

# ASAL

**Automotive Stampings and Assemblies Limited**

**CIN:L28932PN1990PLC016314**

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

**A TATA Enterprise**

**32<sup>nd</sup> Annual Report 2021-22**



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# ASAL

Thirty-Second Annual Report 2021-22

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## Automotive Stampings and Assemblies Limited

### CORPORATE INFORMATION

#### Board of Directors

(as on 25/04/2022)

Mr. Pradeep Bhargava (Chairman)

Mr. Prakash Gurav

Ms. Bhavana Bindra

Mr. Arvind Goel

Mr. Deepak Rastogi

Mr. Sanjay Sinha (Till October 23, 2021)

Mr. Bharat Parekh

#### Chief Executive Officer

Mr. Jitendraa Dikkshit

#### Chief Financial Officer

Mr. Yogesh Jaju

#### Company Secretary

Mr. Prasad Zinjurde

#### Statutory Auditors

B S R & Co. LLP

#### Internal Auditors

PricewaterhouseCoopers Private Limited

#### Secretarial Auditors

Prajot Tungare & Associates

#### Bankers

HDFC Bank Limited

Axis Bank Limited

State Bank of India

Tata Capital Financial Services Limited

#### Works

##### Chakan Works (Leased) :

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

##### Chakan Works (leased):

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

##### Pantnagar Works:

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

##### Corporate Identity Number

L28932PN1990PLC016314

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#### Address for Correspondence

##### Registered Office:

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

##### Registrar & Share Transfer Agents:

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

**32nd Annual General Meeting on Thursday, 9th day of June 2022 at 11:00 a.m.**  
**Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre,**  
**Senapati Bapat Road, Pune 411 016**

**FINANCIAL HIGHLIGHTS**

(₹ in Crore)

Particulars	Financial Year										
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Revenue	571.73	465.18	341.78	290.55	264.09	305.82	330.84	483.66	362.84	339.18	609.91
Profit / (Loss) before Interest, Depreciation, Tax and Extra-ordinary Income	29.31	13.66	9.78	(6.44)	(1.84)	2.74	(25.05)	13.63	(9.10)	0.59	18.14
Exceptional item	-	-	-	-	-	12.84	-	-	21.00	-	59.98
Profit / (Loss) After Tax	5.97	(4.43)	(8.29)	(23.17)	(20.80)	(2.87)	(46.56)	(12.63)	(17.01)	(29.70)	52.31
Share Capital	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86
Reserves & Surplus	62.69	58.26	49.97	26.62	5.26	1.70	(44.77)	(57.42)	(74.70)	(104.59)	(51.58)
Shareholders' Funds	78.55	74.12	65.83	42.48	21.12	17.57	(28.91)	(41.56)	(58.83)	(88.72)	(35.71)
Loan Funds	31.93	52.79	61.06	64.18	75.25	72.39	102.91	145.84	145.24	157.41	42.84
Total Capital Employed	110.48	126.91	126.89	106.66	96.37	89.96	74.00	104.28	86.41	68.66	7.13
Net Block	117.95	110.55	121.36	113.48	104.51	109.85	104.01	107.06	99.12	84.49	93.02
Preference Dividend	0.41	-	-	-	-	-	-	-	-	-	-
Equity Dividend	2.38	-	-	-	-	-	-	-	-	-	-
Rate of Dividend	15.00%	-	-	-	-	-	-	-	-	-	-
No. of Shareholders	4,889	4,636	4,381	4,101	4,001	4,087	4,993	5,142	5,115	5216	27940
Earnings / (Loss) Per Equity Share (Basic ₹)	3.89	(2.79)	(5.23)	(14.61)	(13.11)	(1.81)	(29.35)	(7.96)	(10.72)	(18.72)	32.97

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

## Automotive Stampings and Assemblies Limited

### NOTICE

**NOTICE** is hereby given that the Thirty-Second (32nd) Annual General Meeting (AGM) of the Members of Automotive Stampings and Assemblies Limited will be held on Thursday, 9th day of June, 2022 at 11.00 a.m. at Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Arvind Goel (DIN: 02300813) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT,** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), B S R & Co. LLP, Chartered Accountants, Pune (Firm Registration No.: 101248W/W100022) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 32nd AGM from FY 2022-23 for a period of 5 (five) consecutive Financial years till the conclusion of the 37th AGM to be held in the FY 2027-28, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### SPECIAL BUSINESS:

#### 4. Re-appointment of Mr. Jitendraa Dikkshit Manager designated as Chief Executive Officer

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

**“RESOLVED THAT,** pursuant to the provisions of Section 196 and the other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), subject to approval of the Central Government, if required, consent of the members of the Company be and is hereby accorded for-appointment of Mr. Jitendraa Dikkshit, as a “Manager” under Section 196 of the Companies Act, 2013, designated as the ‘Chief Executive Officer’ of the Company for a period of 3 years 45 days i.e. from October 17, 2022 to November 30, 2025 upon such terms and conditions as set out in the explanatory statement annexed to the notice of the meeting and as mentioned in the agreement entered into in this behalf with him, with authority to the Board of Directors and/ or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and /or the Agreement in such manner as may be agreed from time to time between the Board of Directors and the appointee.

