim admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend and Interest Income

Dividend income from investments is recognized when the right to receive the dividend is established at the Balance Sheet date.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(K) Government Grants, Subsidies and Export Incentives

(i) Government grants and subsidies are recognised in the statement of profit and loss in accordance with related schemes and when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received.

(ii) Duty drawback is recognised in the statement of profit and loss at the time of exports subject to the right to entitlement has been established.

(L) Foreign Currency Transactions

Functional and Presentation Currency

The functional currency of the Company is Indian rupee.

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

Non-monetary items denominated in foreign currency such as investments, fixed assets, inventories etc., are valued at the exchange rate prevailing on the date of transaction.

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(M) Research and Development

Revenue expenditure pertaining to research is charged to Statement of Profit and Loss. Development costs of products expenses are capitalized when the Company is certain to recover the development cost from future economic benefits. Property, plant and equipment utilized for research and development are capitalized and depreciated/amortised in accordance with the policies stated for property, plant and equipment & intangible assets.

(N) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. These benefits include salaries and wages, bonus etc. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.



Notes to the Consolidated Financial Statements as at 31.03.2020

Post Employment Benefits:

Provident Fund & Employee State Insurance

Retirement Benefits in the form of Provident Fund and ESI schemes are a defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis and the contributions are charged to Statement of Profit & Loss of the year when the contributions to the respective funds are due.

Earned Leave

Leave encashment is applicable to all permanent and full time employees of the company and is provided for on the basis of actuarial valuation made at the end of each financial year using Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in statement of profit or loss.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Exide Life Insurance Company under its Company's Gratuity Scheme.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in statement of profit or loss.

(O) Provisions and Contingent Liabilities

Provision

A provision is recognized when the Company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The estimated liability for product warranties is recorded when products are sold based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

Contingent Liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

(P) Taxation

Income Tax expense represent the sum of the tax currently payable and deferred tax

Notes to the Consolidated Financial Statements as at 31.03.2020

Current Income 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 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. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred Income Tax

Deferred income tax is recognised using the balance sheet approach. Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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.

Deferred tax liabilities and assets are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends and has ability to settle its current tax assets and liabilities on a net basis.

Current and Deferred Tax For The Year

Current and deferred tax are recognised in profit or loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(Q) Borrowing Cost

Borrowing costs are interest and other costs that incurs in connection with the borrowing of funds and include interest expense calculated using the effective interest method as described in Ind AS 39 Financial Instruments: Recognition and Measurement, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(R) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



Notes to the Consolidated Financial Statements as at 31.03.2020

(S) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS-7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

(T) Derivatives Instruments and Hedge Accounting

The Company enters into derivatives contracts in the nature of foreign currency swaps, currency options, forward contracts etc. to hedge its exposure to movements in foreign exchange rates. The use of these contracts reduces the risk or cost to the Company and the Company does not use those for trading or speculative purposes.

(U) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Core Management Committee examines performance both from product and a geographical perspective. The Company has identified two reportable business segments viz. Automotive and LED Luminaries Segment on the basis of the nature of products, the risk and return profile of individual business and the internal business reporting systems.

(V) Lease

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease 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 leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured 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. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(W) Dividend on Equity Share

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

(X) Earnings Per Share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the profit after tax (loss) for the year by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit (loss) for the year attributable to equity shareholder and the weighted average number of share outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The weighted average number of shares outstanding during the year are adjusted for events of bonus issue and share split, if any.

Notes to the Consolidated Financial Statements as at 31.03.2020

2. PROPERTY, PLANT AND EQUIPMENT & CAPITAL-WORK-IN-PROGRESS

(Amount in Lakhs)

Particulars	Gross Block				Depreciation			Net Block				
	As at 01.04.2019	Additions	Deductions	Reclassified on account of adoption of IND AS 116	As at 31.03.2020	As at 01.04.2019	For the Year	Deductions	Reclassified on account of adoption of IND AS 116	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land Free hold (Note-1)	3,636.63	-	-	-	3,636.63	-	-	-	-	-	3,636.63	3,636.63
Land Lease hold	1,843.43	-	-	1,843.43	-	211.90	-	-	211.90	-	-	1,631.53
Buildings	20,121.97	1,859.86	-	-	21,981.83	3,546.18	696.19	-	-	4,242.37	17,739.46	16,575.79
Plant & Equipment	51,721.14	2,949.88	12.33	-	54,658.68	21,404.86	3,505.68	2.39	-	24,908.15	29,750.53	30,316.27
Furniture & Fixtures	2,752.85	185.98	-	-	2,938.83	1,092.90	245.90	-	-	1,338.80	1,600.03	1,659.95
Motor Vehicles	2,027.07	163.17	194.15	-	1,996.09	960.13	229.84	129.78	-	1,060.19	935.90	1,066.94
Office Equipment	708.65	35.08	-	-	743.73	472.99	75.40	-	-	548.39	195.34	235.66
Electrical Installation	2,199.42	98.84	-	-	2,298.26	1,151.69	180.65	-	-	1,332.35	965.91	1,047.72
Computer	724.39	90.26	-	-	814.65	560.18	83.10	-	-	643.28	171.37	164.21
Total	85,735.53	5,383.07	206.49	1,843.43	89,068.69	29,400.83	5,016.75	132.17	211.90	34,073.52	54,995.17	56,334.70
Previous Year	80,035.97	5,967.94	268.36	-	85,735.53	24,775.76	4,823.50	198.44	-	29,400.83	56,334.70	-
Capital work-in-progress	790.95	18.51	784.25	-	25.21	-	-	-	-	-	25.21	790.95

Previous Year

Particulars	Gross Block				Depreciation			Net Block		
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land Free hold (Note-1)	3,635.40	1.23	-	3,636.63	-	-	-	-	3,636.63	3,635.40
Land Lease hold	1,843.43	-	-	1,843.43	186.63	25.27	-	211.90	1,631.53	1,656.80
Buildings	19,431.40	690.57	-	20,121.97	2,894.41	651.77	-	3,546.18	16,575.79	16,537.00
Plant & Equipment	47,341.43	4,386.92	7.22	51,721.14	18,024.92	3,384.95	5.01	21,404.86	30,316.27	29,316.51
Furniture & Fixtures	2,493.47	259.99	0.61	2,752.85	868.18	224.88	0.16	1,092.90	1,659.95	1,625.29
Motor Vehicles	2,020.58	261.95	255.46	2,027.07	923.15	225.65	188.67	960.13	1,066.94	1,097.43
Office Equipment	641.99	67.23	0.57	708.65	396.66	76.65	0.32	472.99	235.66	245.33
Electrical Installation	2,018.78	180.87	0.23	2,199.42	982.07	169.85	0.22	1,151.69	1,047.72	1,036.71
Computer	609.47	119.18	4.26	724.39	499.75	64.49	4.06	560.18	164.21	109.73
Total	80,035.97	5,967.94	268.36	85,735.53	24,775.76	4,823.50	198.44	29,400.83	56,334.70	55,260.21
Previous Year	69,192.02	13,201.86	2,357.91	80,035.97	21,337.90	4,369.15	931.28	24,775.76	55,260.21	-
Capital work-in progress	560.98	784.25	554.28	790.95	-	-	-	-	790.95	560.98

NOTES:

- Gross block to land free hold includes an amount of Rs. 18.23 Lakhs for purchase of factory land, the registration of which is still pending in the name of Company
- During the current year, the company has capitalised borrowing cost relating to construction of buildings amounting to Rupee 45.07 Lakhs (31 March 2019- Rupee 24.04 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.50%, which is the effective rate of borrowing.
- During the current year, the company has capitalised expenditure relating to property, plant and equipment amounting to Rupee 215.73 Lakhs (31 March 2019- Rupee 323.96 Lakhs)
- Property, plant and equipment amounting to Rupee 37,018.48 Lakhs (31 March 2019- Rupee 38,930.16 Lakhs) have been pledged as security by the Company.



Notes to the Consolidated Financial Statements as at 31.03.2020

3. RIGHTS OF USE ASSETS

Particulars	Gross Block				Depreciation			Net Block				
	As at 01.04.2019	Additions	Deductions	Reclassified on account of adoption of IND AS 116	As at 31.03.2020	As at 01.04.2019	For the Year	Deductions	Reclassified on account of adoption of IND AS 116	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	-	-	-	1,843.43	1,843.43	-	25.27	-	211.90	237.17	1,606.26	-
Building	-	2,072.98	-	2,072.98	-	-	129.56	-	-	129.56	1,943.42	-
Total	-	2,072.98	-	3,916.41	-	-	154.83	-	211.90	366.73	3,549.68	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. This has resulted in recognising a right-of-use asset of Rs. 2,072.98 lakhs and a corresponding lease liability of Rs. 2,574.58 Lakhs. The difference of Rs. 375.35 Lakhs (net of deferred tax asset created of Rs. 126.25 Lakhs) has been adjusted to retained earnings as at 1st April 2019.

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share.

4. INTANGIBLE ASSETS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Current Year

Particulars	Gross Block			Amortization			Net Block				
	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	For the Year	Deductions	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019	
Computer Software	355.16	551.50	-	906.66	293.61	133.77	-	427.38	479.28	61.55	
Technical Know-how	55.43	15.31	-	70.74	17.88	14.92	-	32.80	37.94	37.54	
Total	410.59	566.81	-	977.40	311.50	148.69	-	460.18	517.22	99.09	
Previous Year	361.03	49.56	-	410.59	242.34	69.16	-	311.50	99.09	-	
Intangible assets under development	358.31	-	358.31	-	-	-	-	-	-	-	358.31

Previous Year

Particulars	Gross Block			Amortization			Net Block			
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Computer Software	320.79	34.37	-	355.16	236.30	57.31	-	293.61	61.55	84.49
Technical Know-how	40.24	15.19	-	55.43	6.04	11.84	-	17.88	37.54	34.20
Total	361.03	49.56	-	410.59	242.34	69.16	-	311.50	99.09	118.69
Previous Year	278.58	113.89	31.44	361.03	210.33	63.45	31.44	242.34	118.69	-
Intangible assets under development	130.81	227.50	-	358.31	-	-	-	-	358.31	130.81

NOTES:

- During the current year, the company has capitalised borrowing cost relating to intangible assets amounting to Rupee 1772 Lakhs (31 March 2019-Rupee 16.41 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.50%, which is the effective rate of borrowing.

Notes to the Consolidated Financial Statements as at 31.03.2020

5 NON - CURRENT INVESTMENTS

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
1 INVESTMENT ACCOUNTED USING EUIY METHOD				
UNQUOTED EQUITY SHARES (At cost)				
in Joint Venture (JV)				
a) Indian				
a) Aisan Fiem Automotive India P. ltd.				
2,60,00,000 Equity Share (Previous year - 2,60,00,000 Equity Share) of Rs 10 Each of the company, a Joint venture with Aisan Industry Co., Ltd. Japan (69% share) and Toyota Tsusho India Private Limited (5% share)	2,073.22		2,494.95	
b) Overseas				
a) Centro Ricerche FIEM Horustech S.r.l.				
a Limited Liability Company incorporated in Italy on 50:50 JV basis with Horustech Lighting S.r.l. Italy. Total amount invested 0.40 Lakhs Euros. (Previous Year 0.40 Lakhs Euros)	20.34		22.49	
b) Fiem Kyowa (HK) Mould Company Limited				
Company incorporated in Hong Kong on 50:50 basis with Kyowa Co., ltd. Japan. 1,000 fully paid shares (Previous Year -1000) of 100 Hong Kong dollar each	27.95		16.13	
		2,121.52		2,533.58
2 In Others				
a) M/s Shivalik Solid Waste Management Ltd.				
20,000 equity shares (Previous Year 20,000) of Rs 10 each fully paid up	2.00		2.00	
		2.00		2.00
TOTAL INVESTMENTS (1+2)		2,123.52		2,535.58

6 TRADE RECEIVABLES (Unsecured but considered Good)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Retention money with Customers	124.90	124.90	-	-
b) Trade receivables				
Considered Good			7,698.28	14,680.29
Credit Impaired			142.32	117.32
Total			7,840.60	14,797.61
Less:- Allowances for Credit losses			142.32	117.32
TOTAL	124.90	124.90	7,698.28	14,680.29

7 LOANS (Unsecured but considered Good)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Loan to employees	19.69	21.84	49.25	46.36
b) Security deposit	924.10	834.66	0.55	5.51
TOTAL	943.79	856.51	49.80	51.87



Notes to the Consolidated Financial Statements as at 31.03.2020

8 OTHER FINANCIAL ASSETS (Unsecured but considered Good)

(Amount Rs in Lakhs)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Term deposit held as margin money, with more than 12 months maturity	27.77	32.00	-	-
b) Income accrued on deposits	0.77	1.94	66.61	69.61
c) Insurance Claim Recoverable	-	-	860.38	1,473.14
d) Export Incentive Receivables	-	-	50.10	63.85
e) Derivative Assets -Long term	532.39	167.94	-	-
f) Other Advances recoverable	-	-	96.38	83.50
TOTAL	560.92	201.87	1,073.47	1,690.09

9 INCOME TAX ASSETS (NET)

Particulars	As at 31.03.2020	As at 31.03.2019
Advance Income tax		91.17
TOTAL	91.17	449.13

10 OTHER ASSETS (Unsecured but Considered Good)

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
a) Capital Advances	613.89	821.39	-	-
b) Advances other than capital advances				
i) Advances to Suppliers	-	-	1,180.56	1,667.33
ii) Balance with Customs or GST departments	-	-	557.22	245.07
iii) Prepaid Expenses	31.80	9.99	249.65	194.75
TOTAL	645.68	831.38	1,987.43	2,107.15

11 INVENTORIES

(As per Inventory taken valued & certified by the management and valued at lower of cost or net realisable value)

Particulars	As at 31.03.2020	As at 31.03.2019
a) Raw Materials and Components	7,441.58	6,878.32
b) Raw Materials and Components in transit	-	-
c) Work in Progress	1,215.30	3,555.53
d) Finished Goods	3,899.15	3,953.54
e) Stock in trade (Others)	-	0.08
f) Stores and Spares (including Packing Material)	353.06	336.74
g) Stores and Spares (including Packing Material) in transit	-	-
		12,909.09
TOTAL	12,909.09	14,724.21

12 CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020	As at 31.03.2019
a) Balances with Banks in current account		543.16
b) Cash Credit account (see also note 18 below)		4,122.13
c) Deposits with original maturity of less than three months		-
d) Cash on Hand		29.27
TOTAL	4,694.56	420.17

Notes to the Consolidated Financial Statements as at 31.03.2020

13 OTHER BANK BALANCES

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
1) Unpaid Dividend Account	17.17		16.67	
2) Margin money deposit with original maturity for more than 3 months but less than 12 months	42.11		9.20	
		59.29		25.87
TOTAL		59.29		25.87

14 EQUITY SHARE CAPITAL

Particulars	As at 31.03.2020		As at 31.03.2019	
Authorised				
3,00,00,000 (as at 31.03.19- 3,00,00,000) Equity shares of Rs 10 each		3,000.00		3,000.00
Issued, Subscribed and Paid-up				
1,31,59,830 (as at 31.03.19- 1,31,59,830, Equity Shares of Rs. 10/- each fully paid up)		1,315.98		1,315.98
TOTAL		1,315.98		1,315.98

a) Terms/rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of the equity shares held by the shareholders.

b) The Details of shareholder holding more than 5% shares in the company (Equity share of Rs 10 each fully paid up)

Name of the Shareholder	As at 31.03.2020		As at 31.03.2019	
	No of Shares	% held	No of Shares	% held
1) J.K. Jain	3,129,367	23.78%	3,055,808	23.22%
2) Seema Jain	3,010,000	22.87%	2,960,000	22.49%
3) Rahul Jain	1,625,668	12.35%	1,552,340	11.80%
4) Aanchal Jain	898,184	6.83%	800,000	6.08%
5) Saif India V Fii Holdings Limited	1,152,081	8.75%	1,152,081	8.75%

c) Reconciliation of Number of Shares

Equity shares	As at 31.03.2020		As at 31.03.2019	
	No of shares	Amount (In Rs Lakhs)	No of shares	Amount (In Rs Lakhs)
Opening Balance	13,159,830	1,315.98	13,159,830	1,315.98
Issued During the Year	-	-	-	-
Closing balance	13,159,830	1,315.98	13,159,830	1,315.98



Notes to the Consolidated Financial Statements as at 31.03.2020

15 OTHER EQUITY

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
SECURITIES PREMIUM				
As Per Last Balance Sheet		16,722.77		16,722.77
GENERAL RESERVE				
As Per Last Balance Sheet	3,840.00		3,280.00	
Add :- Transferred from Surplus in the statement of Profit and Loss	800.00		560.00	
Closing balance		4,640.00		3,840.00
TRANSLATION RESERVE		22.38		1.28
SURPLUS -OPENING BALANCE	25,834.95		23,611.77	
Add:- Profit after tax	7,456.49		5,564.92	
Add:- Other Comprehensive Income	(63.78)		(84.68)	
Transition impact of Ind AS 116- Leases, net of tax	(375.35)		-	
Amount Available for Appropriation	32,852.31		29,092.01	
Less :- Appropriations				
i) Final Dividend Paid Rs 4 per share- (Previous Year Rs 9 per share)	526.39		1,184.38	
ii) Corporate Dividend Tax Paid on Final Dividend	108.20		243.49	
iii) Interim Dividend paid Rs 10 per share (Previous Year Rs 8 per share)	1,315.98		1,052.79	
iv) Corporate Dividend Tax Paid on Interim Dividend	270.50		216.40	
v) Transfer to General Reserve	800.00		560.00	
	3,021.07		3,257.06	
SURPLUS -CLOSING BALANCE		29,831.24		25,834.95
TOTAL		51,216.39		46,399.00

Description of nature and purpose of each reserve

- General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Companies Act, 2013.
- Translation Reserve :-Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, associates and joint ventures are recognised and separately disclosed in translation reserve.

16 NON-CURRENT BORROWINGS

Particulars	NON CURRENT PORTION		CURRENT MATURITIES	
	AS AT 31.03.20	AS AT 31.03.19	AS AT 31.03.20	AS AT 31.03.19
SECURED LOANS				
1) TERM LOANS FROM BANKS				
a) Indian Rupee Loan	200.00	1,747.06	400.00	752.94
b) Foreign Currency Loan	5,504.58	7,367.42	3,772.51	3,086.37
	5,704.58	9,114.48	4,172.51	3,839.31
2) VEHICLE LOANS				
a) from Banks	104.68	181.75	128.14	157.59
b) from Others	-	-	-	4.63
	104.68	181.75	128.14	162.21
TOTAL	5,809.27	9,296.24	4,300.65	4,001.52

Notes to the Consolidated Financial Statements as at 31.03.2020

INDIAN RUPEE TERM LOANS FROM BANKS INCLUDE

- a) From HSBC Bank:- Outstanding as on 31.03.20 is Rs 600.00 lakhs, (as on 31.03.19 Rs 1000 Lakhs) The Loan is for 6 year and has 20 quarterly equal repayment beginning after moratorium period of 15 months. Interest is monthly payable. The loan carries fixed interest rate of 9.50% p.a.. The Loan is Secured against First Pari-Passu charge with HSBC -Mauritius and with CITIBANK FCNR TERM LOAN -3 by way of equitable mortgage on land and building and hypothecation of Plant and machinery at project in Gujarat(Survey no 151-153, village karsanpur, Taluka mandal, Distt Ahmedabad) and secured against first pari passu charge by way of equitable mortgage on Land and Building and hypothecation of Plant and Machinery at Tapukara Rajasthan along with ,HSBC Mauritius, CITIBANK FCNR TERM LOAN -3 and STANDARD CHARTERED BANK ECB-3 LOAN
- b) From Citibank :- Outstanding as on 31.03.20 is Nil, as during the year 2019-20, the loan has been converted into Citibank FCNR foreign currency loan having fully hedged interest cost of 8.80% p.a. from earlier floating interest rate of INR Loan. Other conditions related to tenure, repayment schedule,Security etc remaining the same. (see note f below also in Foreign currency term loan) (as on 31.03.19 Is Rs 1500 Lakhs).