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

#### 5. Revision in remuneration of Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer and payment of Incentives

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

**“RESOLVED THAT**, in partial modification of earlier resolution passed at the Annual General Meeting of the Company held on May 28, 2021 for the revision in terms of remuneration of Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer of the Company and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the members of the Company be and is hereby accorded to the revision in the terms of remuneration of Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer of the Company, by way of increase in the amount of basic salary payable to Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary, with effect from April 01, 2022 till November 30, 2025 on such terms Conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

#### **Remuneration:**

- a. **Basic Salary:** In the scale of Rs. 1,80,000 to Rs. 3,90,000/- per month with authority to the Board and/or Nomination and Remuneration Committee to fix his basic salary within the above scale, the Salary with effect from April 1, 2022 being Rs. 2,54,504/- per month. The increments may be decided by the Board and/or Nomination and Remuneration Committee from time to time subject however, to an amount not exceeding Rs. 3,90,000/- per month.
- b. **Incentive Remuneration:** The base performance incentive remuneration is Rs. 17,80,200. Amount of Incentive remuneration can go up to 200% of Rs. 17,80,200 and may be paid at the discretion of the Board and/or Nomination and Remuneration Committee and based on certain performance criteria
- c. **Perquisites and allowances:** Mr. Jitendraa Dikkshit will be entitled to the perquisites and allowances as per the Company Rules in addition to the salary and incentive remuneration. Such perquisites and allowances will be subject to a maximum of 300% of his annual basic salary earned in a financial year under the following criteria:
  - In arriving at the value of the perquisites in so far as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time. In the absence of any such Rules, Perquisites and allowances shall be determined at actual cost incurred by the Company in providing such perquisites and allowances.
  - Company’s contribution to Provident Fund and Superannuation Fund or Annuity Fund (subject to tax), to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

In particular, the following perquisites and allowances are currently allowed to Mr. Jitendraa Dikkshit with effect from April 1, 2022: -

#### A) Allowances: -

- Executive Allowance – Rs. 79,120/- per month (or any other Allowance paid as per the Company Rules)

## Automotive Stampings and Assemblies Limited

- Driver Allowance – Rs. 12,000/- per month
- Car Allowance – Rs. 16,500/- per month
- Fuel and Maintenance allowance Rs. 12,000/- per month

B) Perquisites: -

- Housing: The Company may provide hired unfurnished accommodation; or where no accommodation is provided by the Company, then House Rent Allowance shall be paid. The Rent for the accommodation and/or House Rent Allowance shall be subject to a ceiling of an amount equal to 70 % of basic salary of the appointee.
- Medical Reimbursement: Expenditure incurred by the appointee and his family on domiciliary medical treatment shall be reimbursed, subject to a ceiling of Rs.16,483 pm. The amount may be paid as a Medical Allowance on a monthly basis, subject to a ceiling of Rs.1,97,800 in a year as per the rules of the Company. Assistance for actual medical expenses in the event of hospitalization, incurred for self, family shall be as per the rules of the Company
- Leave and Leave Travel Concession: Leave on full salary & encashment of unavailed balance during the tenure shall be as per the Rules of the Company. The Leave Travel Allowance may be paid by way of a monthly / annual allowance subject to a ceiling of Rs. 16483 pm / Rs. 1,97,800 in a year as per the rules of the Company.
- Insurance: Mr. Jitendraa Dikkshit shall be eligible for the benefit of Group Mediclaim Insurance and Group Personal Accident Insurance Policies taken out as per the Rules of the Company.
- Other benefits / amenities like sale assets, if any at concessional rate after the specified period, cash allowance in lieu of certain amenities / benefits, etc., shall be as per the rules of the Company.
- Contributions to Provident Fund, Superannuation Fund or Annuity Fund shall be as per the rules of the Company.
- Gratuity and encashment of leave at the end of his tenure shall be permitted as per the Rules of the Company.