FOREIGN CURRENCY TERM LOAN FROM BANKS INCLUDE

- a) From Citibank :- FCNR Term Loan -2 outstanding as on 31.03.20- Rs NIL - (as on 31.03.19 - Rs 419.73 Lakhs) had tenor of 5 years with 16 equal quarterly repayments beginning from the end of 12 months from drawdown. Interest was payable on monthly basis. The loan carried fully hedged interest cost of 10.25% p.a. The Loan was secured against exclusive charge on fixed assets financed out of the term loan and is secured against First pari-passu charge on the fixed assets of Kundli Unit-1 and Hosur Unit-2 with working capital Lenders viz. Citibank, Standard Chartered Bank, HDFC bank and Indusind Bank Guarantee limit. The Loan was also secured against exclusive charge on fixed assets financed out of the term loan and first charge of the movable fixed assets of Unit-V situated at Hosur, tamilnadu.The loan was fully repaid during the current financial year.
- b) From Citibank :- FCNR Term Loan -3 outstanding as on as on 31.03.20 - Rs 1564.82 lakhs,(as on 31.03.19- Rs 2161.26 Lakhs) has tenor of 6 years with 20 equal quarterly repayments beginning from the end of 15 months from drawdown. Interest is payable on monthly basis. The loan carries fully hedged interest cost of 9% p.a. The Loan is secured against First pari-passu charge on the fixed assets of the company including land and building and plant and machinery at Rajasthan unit with other lender viz. HSBC India, HSBC Mauritius and SCB 5.50 Million USD ECB LOAN and is secured against first pari-passu charge on all the fixed assets including land and building and plant and machinery of Gujarat unit shared with other lenders viz. HSBC India, HSBC Mauritius .
- c) From Standard Chartered Bank ECB -3 for 55 lakh USD :- Loan outstanding as on 31.03.20- Rs 2091.96 Lakhs (as on 31.03.19- Rs 2680.39 Lakhs). The loan is for 6 years with 16 equal quarterly repayment beginning from the end of 15 months from the drawdown. Interest is quarterly payable. The loan carries fully hedged interest cost of 8.90% p.a. The Loan is secured on first pari passu charge basis with HSBC INDIA, HSBC Mauritius and CITIBANK FCNR TERM LOAN-3 on all assets of Tapukara plant (Present and future) and secured against exclusive charge on movable fixed assets situated at Mysore unit-4, and Hosur Unit-3 Kelamangalam Road.
- d) From HSBC Mauritius ECB :- Loan outstanding as on 31.03.20- Rs 1790.41 Lakhs, (as on 31.03.19- Rs 2680.39 Lakhs). The loan is for 6 years with 20 equal quarterly repayment beginning from the end of 15 months from the drawdown. Interest is quarterly payable. The loan carries fully hedged interest cost of 8.99% p.a. The Loan is secured against Equitable Mortgage with CITIBANK FCNR TERM LOAN-3 (1st Pari Passu with HSBC, India) on Land and Building and Hypothecation of Plant and Machinery (1st pari- Passu with HSBC, India) located at Ahmedabad, Gujarat and secured against equitable mortgage on Land and Building with (1st pari- Passu with HSBC, India) and hypothecation of Plant and Machinery (1st pari- Passu with HSBC, India) along with CITIBANK FCNR TERM LOAN -3 AND STANDARD CHARTERED BANK ECB-3 at Tapukara Rajasthan.
- e) From Citibank FCNR Term Loan -4:- Outstanding as on 31.03.20 is Rs 2576.68 lakhs (as on 31.03.19- Rs 2512.02 lakhs) The Loan is for 5 year and has 17 quarterly equal repayment starting from the end of 12 months of drawdown. Interest is monthly payable. The loan carries fully hedged interest cost of 9.00% p.a.. The Loan is Secured against exclusive charge on fixed assets financed out of the term loan and first exclusive charge of the movable assets of Unit-V situated at Hosur, Tamilnadu and exclusive charge on Plant and Machinery and Land and Building of unit-VI Located at Village Bhatian, tehsil Nalagarh, Distt. Solan -174101.
- f) From Citibank FCNR Term Loan -5 :- Outstanding as on 31.03.20 is Rs 1253.22 Lakhs (31.03.19- Nil as till 31.03.19 this loan was INR loan having outstanding of Rs 1500 Lakhs, during the current year the loan has been converted from INR loan to Foreign currency FCNR loan) The Loan is for 5 year and has 17 quarterly equal repayment starting from the end of 12 months of drawdown which is same as that of INR loan . Now the Loan carries fully hedged interest cost of 8.80% p.a. instead of floating interest rate in case of INR loan . The Loan is Secured against exclusive charge on fixed assets financed out of the term loan and first charge of the movable assets of Unit-V situated at Hosur, Tamilnadu which is same as that of INR loan



Notes to the Consolidated Financial Statements as at 31.03.2020

VEHICLE LOANS FROM BANKS AND OTHERS

(Amount Rs in Lakhs)

Vehicle loan from banks and others outstanding as on 31.03.20- Rs 232.82 Lakhs, (31.03.19- Rs 343.96 Lakhs), secured against hypothecation of the respective vehicles acquired out of proceeds thereof. The Loans carries interest rate between 8.50% p.a.to 10.00% p.a..

Particulars	1-2 years	2-3 years	3-4 years	4 years and Above
Maturity Profile of Term Loans and Vehicle Loans are as	3,564.72	1,497.02	747.53	-

17 PROVISIONS

Particulars	NON -CURRENT		CURRENT	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
1 Provision for Retirement Benefits				
a) Leave Encashment	455.86	418.85	113.21	62.98
b) Gratuity	122.16	256.58	257.28	54.94
2 Provision for Warranties	-	-	67.30	71.70
TOTAL	578.03	675.43	437.79	189.62

Provision for Warranties

The company gives warranties on certain products and services, undertaking to repair and replace the items that fails to perform satisfactorily during the warranty period. Provision made as at 31.03.20 represents the amount of the expected cost of meeting such obligation of rectification or replacement. The timing of the outflow is expected to be within warranty period.

Particulars	31.03.20	31.03.19
Opening Balance	71.70	61.55
Addition	67.30	71.70
Utilization /reversal	71.70	61.55
Closing Balance	67.30	71.70
Current Portion	67.30	71.70
Non Current Portion	-	-

18 CURRENT BORROWINGS

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
SECURED LOANS		
Cash Credit/Working Capital Loans repayable on demand from Banks		
Indian Rupee Loan (see note 12 above also)	1.08	3,846.66
TOTAL	1.08	3,846.66

Notes to the Consolidated Financial Statements as at 31.03.2020

Indian Rupee Loan includes

- a) From Citibank NA :- Loan outstanding as at 31.03.20 - Nil , (as on 31.03.19- Rs 2185.60 Lakhs). Interest is payable with monthly rest on the last date of each month in each year or at such other rest as determined by the bank. The rate of interest is based on relevant circumstances, including market conditions which currently is around 9.00% p.a.. The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/Inventories with Standard Chartered Bank Cash Credit Loan, HDFC Bank Cash Credit Loan , Indusind Bank Bank Guarantee Limit and secured against First Pari Passu charge on all the fixed assets of the company (excluding assets specifically purchased out of the term loans from Citibank and other term loan lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Standard Chartered Bank, HDFC Bank, Indusind Bank.
- b) From Standard Chartered Bank :- Loan outstanding as at 31.03.20- Rs 1.08 Lakhs (as on 31.03.19- Rs 483.28 Lakhs), Interest is monthly payable. Interest is payable at base rate plus margin basis which may be agreed with bank from time to time which currently is around 9.50% p.a.. The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/Inventories with Citibank Cash Credit Loan, HDFC Bank Cash Credit Loan , Indusind bank Bank Guarantee Limit and secured against First Pari Passu Charge on present and future moveable fixed assets of the company with Citibank , HDFC Bank, Indusind Bank (excluding assets specifically purchased out of term loan from term loan lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank , HDFC Bank, Indusind bank.
- c) From HDFC BANK :- Loan outstanding as at 31.03.20- NIL (as on 31.03.19- Rs 1177.78 Lakhs), Interest is monthly payable. Interest is payable at base rate plus margin basis which may be agreed with bank from time to time which currently is around 9.00% p.a.. The loan is secured against First Pari Passu charge on all present and future receivables, stocks/ Inventories with Citibank Cash Credit Loan, Standard Chartered Bank Cash Credit Loan, Indusind bank Bank Guarantee Limit and secured against First Pari Passu Charge on all fixed assets of the company (excluding assets specifically purchased out of term loan from term loan lenders) with Citibank, Standard Chartered Bank, Indusind Bank including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank, Standard Chartered Bank, Indusind Bank.
- d) Indusind Bank Bank Guarantee Limit:- The loan is secured against First Pari Passu Charge on all present and future receivables, stocks/Inventories with Citibank Cash Credit Loan, Standard Chartered Bank Cash Credit Loan, HDFC bank Cash Credit Loan Limit and secured against First Pari Passu Charge on present and future moveable fixed assets of the company with Citibank, Standard Chartered Bank, HDFC bank (excluding assets specifically purchased out of term loan from term loan lenders) including equitable mortgage charge on first pari passu basis on Land and Building situated at 32nd Milestone, GT Road, Kundli,Haryana and 219/2B,Thally Road Hosur,Tamilnadu with Citibank, Standard Chartered Bank, HDFC bank.

19 CURRENT TRADE PAYABLES

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
- Micro and Small enterprises	476.85		122.62	
- Other than Micro and Small enterprises	16,260.50		18,702.40	
		16,737.35		18,825.02
TOTAL		16,737.35		18,825.02

Considering the company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under "The Micro, Small and Medium Enterprises Development Act 2006" during the year.

There is also no amount of outstanding interest in this regard, brought forward from previous years. The above information is on basis of intimations received, from the vendors who have communicated their status with regards to vendors registration under the said Act on requests made by the company,



Notes to the Consolidated Financial Statements as at 31.03.2020

20 OTHER FINANCIAL LIABILITIES- CURRENT

(Amount Rs in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
a) Trade Security Deposits		297.12		304.37
b) Current Maturity of Long- term debt	4,300.65		4,001.52	
Add/(Less) Derivative liability/ (Assets) Short Term	(398.16)		(131.14)	
		3,902.49		3,870.38
c) Current maturity of Lease Liability		33.73		-
d) Interest accrued		27.98		89.16
e) Liabilities for Expenses		1,527.50		1,403.72
f) Unpaid Dividend - (Investor Education and Protection Fund will be credited by this amount (as and when due))		17.17		16.67
g) Creditors for Capital Expenditure		411.03		676.58
TOTAL		6,217.01		6,360.89

21 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020		As at 31.03.2019	
a) Advances received from Customers		2,061.80		2,413.12
b) Statutory Dues payable		1,357.60		1,422.67
TOTAL		3,419.40		3,835.79

22 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31.03.2020		As at 31.03.2019	
Provision for Income tax (Net of advance tax and Tds)		122.48		345.57
		122.48		345.57

23 NET SALES

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
a) Sales of Products				
- Sales of Finished Goods				
Automotive Segment	133,626.26		139,601.01	
LED Luminaries Segment	2,008.46		2,876.42	
	135,634.72		142,477.43	
- Sales of Raw material/Traded goods				
Automotive Segment	1,212.58		1,367.68	
LED Luminaries Segment	-		25.79	
	1,212.58		1,393.47	
b) Sales of Services (Job work charges received)		136,847.30		143,870.90
Automotive Segment	-		-	
LED Luminaries Segment	23.62		29.53	
		23.62		29.53
TOTAL		136,870.92		143,900.43

Notes to the Consolidated Financial Statements as at 31.03.2020

24 OTHER OPERATING INCOME

(Amount Rs in Lakhs)

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
1) Scrap sales		420.72		524.84
2) Testing, Design and Development charges received		210.30		110.53
3) Support fee received (Aisan Fiem Automotives India Pvt Ltd)		260.00		211.56
4) Duty Drawback Received		33.87		45.26
5) Merchandise export Incentive received		41.62		60.02
6) Rebate and Discount Received		12.60		0.96
7) Govt subsidy received		100.00		-
8) Difference in foreign exchange		(57.73)		17.25
9) Segregation, Packing and Forwarding charges Received		51.82		28.85
10) Insurance claim		-		2.56
TOTAL		1,073.20		1,001.83

25 OTHER INCOME

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
1) Interest income on Fixed Deposits and others Deposits		81.91		41.83
2) Income on Income tax refund		43.94		
3) Income from Mutual fund		-		10.67
4) Sundry Creditors written back		15.39		22.88
5) Rental Income received		9.18		9.02
6) (Profit)/Loss on sale of Property, Plant and Equipment		18.62		
7) Other Non Operating Income		2.99		1.73
TOTAL		172.03		86.14

26 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Opening Stock		6,878.32		6,663.76
Add : Purchases		81,385.06		89,774.49
Less :- Inventories at the end of the year		7,441.58		6,878.32
TOTAL		80,821.80		89,559.92

27 PURCHASE OF STOCK IN TRADE

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Purchase of Traded Goods		801.42		988.04
TOTAL		801.42		988.04

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	Current Year- FY 2019-20		Previous Year - F.Y. 2018-19	
Inventories at the end of the year				
a) Finished Goods	3,899.15		3,953.54	
b) Work -in- Progress	1,215.30		3,555.53	
c) Traded Goods	-		0.08	
		5,114.45		7,509.15
Inventories at the beginning of the year				
a) Finished Goods	3,953.54		3,134.68	
b) Work -in- Progress	3,555.53		3,882.22	
c) Traded Goods	0.08		0.14	
		7,509.15		7,017.04
		2,394.70		(492.11)

29 EMPLOYEES BENEFITS EXPENSES

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Salaries,Wages and Bonus to employees		18,366.58		18,220.06
Contribution to Provident and other Funds		495.23		362.63
Staff Welfare Expenses		641.35		709.68
Gratuity Expenses		213.05		196.03
Earned Leave to staff		133.28		158.91
TOTAL		19,849.49		19,647.31



Notes to the Consolidated Financial Statements as at 31.03.2020

30 FINANCE COSTS

(Amount Rs in Lakhs)

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Interest Expense				
a) Interest on borrowings	1,600.19		2,155.92	
b) Interest on leasehold obligation	154.47		-	
		1,754.66		2,155.92
Other Borrowing Costs		12.00		53.87
TOTAL		1,766.66		2,209.79

31 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Depreciation on Property, plant & equipment (see note -2)		5,016.75		4,823.55
Depreciation on Right of Use assets (see Note-3)		154.84		-
Amortization of Intangible assets (See Note-4)		148.69		69.12
		5,320.28		4,892.67

32 OTHER EXPENSES

Particulars	Current Year - FY 2019-20		Previous Year - F.Y. 2018-19	
Manufacturing Expenses				
1) Job Charges	266.65		308.23	
2) Machinery running and Maintenance				
a) Machinery Repair and Service Charges	180.72		108.31	
b) Machinery Spares	906.77		953.90	
3) Consumption of Stores and Spare parts	1,901.93		2,071.09	
4) Packing Expenses	2,338.20		2,688.99	
5) Power and Fuel	4,966.61		5,313.35	
6) Repair - Dies	87.45		150.18	
7) Factory / Godown Rent#	62.01		49.86	
8) Freight, Cartage & Octroi	671.76		766.42	
9) Testing and Design Fees	423.52		348.74	
10) Segregation Charges Paid	0.72		14.11	
		11,806.34		12,773.18
Administrative and Selling Expenses				
1) Advertisement, Sub & Membership Exp.	94.83		80.15	
2) Payment to Auditors	85.71		81.87	
3) Donation	27.04		30.63	
4) Rates and taxes	255.12		172.88	
5) Insurance	153.86		91.90	
6) Bad debt written off	2.31		53.44	
7) Provision for Bad and Doubtful Debt	25.00		24.15	
8) Rent#	133.17		275.59	
9) Repair & Maintenance- Building	73.21		64.06	
10) Repair & Maintenance- Other	380.89		255.69	
11) Royalty	62.49		50.00	
12) Profit/Loss on sale of Property, Plant and Equipments	-		(13.06)	
13) Selling & Distribution Expenses	2,395.48		2,632.88	
14) Travelling and Conveyance Expenses	609.23		560.36	
15) Contribution toward CSR	141.90		137.94	
16) Other Office Expenses	2,141.63		2,211.09	
		6,581.87		6,709.58
TOTAL		18,388.21		19,482.76

Represents lease rentals for short term leases and leases of low value assets

Notes to the Consolidated Financial Statements as at 31.03.2020

33 EXCEPTIONAL ITEMS- INCOME/(EXPENDITURE)

(Amount Rs in Lakhs)

Particulars	Current Year - FY 2019-20	Previous Year - F.Y. 2018-19
Loss on insurance claim on Inventory	(88.23)	-
	(88.23)	-

During the year, the Insurance claim on inventory was settled and the company received Rs 511.08 lakhs as final payment against inventory loss claimed which resulted in loss of Rs 88.23 lakhs. The balance insurance claim is under process.

34 CONTINGENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
(A) Claims against the Company/disputed liabilities not acknowledged as debts (See Note-1)		
(i) Income Tax		
Case decided in the Company's favour by First Appellate Authorities for AY 2011-12 and for which the department has filed further appeals, No demand is outstanding as on the reporting date as the matter has been decided in favour of the company by the CIT (Appeal). However the issue has been challenged in ITAT by the income tax department. Also during the current year, the cases on similar ground for AY 09-10, AY 10-11, AY 12-13 and AY 13-14 also been decided in companies favour by the ITAT, New Delhi.	617.71	827.27
(ii) Custom Duty		
(a) Import Duty Demand towards imported capital goods which were sold to the customer in relation to nil import duty being paid at the time of import of said capital goods as a 100% EOU unit for which the company has filed an appeal with CESTAT, Chennai (Net of deposit)	43.40	43.40
(iii) Excise Duty		
Excise Duty Demand towards interest & penalty on short payment/reversal of Cenvat Credit on clearance of capital goods for the period April, 2015 to March, 2017 for which company has filed appeal with The commissioner, CGST & C.Ex., Ahmadabad-North. During the current year, the department has discharged the company from payment of any further duty, interest or penalty with respect to the aforesaid matter under SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME RULES, 2019.	-	39.19
(iv) Sales Tax		
(a) Sales Tax Demand for F.Y. 2014-15 on Central Sales Tax Reversal under Section 19(2)(v) of the TNVAT Act, 2006 for which company has filed appeal with High Court, Chennai	150.07	150.07
(b) Sales Tax Demand for A.Y. 2010-11 for which company has filed appeal with High Court of Punjab & Haryana (net of deposit)	20.00	20.00
TOTAL	831.18	1,079.93

Note:-1- Based on the advice taken by the company, the company believes that it has good case in respect of all the items under (i) to (iv) above and hence no provision is considered necessary against the same.

(B) Other Money for which the Company is contingently liable	As at March 31, 2020	As at March 31, 2019
(a) Liability in respect of bill of exchange discounted from bank	4,593.57	4,786.14
(b) The Hon'ble Supreme Court of India, through a ruling in February 2019, provided interpretation on the components of Salary on which the Company and its employees are to contribute towards Provident Fund under the Employee's Provident Fund Act. Based on the current evaluation, the Company believes it is not probable that certain components of Salary paid by the Company will be subject to contribution towards Provident Fund due to the Supreme Court order. The Company will continue to monitor and evaluate its position based on future events and developments.		



Notes to the Consolidated Financial Statements as at 31.03.2020

35 CAPITAL & OTHER COMMITMENTS

(Amount Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Estimated amount of contracts remaining to be executed on capital account and not provided, (net of advances)	429.44	812.98
(ii) Estimated amount of contracts remaining to be executed on purchases account not provided, (net of advances)	919.02	3,644.88
(iii) Estimated amount of Bank Guarantee Charges payable to Banks	0.85	3.43
TOTAL	1,349.31	4,461.29

36 AUDITOR'S REMUNERATION

Particulars	2019-20	2018-19
(a) Auditor's Remuneration		
For Statutory Audit	43.00	43.22
For Tax Audit	4.00	4.00
For GST Audit	4.00	-
For Limited Review	7.00	7.00
For Other Services	25.00	25.00
Total	83.00	79.22
(b) Cost Auditor's Remuneration		
For Cost Audit Fees	2.50	2.50
For Certification Fees	0.13	0.07
For Reimbursement of Travelling and Out-of-Pocket Expenses	0.08	0.09
Total (b)	2.71	2.65
Total (a+b)	85.71	81.87

37 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Property, Plant and Equipment & Intangible Assets	4,217.72	5680.61
Unrealised Exchange Gain	-	0.19
Total (a)	4,217.72	5,680.80
Deferred Tax Assets		
Allowances for Credit Losses	35.82	40.99
Provision for Leave Encashment	143.24	168.35
Provision for Gratuity	91.97	108.41
Provision for Bonus	91.81	145.80
Welfare Fund	0.60	0.34
Provision for Warranties	16.94	25.05
Lease Liabilities	150.85	-
Others	1.11	-
Total (b)	532.34	488.93
Net Deferred Tax Liability (a-b)	3,685.38	5,191.87

Notes to the Consolidated Financial Statements as at 31.03.2020

Movement in Deferred Tax Liabilities and Deferred Tax Assets (Amount Rs in Lakhs)

Particulars	As on 31st March, 2020	Recognised in profit and loss	Impact on account of Ind AS 116 adoption	As on 31st March, 2019
Movement in Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	4,217.72	(1,462.89)	-	5,680.61
Unrealised Exchange gain on capital accounts	-	(0.19)	-	0.19
Total (A)	4,217.72	(1,463.09)	-	5,680.80
Movement in Deferred Tax Assets				
Allowances for Credit Losses	35.82	(5.17)	-	40.99
Provision for Leave Encashment	143.24	(25.12)	-	168.35
Provision for Gratuity	91.97	(16.44)	-	108.41
Provision for Bonus	91.81	(53.99)	-	145.80
Welfare Fund	0.60	0.27	-	0.34
Provision for Warranties	16.94	(8.11)	-	25.05
Lease Liabilities	150.85	24.60	126.25	-
Others	1.11	1.11	-	-
Deferred Tax Assets of Subsidiary Company	-	2.81	-	-
Total (B)	532.34	(80.04)	126.25	488.93
Net Deferred Tax Liability (A-B)	3,685.38	(1,383.05)	126.25	5,191.87
(a) Tax expense			2019-20	2018-19
Current Tax				
Current tax on profit for the year			2,178.91	2,615.07
Adjustment for current tax of prior periods			20.95	14.79
Total current tax expense			2,199.86	2,629.86
Deferred tax				
Decrease/(Increase) in deferred tax assets			80.04	(102.50)
(Decrease)/Increase in deferred tax liabilities			(1,463.09)	508.61
Total deferred tax expense(benefit)			(1,383.05)	406.11
Tax Expense (Current Tax plus Deferred tax)			816.81	3,035.97