**RESOLVED FURTHER THAT**, notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Jitendraa Dikkshit, Manager, the Company has no profit or its profits are inadequate, the Company shall nevertheless continue to pay to Mr. Jitendraa Dikkshit all the remuneration by way of salary (including incentive remuneration) and allowances and perquisites as set out in the Employment Agreement as minimum remuneration, pursuant to Section II of Part II of Schedule V of the Act for the time being in force (including any statutory modifications or re-enactment thereof), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

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

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



necessary, proper and expedient to give effect to this Resolution.”

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

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

“**RESOLVED THAT**, pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on July 15, 2019, October 17, 2019, January 23, 2020, July 8, 2020 and April 25, 2022 and in continuation of approval of Members of the Company at 26th, 28th & 30th Annual General Meeting held on July 25, 2016, June 5, 2018 & August 20, 2020 respectively, consent of members of the Company be and is hereby accorded to enter into transaction(s) of sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from Tata AutoComp, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata AutoComp, rendering / availing of any services to / from Tata AutoComp, warranty expenses, sale or purchase of fixed assets to / from Tata AutoComp, any transaction in the nature of loan / advance from time to time with or without interest/ charges thereon including rollover / extension of maturity from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise, for the period of 5 (five) financial years with effect from date of declaration of Voting results of the shareholders, with Tata AutoComp a Related Party, upto an estimated annual value of Rs. 500 Crore (Rupees Five Hundred Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and Tata AutoComp.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution.”

**7. To approve Related Party transactions of the Company with Tata Gotion Green Energy Solutions Private Limited (Tata Gotion)**

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

“**RESOLVED THAT**, pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on January 25, 2022 and April 25, 2022 consent of members of the Company be and is hereby accorded to enter into transaction(s) of sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from Tata Gotion, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata Gotion, rendering / availing of any services to / from Tata Gotion, warranty expenses, sale or purchase of fixed assets to / from Tata Gotion, any transaction in the nature of loan / advance from time to time with or without interest/ charges thereon including rollover / extension of maturity from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise, for the period of 5 (five) financial years with effect from date of declaration of Voting results of the shareholders, with Tata Gotion a Related Party, upto an estimated annual value of Rs. 500 Crore (Rupees Five Hundred Crore only) excluding taxes to be discharged in a manner and on such terms and

## Automotive Stampings and Assemblies Limited

conditions as may be mutually agreed upon between the Board of Directors of the Company and Tata Gotion.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution.”

### 8. To approve Related Party transactions of the Company with Tata Motors Passenger Vehicles Limited (TMPVL)

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

“**RESOLVED THAT**, pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on January 25, 2022 and April 25, 2022, consent of members of the Company be and is hereby accorded to enter into transaction(s) of sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from TMPVL, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata Gotion, rendering / availing of any services to / from TMPVL, warranty expenses, sale or purchase of fixed assets to /from TMPVL, any transaction in the nature of loan / advance from time to time with or without interest/ charges thereon including rollover / extension of maturity from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise, for the period of 5 (five) financial years with effect from date of declaration of Voting results of the shareholders, with TMPVL a Related Party, upto an estimated annual value of Rs. 600 Crore (Rupees Six Hundred Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and TMPVL.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution.”

### BY ORDER OF THE BOARD

For Automotive Stampings and Assemblies Limited

Prasad Zinjurde  
Company Secretary  
ICSI Membership No.:-A54800

Date : 25.04.2022

Place : Pune

#### Registered Office:

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

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company duly completed and signed not less than 48 hours before the commencement of the AGM. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate Resolution /authority, as applicable, issued on behalf of the nominating organisation. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act a proxy for any other person or Member.
2. A Proxy Form and Attendance Slip for the AGM are enclosed herewith.
3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business of the Notice is annexed hereto. Requisite declarations have been received from Director/s Manager for seeking re-appointment.
4. Corporate Members intending to send their authorised representatives to attend the meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution authorising such representative to attend and vote on its behalf at the AGM.
5. In accordance with the provisions of Article 36 of Articles of Association of the Company, Mr. Arvind Goel (DIN: 02300813) will retire by rotation at the AGM and being eligible, offers himself for re-appointment. Pursuant 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to Section 118(10) of the Act and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, additional information in respect of Directors retiring by rotation and persons seeking appointment / re-appointment at the AGM is given in the Explanatory Statement attached to this Notice and in the Corporate Governance Section of this Annual Report.
6. Members/Proxies/ Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the AGM.
7. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Member is entitled to inspect the proxies lodged at any time during the business hours of the Company.
8. Members are requested to bring their personal copy of the Annual Report to the meeting
9. Queries on financial statements and/ or operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers may be made available at the AGM.
10. The applicable Statutory Register of the Company under provisions of the Companies Act, 2013, will be available for inspection by the Members at the AGM.