(b) Income Tax recognised in other comprehensive income (Loss)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Before Tax	Tax expense	Net of tax	Before Tax	Tax expense	Net of tax
Premeasurement of Defined Benefit Plans	(85.23)	21.45	(63.78)	(130.16)	45.48	(84.68)

(c) Reconciliation of Effective Tax Rate

	As at March 31, 2020	As at March 31, 2019
(a) Profit before tax	8,685.36	8,700.01
(b) Enacted tax rate in India	25.17%	34.94%
(c) Expected tax expenses	2,186.11	3,040.13
(d) difference due to		
Excess Deduction of R&D expenses	-	(153.83)
Disallowances of CSR Expenditure	35.72	46.52
Deferred Tax Liability (Assets)	(1,383.05)	406.11
Loss (Profit) of Subsidiaries not taxable in India	7.17	(65.99)
Others	(29.13)	(236.98)
Income Tax Expenses	816.81	3,035.97



Notes to the Consolidated Financial Statements as at 31.03.2020

(Amount Rs in Lakhs)

Impact of Tax Rate Change: The Company has exercised the option permitted under section 115BAA of the Income tax Act 1961, as introduced by the Taxation Laws (Amendment) ordinance 2019. Accordingly, the Deferred Tax Liabilities (net) as at March 31, 2019 and the estimate of tax expense for the year ended 31st March 2020 has been re-measured. The resultant impact is being recognised during the current financial year. This has resulted in proportionate reversal of deferred tax expense of Rs 1451.76 lakhs for the current financial year ended 31st March 2020, on account of remeasurement of deferred tax liability as at March 31, 2019.

Amount on which deferred tax assets has not been created and related expiry period

Deferred tax assets has not been recognised in respect of deductible temporary differences arising from investment in subsidiaries and interests in joint arrangements and unused tax losses arising from capital loss carried forward under Income Tax Act, 1961 on sale of property, transfer of land allotment rights and unquoted equity share because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Assessment Year	Nature of Loss	As at March 31, 2020	As at March 31, 2019	Available up to A.Y.
2014-15	Long-term capital loss	644.98	644.98	2022-23
2019-20	Long-term capital loss	185.03	185.03	2027-28
2019-20	Long-term capital loss	0.06	0.10	2027-28
		830.07	830.12	

Deferred Tax Assets on Lease-hold Land

Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will not be recovered through sale and indexation benefit at the time of disposal will not be available, accordingly deferred tax asset on the difference between carrying value and indexed value has not been created.

38 OPERATING LEASE TRANSACTION

A. Lease as Lessee

The company has taken commercial premises under cancellable operating lease. Minimum lease payments in respect of assets taken on operating lease are as follows:-

Particulars	2019-20	2018-19
Total of future minimum lease payments under operating lease for following periods:		
Not later than one year	2.50	-
Later than one year and not later than five years	-	-
later than five years	-	-
Total	2.50	-
Lease Rental recognized in Statement of Profit & Loss in respect of leases of low value assets, leases with term less than twelve months and variable leases.	195.18	143.20
Long-term leases- Nil in Current year as accounted as Lease liability as per Ind AS 116	-	182.25
Total	195.18	325.45

B. Lease as Lessor

The Company has leased out a portion of its building and subleased a building under a operating lease arrangement. The leases may be renewed for a further period based on mutual agreement of the parties. During the year, an amount of Rupee 9.18 lakhs (previous year Rupee 9.02 lakhs) was recognised as rental income in the Statement of Profit and Loss. As at 31 March 2020, there are no future minimum lease payments under non-cancellable operating lease as receivable.

39 EARNING PER SHARE

Particulars	2019-20	2018-19
Net Profit after tax attributable to equity shareholders	7,456.49	5,564.92
Weighted average number of equity shares outstanding during the year (Nos in lakhs)	131.60	131.60
Basic/diluted earning per share* (In Rs.)	56.66	42.29
Face value per equity share (In Rs.)	10	10

*There are no dilutive instruments issued by the Company.

Notes to the Consolidated Financial Statements as at 31.03.2020

40 GOVERNMENT GRANT

(Amount Rs in Lakhs)

Particulars	2019-20	2018-19
Duty Drawback on Export in Foreign Currency	33.87	45.26
Merchandise Export Incentive on Export in Foreign Currency	41.62	60.02
Interest Subsidy Under the Scheme for Assistance to Labour Intensive Industries in Unit-9 situated in Gujarat	100.00	-
Waiver of Electricity Duty (Notional)	73.03	65.40
Total	248.52	170.68

41 SEGMENT REPORTING

(a) Identification of Segments:

Primary-Business Segments

The Company has identified two reportable business segments viz. Automotive and LED Luminaries Segment on the basis of the nature of products, the risk and return profile of individual business and the internal business reporting systems. The products included in each of the reported business segments are as follows:-

- Automotive comprising of automotive lighting & signalling equipment, rear view mirror, prismatic mirror, plastic moulded parts, and sheet metal components for motorised vehicles and others parts for automotive.
 - LED Luminaries Segment comprising of led luminaries viz. indoor and outdoor lighting, display panel, LED integrated passenger information system etc.
- (b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to a segment on reasonable basis have been disclosed as "unallocated"
- (c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Income tax related assets/liabilities, borrowings, deferred tax liabilities (Net) and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocated".

(i) Primary-Business Segments

Segment Revenue	2019-20			2018-19		
	Automotive	LED Luminaries	Total	Automotive	LED Luminaries	Total
External Sales	134,838.84	2,032.08	136,870.92	140,968.69	2,931.74	143,900.43
Other Operating Income	1,061.67	11.53	1,073.20	950.13	51.70	1,001.83
Inter-Segment Sales	-	-	-	-	-	-
Total	135,900.51	2,043.61	137,944.12	141,918.82	2,983.44	144,902.26
Results						
Segment Results (Earning Before Interest & Tax) before Exceptional item	12,166.48	(176.78)	11,989.70	12,866.49	(328.93)	12,537.56
Exceptional item (Expenditure)	(88.23)	-	(88.23)	-	-	-
Segment Results (Earning Before Interest & Tax)	12,078.25	(176.78)	11,901.47	12,866.49	(328.93)	12,537.56
Unallocated corporate expenses			1,613.70			1,713.90
Other Income			164.25			86.14
Operating Profit			10,452.02			10,909.80
Cost of Finance			1,766.66			2,209.79
Profit before tax			8,685.36			8,700.01
Tax expense			816.81			3,035.97
Profit after tax (PAT)			7,868.55			5,664.03



Notes to the Consolidated Financial Statements as at 31.03.2020

(Amount Rs in Lakhs)

Share of Profit/(Loss) of Associates			(412.06)			(99.11)
Profit after tax but before comprehensive income			7,456.49			5,564.03
Other Comprehensive Income (Loss) (Net of tax)			(63.78)			(84.68)
Total Comprehensive Income			7,392.71			5,480.24

Depreciation & Amortization	5,095.88	224.40	5,320.28	4,553.11	339.56	4,892.67
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	As at 31st March, 2020			As at 31st March, 2019		
Segment Assets						
Segment Assets	75,149.90	9,773.08	84,922.98	85,395.70	9,948.09	95,343.79
Unallocated Corporate Assets			7,126.20			938.28
Total Assets			92,049.18			96,282.07
Segment Liabilities						
Segment Liabilities	22,937.52	257.31	23,194.84	25,187.89	678.76	25,866.65
Unallocated Corporate Liabilities			16,321.97			22,700.44
Total Liabilities			39,516.81			48,567.09
Capital Employed (Total Assets Minus Total Liabilities)			52,532.37			47,714.98
Capital Expenditure During the year (Net of CWIP)	4,803.67	22.16	4,825.83	6,462.66	12.31	6,474.97

* Note - The capital employed of Automotive and LED luminaries segment has been worked out by excluding the amount of common financial facilities viz. Term loans and working capital limits. The common financial facilities are reflected under unallocable corporate liabilities.

(ii) Secondary-Geographical Segments:-

The analysis of geographical segments is based on geographical location of the customers

The following is the distribution of Company's revenue by geographical market, regardless of where the goods were produced

(a) Revenue from External Customers	2019-20	2018-19
India	135,852.22	142,424.72
Outside India	2,091.90	2,477.54
Total	137,944.12	144,902.26

(b) Segment Trade Receivables	As at March 31, 2020	As at March 31, 2019
India	7,647.94	14,604.67
Outside India	175.24	200.52
Total	7,823.18	14,805.19

1. The Company has common assets for producing goods for domestic market and overseas market. Hence, separate figures for fixed assets have not be furnished.

(c) Major Customers

Details of customers which accounts for more than 10% of Company's total revenue are as follows

Particulars	Segment	2019-20	in %	2018-19	in %
Honda Motorcycle and Scooter India Private Limited	Automotive	53,785.53	38.99%	53,831.57	37.15%
TVS Motors Company Limited	Automotive	35,561.26	25.78%	40,216.75	27.75%

Notes to the Consolidated Financial Statements as at 31.03.2020

42 RELATED PARTY DISCLOSURES UNDER IND AS 24

(Amount Rs in Lakhs)

Name of Related Parties, Transactions and Balances at Reporting date are as follows

Name of Related Party	
(i) Key Management Personnel	
Mr. Jagjeevan Kumar Jain	Chairman and Managing Director
Mrs. Seema Jain	Whole-time Director
Ms. Aanchal Jain	Whole-time Director
Mr. Rahul Jain	Whole-time Director
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)
Mr. Kashi Ram Yadav	Whole-time Director
Mr. Rajesh sharma	Whole-time Director (w.e.f 1st January, 2020)
Mr. Ashok Kumar Sharma	Independent Director
Mr. Iqbal Singh	Independent Director
Mr. Jawahar Thakur	Independent Director
Mr. Mohan Bir Sahni	Independent Director
Mr. Subodh Kumar Jain	Independent Director
Mr. Vinod Kumar Malhotra	Independent Director
Ms. Shobha Khatri	Independent Director (w.e.f 1st January, 2020)
Mr. OP Gupta	Chief Financial Officer
Mr. Arvind Kumar Chauhan	Company Secretary
(ii) Relative of Key Management Personnel with whom transactions have taken place	
Mrs. Pallavi Jain	Vice President (Spouse of Mr. Rahul Jain, Whole-time Director)
(iii) Related Parties Controlled by Key Management personnel and/or their Relatives	
Fiem Auto Private Limited	Entity Controlled by Mr. Jagjeevan Kumar Jain
Jagjeevan Kumar Jain (HUF)	Entity Controlled by Mr. Jagjeevan Kumar Jain
Fiem Auto & Electrical Industries	Entity Controlled by Mr. Jagjeevan Kumar Jain
Fiem Foundation	Entity Controlled by Key Management Personnel
(iv) Other Related Party	
Fiem Industries Limited Group Gratuity Trust	Post-employment benefit plan of Fiem Industries Limited
(v) Joint Venture	
Aisan Fiem Automotives India Pvt Limited	JV incorporated in India, 26% ownership interest held by the company
Centro Ricerche Fiem Horustech S.R.L	JV incorporated in Italy, 50% ownership interest held by the company
Fiem Kyowa (HK) Mould Company Ltd	JV incorporated in Hong Kong, 50% ownership interest held by the company

Transaction with related party

(a) Services Received from:	Nature of Related Party	2019-20	2018-19
Fiem Auto & Electrical Industries (For Brand Royalty)	Related party controlled by KMP	50.00	50.00
Centro Ricerche Fiem Horustech S.R.L	Joint Venture	25.62	184.95
		75.62	234.95
(b) Rendering of Services to:	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotives India Pvt Limited	Joint Venture	260.00	211.56
		260.00	211.56
(c) Sale of Goods to:-	Nature of Related Party	2019-20	2018-19
Aisan Fiem Automotive India Pvt Limited	Joint Venture	-	15.00
Centro Ricerche Fiem Horustech S.R.L	Joint Venture	-	19.48
		-	34.48

(Amount Rs in Lakhs)

(d) Purchase of Goods from:		Nature of Related Party	2019-20	2018-19		
Fiem Kyowa (HK) Mould Company Ltd		Joint Venture	907.70	68.11		
			907.70	68.11		
(e) Purchase of Mould and Dies for own use from:		Nature of Related Party	2019-20	2018-19		
Fiem Kyowa (HK) Mould Company Ltd		Joint Venture	132.85	-		
			132.85	-		
(f) Sale of Property, Plant & Equipment to:		Nature of Related Party	2019-20	2018-19		
Aisan Fiem Automotives India Pvt Limited		Joint Venture	-	915.35		
			-	915.35		
(g) investment in equity shares		Nature of Related Party	2019-20	2018-19		
Aisan Fiem Automotives India Pvt Limited		Joint Venture	-	2,600.00		
			-	2,600.00		
(h) Equity share Transfer during the year		Nature of Related Party	2019-20	2018-19		
Aisan Fiem Automotives India Pvt Limited		Joint Venture	-	1.00		
			-	1.00		
(i) Expenses Recovered from:		Nature of Related Party	2019-20	2018-19		
Aisan Fiem Automotives India Pvt Limited		Joint Venture	-	112.07		
			-	112.07		
(j) Lease Rent Paid to		Nature of Related Party	2019-20	2018-19		
Mr. Jagjeevan Kumar Jain		Key Management Personnel	4.80	4.80		
Ms. Aanchal Jain		Key Management Personnel	125.75	123.02		
Mr. Rahul Jain		Key Management Personnel	60.55	59.23		
			191.10	187.05		
(k) Dividend on Equity Paid to		Nature of Related Party	Interim Dividend		Final Dividend	
			2019-20	2018-19	2019-20	2018-19
Mr. Jagjeevan Kumar Jain		Chairman and Managing Director	312.94	244.27	125.17	266.40
Mrs. Seema Jain		Whole-time Director	301.00	236.80	120.40	266.40
Ms. Aanchal Jain		Whole-time Director	89.82	64.00	35.93	72.00
Mr. Rahul Jain		Whole-time Director	162.57	124.19	65.03	139.71
Mr. JSS Rao		Whole-time Director (upto 31st December, 2019)	-	0.00	0.00	0.00
Mr. Kashi Ram Yadav		Whole-time Director	0.03	0.03	0.01	0.03
Mr. Iqbal Singh		Independent Director	2.00	1.60	0.80	1.80
Fiem Auto Private Limited		Related party controlled by KMP	8.44	6.75	3.38	7.60
Jagjeevan Kumar Jain (HUF)		Related party controlled by KMP	1.15	0.92	0.46	1.04
			877.95	678.56	351.18	754.98

Notes to the Consolidated Financial Statements as at 31.03.2020

(Amount Rs in Lakhs)

(i) Benefits to Key Management and their relative	2019-20	2018-19
Short-term benefits	692.18	642.56
Long-term benefits	30.75	-
Sitting Fee	25.50	21.20
Total Compensation	748.43	663.76

Short-term benefits	Nature of Related Party	2019-20	2018-19
Mr. Jagjeevan Kumar Jain	Chairman and Managing Director	124.80	124.80
Mrs. Seema Jain	Whole-time Director	66.00	60.00
Mr. Rahul Jain	Whole-time Director	66.00	60.00
Ms. Aanchal Jain	Whole-time Director	54.00	48.00
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)	81.00	102.00
Mr. Kashi Ram Yadav	Whole-time Director	103.45	97.45
Mr. Rajesh Sharma	Whole-time Director (w.e.f 1st January, 2020)	32.25	-
Mr. OP Gupta	Chief Financial Officer	61.80	57.00
Mr. Arvind Kumar Chauhan	Company Secretary	72.88	68.31
Mrs. Pallavi Jain	Relative of KMP	30.00	25.00
		692.18	642.56

Long-term benefits	Nature of Related Party	2019-20	2018-19
Mr. JSS Rao	Whole-time Director (upto 31st December, 2019)	30.75	-
		30.75	-

Sitting Fee	Nature of Related Party	2019-20	2018-19
Mr. Iqbal Singh	Independent Director	4.40	4.30
Mr. Ashok Kumar Sharma	Independent Director	3.50	2.50
Mr. Jawahar Thakur	Independent Director	3.50	3.50
Mr. Mohan Bir Sahni	Independent Director	3.50	2.50
Mr. Subodh Kumar Jain	Independent Director	4.40	3.60
Mr. Vinod Kumar Malhotra	Independent Director	4.70	4.80
Ms. Shobha Khatri	Independent Director	1.50	-
		25.50	21.20

Note:1. The above short-term benefits does not include provisions for incremental gratuity and leave encashment liabilities since the provisions are based on actuarial valuations for the Company as a whole.

Note:2. The above long-term benefits include gratuity and leave encashment paid at the time of retirement/resignation.

(l) Contribution to Corporate Social Responsibility Activities	Nature of Related Party	2019-20	2018-19
Fiem Foundation	Entity Controlled by KMP	126.73	122.34
		126.73	122.34
(m) Contribution to Gratuity Fund	Nature of Related Party	2019-20	2018-19
Fiem Industries Limited Group Gratuity Trust	Post-employment Benefit Plan	234.07	211.59
		234.07	211.59



Notes to the Consolidated Financial Statements as at 31.03.2020

Balances outstanding at Year-end

(Amount Rs in Lakhs)

(a) Other Current Assets (Advance to Suppliers other than capital goods):		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fiem Kyowa (HK) Mould Company Ltd		Joint Venture	129.66	264.81
			129.66	264.81
(b) Non-Current Investment: (Accounted as Per Equity Method)		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Aisan Fiem Automotives India Pvt Limited		Joint Venture	2073.22	2494.95
Centro Ricerche Fiem Horustech Srl		Joint Venture	20.34	22.49
Fiem Kyowa (HK) Mould Company Ltd		Joint Venture	27.95	16.13
			2121.52	2533.58
(c) Trade Receivables:		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Aisan Fiem Automotives India Pvt Limited		Joint Venture	140.40	
Centro Ricerche Fiem Horustech Srl		Joint Venture	-	11.15
			140.40	11.15
(d) Security Deposit Receivables Against Lease Rent		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Mr. Jagjeevan Kumar Jain		Chairman and Managing Director	1.20	1.20
Ms. Aanchal Jain		Whole-time Director	54.68	54.68
Mr. Rahul Jain		Whole-time Director	26.33	26.33
			82.21	82.21
(e) Other Current Financial Liabilities:		Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Mr. Jagjeevan Kumar Jain	Short term benefits payable	Chairman and Managing Director	6.71	7.85
Mrs. Seema Jain	Short term benefits payable	Whole-time Director	3.54	3.61
Ms. Aanchal Jain	Short term benefits payable	Whole-time Director	3.37	3.15
Mr. Rahul Jain	Short term benefits payable	Whole-time Director	7.61	3.05
Mr. JSS Rao	Short term benefits payable	Whole-time Director (upto 31st December, 2019)	-	5.50
Mr. Rajesh Sharma	Short term benefits payable	Whole-time Director (w.e.f 1st January, 2020)	7.27	-
Mr. Kashi Ram Yadav	Short term benefits payable	Whole-time Director	5.90	5.56
Mr. OP Gupta	Short term benefits payable	Chief Financial Officer	4.77	3.45
Mr. Arvind Kumar Chauhan	Short term benefits payable	Company Secretary	3.81	4.06
Mrs. Pallavi Jain	Short term benefits payable	Spouse of Mr. Rahul Jain	2.03	3.94
Fiem Auto & Electrical Industries	For Brand Royalty	Related party controlled by KMP	13.50	13.50
			58.51	53.67

Notes to the Consolidated Financial Statements as at 31.03.2020

(Amount Rs in Lakhs)

(f) Trade Payable:	Nature of Related Party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Centro Ricerche Fiem Horustech Srl	Joint Venture	12.10	32.82
Fiem Kyowa (HK) Mould Company Ltd	Joint Venture	78.23	-
		90.33	32.82

43 POST EMPLOYMENT BENEFITS PLAN

Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as 'Employee Benefits Expenses' for the year are as under:

Particulars	2019-20	2018-19
Employer's Contribution to Provident Fund	362.20	270.55
Employer's Contribution to ESI Fund	64.25	80.85
Employer's Contribution to Wages Welfare Fund	7.98	2.61
Others	60.80	8.62
Total	495.23	362.63

Defined Benefit Plans

(a) Gratuity

The Company has defined benefit gratuity plan for its employees, which requires contributions to be made to a separately administered fund. It is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with Exide Life Insurance Company Limited in the form of qualifying insurance policy.

(b) Earned Leave

The Present value obligation of Leave Encashment is determined based on actuarial valuation using projected unit credit method.

Disclosure requirement as per Indian Accounting Standard on Employee Benefits-Ind AS (19)-As per actuarial valuation as on 31.03.2020 are as follows:

(i) Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Current service cost	190.78	187.67	100.23	91.12
Interest cost	13.18	7.10	31.29	27.30
Actuarial (Gain)/Loss	-	-	1.75	40.49
Expenses recognized in Statement of Profit and Loss	203.95	194.77	133.28	158.91

Amount to be recognised in the Balance Sheet

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Liability at the end of the year	1,565.61	1234.32	569.07	481.84
Fair value of plan assets at the end of the year	1,200.23	924.06	-	-
Amount to be recognised in Balance Sheet	365.38	310.26	569.07	481.84
Current	257.28	54.94	113.21	62.98
Non-Current	108.09	255.33	455.86	418.85



Notes to the Consolidated Financial Statements as at 31.03.2020

Reconciliation of benefit obligation

(Amount Rs in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Liability at the beginning of the year	310.26	196.92	481.84	377.87
Interest cost	-	-	31.29	27.30
Recognised in Accumulated Other Comprehensive Income	(241.52)	(111.35)	-	-
Current service cost	203.95	194.77	100.23	91.12
Employers Contribution	(234.07)	(211.59)	(46.04)	(54.95)
Remeasurement (gain) / loss	326.75	241.52	1.75	40.49
Liability at the end of the year	365.38	310.26	569.07	481.84

Reconciliation of fair value of plan assets:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Fair value of plan assets at the beginning of the year	924.06	777.71	-	-
Interest income	68.68	63.77	-	-
Employers Contribution	234.07	211.59	46.04	54.95
Benefits paid	(68.09)	(129.75)	(46.04)	(54.95)
Return on plan assets-gain /(loss)	41.52	0.74	-	-
Fair value of plan assets at the end of the year	1,200.23	924.06	-	-
Actual return on plan assets	110.20	64.51	-	-

Amount recognised in statement of other comprehensive income (OCI)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening amount recognised in OCI	241.52	111.35	-	-
Remeasurement for the year - Obligation (gain)/ loss	126.75	130.91	1.75	40.49
Remeasurement for the year - plan assets (gain)/ loss	(41.52)	(0.75)	(1.75)	(40.49)
Net Increasing in OCI	326.75	241.51	-	-
Total remeasurements cost / (credit) for the year recognised in OCI	326.75	241.51	-	-
Closing amount recognised in OCI	326.75	241.51	-	-

Principal actuarial assumptions

Particulars	2019-20	2018-19	2019-20	2018-19
Discount rate	6.82%	7.79%	6.82%	7.79%
Salary escalation	8% & 6% T.A.	8.00%	8% & 6% T.A.	8.00%
Expected return on assets	0.01%	7.79%	0.00%	7.79%
Attrition rate	2.00%	2.00%	2.00%	2.00%
Retirement age	58	58	58	58

(a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated terms of the obligations.

(b) Salary escalation rate: The estimates of future salary increases considered taking into the account the inflation, seniority, promotion and other relevant factors.

(c) Expected return on assets is expected return on plan assets over the accounting period, based on an assumed rate of return.

(d) Attrition rate is employee turnover rate based on the Company's past and expected employee turnover.

(e) Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

Notes to the Consolidated Financial Statements as at 31.03.2020

Expected benefit payments (discounted values/present value) for the year ending:

(Amount Rs in Lakhs)

Year ending	Gratuity		Leave Encashment	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
31st March, 2021	80.50	45.60	37.70	12.39
31st March, 2022	40.57	63.50	10.93	33.50
31st March, 2023	91.14	32.69	28.98	9.76
31st March, 2024	53.73	82.98	14.98	31.90
31st March, 2025	33.79	43.96	6.57	13.52
31st March, 2026-2030	286.01	223.27	74.73	66.01

(f) Weighted Average duration of defined benefit obligation for gratuity and earned leave: 19.51 years (Previous year 18.97 years)

(g) Sensitivity analysis:

Sensitivity analysis indicates the influence of a reasonable change in principal assumptions, while keeping other things constant, on the outcome of the present value of Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

A quantitative sensitivity analysis for significant assumption as at 31st March, 2020 is as shown below: (Amount Rs in Lakhs)

A. Effect of 1% Change in the assumed discount rate	Gratuity			
	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
Defined Benefit Obligation	1399.23	1111.25	1766.11	1381.81
B. Effect of 1% Change in the assumed salary escalation rate	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
	Defined Benefit Obligation	1744.94	1366.27	1410.36
C. Effect of 1% Change in the assumed Attrition Rate	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
	Defined Benefit Obligation	1540.50	1224.89	1594.62
A. Effect of 1% Change in the assumed discount rate	Leave Encashment			
	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
Defined Benefit Obligation	529.27	452.78	616.29	516.42
B. Effect of 1% Change in the assumed salary escalation rate	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
	Defined Benefit Obligation	614.73	493.57	529.87
C. Effect of 1% Change in the assumed Attrition Rate	1% Increase 31st March 2020	1% Increase 31st March 2019	1% Decrease 31st March 2020	1% Decrease 31st March 2019
	Defined Benefit Obligation	566.74	479.61	571.36

Notes to the Consolidated Financial Statements as at 31.03.2020

44 FAIR VALUE MEASUREMENTS

(Amount Rs in Lakhs)

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments

Particulars	Carrying Amount		Fair Value	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Security Deposits	924.65	840.17	924.65	840.17
Loan to Employees	68.94	68.20	68.94	68.20
Trade receivables	7,823.18	14,805.19	7,823.18	14,805.19
Term Deposit held as margin money, with more than 12 month maturity	27.77	32.00	27.77	32.00
Income accrued on deposits	67.38	71.55	67.38	71.55
Insurance Claim recoverable	860.38	1,473.14	860.38	1,473.14
Export Incentive receivables	50.10	63.85	50.10	63.85
Other Advance Recoverable	96.38	83.50	96.38	83.50
Cash & Cash Equivalents	4,694.56	420.17	4,694.56	420.17
Other Bank Balances	59.29	25.87	59.29	25.87
	14,672.63	17,883.64	14,672.63	17,883.64
Financial assets measured at fair value through Statement of Profit & Loss (FVTPL)				
Investment in unquoted equity shares	2,123.52	2,535.58	-	-
	2,123.52	2,535.58	-	-
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Non Current Borrowings	5,809.27	9,296.24	5,809.27	9,296.24
Current maturities of long-term debt	3,902.49	3,870.38	3,902.49	3,870.38
Current Borrowings	1.08	3,846.66	1.08	3,846.66
Trade Security deposits	297.12	304.37	297.12	304.37
Current Maturity of Lease Liability	33.73	-	33.73	-
Interest accrued on borrowings	27.98	89.16	27.98	89.16
Creditors for capital expenditures	411.03	676.58	411.03	676.58
Trade Payables	16,737.35	18,825.02	16,737.35	18,825.02
Unpaid Dividend	17.17	16.67	17.17	16.67
Liabilities for expenses	1,527.50	1,403.72	1,527.50	1,403.72
	28,764.72	38,328.80	28,764.72	38,328.80

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non-current Investment	-	-	2,123.52	-	-	2,535.58
Current Investment	-	-	-	-	-	-

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale.

Notes to the Consolidated Financial Statements as at 31.03.2020

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

- (a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- (b) Fair value of quoted mutual funds is based on the net assets value at the reporting date.

45 FINANCIAL INSTRUMENTS AND RISK REVIEW

Financial Risk Management Framework

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

i) Capital Management

The Company's capital management objectives are:

The Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non Current Borrowing	5,809.27	9,296.24
Current Maturities of Non-Current Borrowing	3,902.49	4,001.52
Derivative Liability (Assets) on Non-Current Borrowings	(532.39)	(299.08)
Current Borrowing	-	3,846.66
Interest Accrued on Borrowing	27.98	89.16
Cash and Cash Equivalents	(4,694.56)	(420.17)
Net Debt (A)	4,512.79	16,514.33
Equity (B)	52,532.37	47,714.98
Debt Ratio (A / B)	0.09 : 1	0.35 : 1

ii) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, other balances with banks, loans and other receivables.

The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.



Notes to the Consolidated Financial Statements as at 31.03.2020

Exposure to credit risk

(Amount Rs in Lakhs)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 7823.18 Lakhs (Previous Year Rs. 14805.19 Lakhs) respectively, being the total of the carrying amount of balances with trade receivables.

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Company's exposure to customers is diversified and some customers contribute more than 10% of outstanding accounts receivable which forms 71% of total receivables as of 31st March, 2020 (61% as at 31st March, 2019), however there was no default on account of those customers in the past.

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

Movement in the expected credit loss allowance:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	117.32	93.17
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	25.00	24.15
Balance at the end of the year	142.32	117.32

iii) Liquidity Risk

a) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	31st March, 2020		31st March, 2019	
	Less than 1 Year	1-5 Years	Less than 1 Year	1-5 Years
Financial liabilities				
Trade payables	16,737.35	-	18,825.02	-
Other Financial Liabilities (other than current maturity & interest accrued)	2,252.81	-	2,401.35	-
Working capital demand loans	1.08	-	3,846.66	-
Term loans (Net of Derivative Assets)	3,902.49	5,276.88	3,870.38	9,128.30
Lease Liabilities	33.73	-	-	-
Interest Accrued	27.98	-	89.16	-
	22,955.44	5,276.88	29,032.57	9,128.30

Notes to the Consolidated Financial Statements as at 31.03.2020

c) Maturities of financial assets

(Amount Rs in Lakhs)

The following table details the Company's expected maturity for financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on such assets.

Particulars	31st March, 2020		31st March, 2019	
	Less than 1 Year	1-5 Years	Less than 1 Year	1-5 Years
Non-derivative Financial assets				
Trade receivables	7,698.28	124.90	14,680.29	124.90
Loans	49.80	943.79	51.87	856.51
Other Financial Assets	1,073.47	560.92	1,690.09	201.87
Other Bank Balance	59.29	-	25.87	-
Cash & Cash Equivalents	4,694.56	-	420.17	-
Non-Current Investment	-	2,123.52	-	2,535.58
	13,575.40	3,753.13	16,868.29	3,718.86

iv) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound and Japanese Yen against the respective functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows.

Particulars	Currency	As at 31st March, 2020		As at 31st March, 2019	
		Foreign Currency	Rupees	Foreign Currency	Rupees
(a) Foreign Currency exposures that are not hedged by derivative instruments					
(a) Trade payables (including capital assets)	USD	24.52	1,848.29	21.45	1,483.38
	EURO	0.72	59.44	0.45	35.27
	JPY	381.82	265.94	43.00	26.88
	AUD	-	-	0.19	9.58
			2,173.66		1,555.12
(b) Trade receivables	USD	2.16	162.98	2.57	177.62
	EURO	0.15	12.26	0.27	21.14
	JPY	-	-	-	-
	GBP	-	-	0.02	1.76
			175.24		200.52
(c) Other financial assets	USD	4.23	318.74	0.29	20.03
	EURO	-	-	-	-
	JPY	30.07	20.94	-	-
			339.68		20.03
Total (a-b-c)	USD	18.13	1,366.57	18.59	1,285.73
	EURO	0.57	47.18	0.18	14.13
	GBP	-	-	0.02	1.76
	JPY	351.75	244.99	43.00	26.88
	AUD	-	-	0.19	9.58



Notes to the Consolidated Financial Statements as at 31.03.2020

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in USD, EURO and JPY exchange rates, with all other variables held constant, the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 10% represents management assessment of reasonably possible change in foreign exchange rate.

Particulars	As At 31st March, 2020			As At 31st March, 2019		
	Currency	Change in rate	Effect on pre-tax equity	Currency	Change in rate	Effect on pre-tax equity
	USD	10.00%	136.66	USD	10.00%	128.57
	USD	-10.00%	(136.66)	USD	-10.00%	(128.57)
	EURO	10.00%	4.72	EURO	10.00%	1.41
	EURO	-10.00%	(4.72)	EURO	-10.00%	(1.41)
	JPY	10.00%	24.50	JPY	10.00%	2.69
	JPY	-10.00%	(24.50)	JPY	-10.00%	(2.69)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

Particulars	31st March, 2020	31st March, 2019
Variable rate borrowings		
Cash Credit/Working Capital Loans	1.08	3,846.66
Term Loan	-	1,500.00
Fixed rate borrowings		
Term Loan (net of derivative assets)	9,179.37	11,498.68
Total	9,180.45	16,845.34
Interest rate sensitivity		

The sensitivity analysis below have been determined based on exposure to interest rate. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	31st March, 2020	31st March, 2019
Increase by 1.00%	0.01	53.47
Decrease by 1.00%	(0.01)	(53.47)

Notes to the Consolidated Financial Statements as at 31.03.2020

46 JOINT VENTURE COMPANY

(Amount Rs in Lakhs)

1. Centro Ricerche Fiem Horustech SRL	
Description of Interest	Joint Venture
Country of Incorporation	Italy
Proportion of Ownership Interest as at March 31, 2020	50%
2. Fiem Kyowa (HK) Mould Company Ltd	
Description of Interest	Joint Venture
Country of Incorporation	Hong Kong
Proportion of Ownership Interest as at March 31, 2020	50%
3. Aisan Fiem Automotives India Pvt Ltd	
Description of Interest	Joint Venture
Country of Incorporation	India
Proportion of Ownership Interest as at March 31, 2020	26%

In respect of jointly control entity, the company's share of assets, liabilities, incomes and expenses are as follows-

Particulars	Centro Ricerche Fiem Horustech SRL		Fiem Kyowa (HK) Mould Company Ltd		Aisan Fiem Automotives India Pvt Ltd	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Non Current Assets	0.67	37.25	-	-	3,132.42	2,186.27
Current Assets	57.34	63.88	230.49	177.98	2,044.21	962.21
Non Current Liabilities	26.95	37.03	-	-	984.02	3.28
Current Liabilities	10.88	41.86	200.05	161.85	2,144.07	650.25
Revenue (total Income)	22.91	99.12	540.72	68.55	921.27	76.68
Expenses	25.06	101.24	528.90	60.50	1,494.75	217.92
Profit or (loss) from containing operations	(2.15)	(2.11)	11.82	8.05	(421.59)	(105.05)
Post-tax profit or (loss) from discontinued operations	-	-	-	-	-	-
Other comprehensive income (Loss)	-	-	-	-	(0.14)	-
Total comprehensive income	(2.15)	(2.11)	11.82	8.05	(421.73)	(105.05)
Dividend Received	-	-	-	-	-	-

47 Disclosure required by Ind AS 115

(i) Revenue from contracts with customers is disaggregated by major products and service lines and is disclosed in Note no. 23 to the standalone financial statements. Further, the revenue is disclosed in the said note is net of Rs. 471.41 lakhs (previous year Rs. 400.18 lakhs) representing discount to customers. The following table provides further information as required by Ind AS 115.

Reconciliation of Revenue from sale of products with the contracted price	31st March, 2020	31st March, 2019
Contracted Price	137,342.33	144,300.61
Less: Trade discounts, cash discount volume rebates, etc.	471.41	400.18
Sale of Products	136,870.92	143,900.43



Notes to the Consolidated Financial Statements as at 31.03.2020

48 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

(Amount Rs in Lakhs)

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 and March 31, 2019 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
The principal amount remaining unpaid to any supplier at the end of each accounting year;	476.85	122.62
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

49 DIVIDEND ON EQUITY SHARE

(a) Dividend on Equity Shares paid during the year

Particulars	2019-20	2018-19
Final dividend for the FY 2018-19 [Rs. 4 (Previous Year Rs. 9) per equity share of Rs. 10 each]	526.39	1,184.38
Dividend distribution tax on above	108.20	243.49
Interim dividend for the FY 2019-20 [Rs. 10 (Previous Year Rs. 8) per equity share of Rs. 10 each]	1,315.98	1,052.79
Dividend distribution tax on above	270.50	216.40
Total	2,221.08	2,697.07

(b) Proposed Dividend

The Company has recommended the final dividend of Rs. 3 per equity share (30% of nominal value of Rs. 10 per share) for the financial year ended 31st March, 2020 for amounting to Rs. 394.79 Lakhs/- on equity share capital of the company. The final dividend is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and hence is not recognised as a liability.

50 A fire incident happened in the year ended 31.03.2018 on 25.01.2018 around noon in one block of unit-5, situated at Kelamanglam Road, Achettipalli Post, Hosur 635110, Tamilnadu. The Company has so far received total payment of Rs. 1511.08 lakhs and salvage value of Rs. 156.70 lakhs against the insurance claim filed. During the current year, the Insurance claim on inventory loss was settled and the company received Rs 511.08 lakhs as final payment against inventory loss claimed, which resulted in loss of Rs 88.23 lakhs. The same has been accounted as exceptional item in Statement of profit and loss. The balance insurance claim amount is under process.

Notes to the Consolidated Financial Statements as at 31.03.2020

(Amount Rs in Lakhs)

51 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit & Loss	
	As on 31.03.2020		2019-20	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
(i) Parent				
Fiem Industries Ltd	99.19%	52,109.46	100.33%	7,417.01
(ii) Foreign Subsidiary				
Fiem Industries Japan Co., Ltd	0.41%	214.57	0.03%	2.30
Fiem Research & Technology SRL	0.40%	208.34	-0.36%	(26.60)
Total		52,532.37		7,392.71

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit & Loss	
	As on 31.03.2019		2018-19	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
(i) Parent				
Fiem Industries Ltd	99.39%	47,425.73	97.90%	5,364.95
(ii) Foreign Subsidiary				
Fiem Industries Japan Co., Ltd	0.40%	190.59	2.09%	114.73
Fiem (Thai) Design & Technology Co. Ltd	0.04%	19.64	0.00%	(0.36)
Fiem Research & Technology SRL	0.17%	79.02	0.02%	0.92
Total		47,714.98		5,480.24

52 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. The Figures are rounded off to nearest rupees in lakhs unless otherwise stated.

For and on behalf of the Board of Directors

As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020



AOC-1

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT , 2013

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A" : SUBSIDIARIES

(Amount Rs in Lakhs)

1. Sl. No.	1	2
2. Name of the subsidiary	Fiem Industries Japan Co., Ltd.	Fiem Research and technology S.R.L.
3. Country of Incorporation	Japan	Italy
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period of 31.03.20	N.A.	N.A.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.		
a) Reporting Currency	Japanese Yen	Euro
b) Exchange rate as on the last date of the relevant Financial year	0.697	83.050
6. Share capital	29.49	238.45
7. Reserves & surplus	185.09	-30.11
8. Total Assets	245.57	305.75
9. Total Equity and Liabilities	245.57	305.75
10. Investments	-	-
11. Turnover	330.35	415.95
12. Profit/(Loss) before taxation	2.76	-29.40
13. Provision for taxation	0.46	-2.81
14. Profit/ (Loss) after taxation	2.30	-26.60
15. Proposed Dividend	NA	NA
16. % of shareholding	100%	100%

OTHER MATTERS

- | | |
|---|-----|
| 1. Names of subsidiaries which are yet to commence operations | NIL |
| 2. Names of subsidiaries which have been liquidated or sold during the year
(Fiem Thai Design and technology Company Limited) | 1 |

For and on behalf of the Board of Directors

Sd/- (J. K. Jain) Managing Director	Sd/- (Rahul Jain) Director	Sd/- (O.P. Gupta) Chief Financial Officer	Sd/- (Arvind K. Chauhan) Company Secretary
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As per our report of even date
for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020

PART "B": ASSOCIATES AND JOINT VENTURES

(Amount Rs in Lakhs)

S. No.	Particulars	Joint Venture		Associates
		Name of Joint Venture- Centro Ricerche FIEM Horustech S.r.l.	Fiem Kyowa(HK) Mould Company Ltd.	Aisan Fiem India Automotive private Limited
1	Latest audited Balance Sheet Date	31.03.20	31.03.20	31.03.20
2	Country of Incorporation	Italy	Hongkong	India
3	Shares of Associate/Joint Ventures held by the company on the year end			
	No. of shares	50%	1000 Shares	26000000 Equity shares
	Amount of Investment in Associates/Joint Venture- Rs	33.16	8.4	2600
	Extend of Holding %	50%	50%	26%
4	Description of how there is significant influence	50: 50 Joint Venture	50: 50 Joint Venture	20% shareholding
5	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6	Networth attributable to Shareholding as per latest audited Balance Sheet	20.17	30.45	2,048.54
7	Profit / (Loss) for the year			
	i. Considered in Consolidation	-2.15	11.82	-421.73
	i. Not Considered in Consolidation	-2.15	11.82	-1,295.26

OTHER MATTERS

1	Names of associates or joint ventures which are yet to commence operations	NIL
2	Names of associates or joint ventures which have been liquidated or sold during the year.	NIL

For and on behalf of the Board of Directors

for **V. Sachdeva & Associates**
Chartered Accountants
Firm Registration Number -004417N
Sd/-
(V. Sachdev)
Proprietor
Membership No.:-083435

Sd/-
(J. K. Jain)
Managing Director

Sd/-
(Rahul Jain)
Director

Sd/-
(O.P. Gupta)
Chief Financial Officer

Sd/-
(Arvind K. Chauhan)
Company Secretary

Place: Rai, Sonapat (HR.)
Dated: 30/06/2020



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LIGHT UP THE WORLD

Fiem Industries limited

CIN: L36999DL1989PLC034928

Registered Office:

D-34, DSIDC Packaging Complex,
Kirti Nagar, New Delhi - 110015, India
Email: investor@fiemindustries.com
Tel. : +91-11-25927820, 25927919 | Fax : +91-11-25927740

Unit - VII & Corporate Office:

Plot No. 1915, Rai Industrial Estate,
Phase-V, Sonapat - 131029 (Haryana) India
Tel. : +91-130-2367905/906/907/909/910

Delhi Head Office:

Unit No. 1A & 1C, 1st Floor, Commercial Towers,
JW Marriott Hotel, Aerocity, New Delhi-110037
Tel. : 9821795327/28/29/30
Website: www.fiemindustries.com

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