## Automotive Stampings and Assemblies Limited

11. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday June 3, 2022 to Thursday, June 9, 2022 (both days inclusive).
12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Link Intime India Private Limited. Company's Registrars and Transfer Agents for assistance in this regard.
13. Transfer of Unclaimed / Unpaid amounts and shares to the Investor Education and Protection Fund (IEPF):
  - Pursuant to Section 124 and 125 and all other applicable provisions, if any, of the Companies Act, 2013, the amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.
  - Further in accordance with Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, amongst other matters, all shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2012 and remained unpaid or unclaimed were transferred to the IEPF Demat Account. The details of unpaid / unclaimed dividend and numbers of shares liable to be transferred / transferred are available on website: [www.autostampings.com](http://www.autostampings.com)
  - Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account as per the applicable provisions of Companies Act, 2013 and rules made thereunder. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules. In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends on the website of Investor Education and Protection Fund: [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company: [www.autostampings.com](http://www.autostampings.com).
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the Registrar at [pune@linkintime.co.in](mailto:pune@linkintime.co.in) in case the shares are held in physical form, quoting your folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the Company's website at [www.autostampings.com](http://www.autostampings.com). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar & Transfer Agents at [pune@linkintime.co.in](mailto:pune@linkintime.co.in) in case the shares are held in physical form, quoting your folio no.
16. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is available on the Company's website under the section 'Investor Relations'. Members holding shares in physical form

are requested to submit the filled in form to the Company at [cs@autostampings.com](mailto:cs@autostampings.com) or to the Registrar in physical mode or in electronic mode at [pune@linkintime.co.in](mailto:pune@linkintime.co.in), as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or Link Intime India Pvt. Ltd. Registrar & Transfer Agents.

17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar & Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. Letter of Confirmation for consolidated share certificate will be issued to such Members after making requisite changes.
18. Members who wish to inspect the relevant documents referred above and in the Notice can send an email to [cs@autostampings.com](mailto:cs@autostampings.com) up to date of this AGM.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
21. Members / investors may contact the Company on the designated E-mail ID:[cs@autostampings.com](mailto:cs@autostampings.com) for faster action from the Company's end.
22. The Company has paid the annual listing fees to the respective Stock Exchange(s) for the Financial Year 2022-23.
23. As per the Scheme of Arrangement (demerger) of 2001 between the Company and JBM Auto Limited (formerly known as JBM Auto Components Limited), the Members of the Company were required to surrender the original share certificates of the Company for exchange of new shares certificates of both the Companies. The Company had pending share certificates of those Members who had not submitted their share certificates in terms of the scheme of arrangement for exchange and also of those Members in whose case new share certificates remained undelivered. In compliance with Clause 5A of the erstwhile Listing Agreement issued by SEBI, after following the prescribed procedure, the shares which remained unclaimed, were dematerialized and transferred to a demat account in the name of "Automotive Stampings and Assemblies Limited - Unclaimed Securities Suspense Account".

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

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

## Automotive Stampings and Assemblies Limited

### 26. Voting through electronic means

The complete details of the instructions for e-voting are annexed to this Notice. These details form an integral part of the Notice. Route map showing directions to reach the venue of the 32nd AGM is annexed.

1. In compliance with provisions of Section 108 of the Companies Act, 2013, and rules framed there under, as amended from time to time, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to offer e-voting facility to the Members to exercise their right to vote by electronic means on all Resolutions set forth in the Notice convening the 32nd Annual General Meeting, through Central Depository Services (India) Limited {CDSL}.
2. The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com).
3. The e-voting facility will be available during the following voting period:

Start Day, Date & Time	End Day, Date & Time
<b>June 06, 2022 (9.00 AM IST)</b>	<b>June 08, 2022 (5.00 PM IST)</b>

4. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast vote again.
5. The voting rights of Members (for voting through e-voting or voting at the meeting) shall be in proportion to their share(s) in the paid up equity share capital of the Company as on the cut-off i.e. Thursday June 02, 2022. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Thursday June 02, 2022 only shall be entitled to avail the facility of e-voting as well as voting at the AGM.
6. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Annual Report (including AGM Notice) and holds shares as on the cut-off date i.e. Thursday June 02, 2022 may follow the instructions for e-voting mentioned below. In case such Member has not updated his or her PAN with the Company or the Depository Participant, may obtain the sequence no. by sending a request at [pune@linkintime.co.in](mailto:pune@linkintime.co.in).
7. For the benefit of Members who will be present at the meeting and who have not cast their votes through e-voting, the facility for voting through Poll paper will be made available at the meeting. The Members who have cast their votes by e-voting may also attend the meeting but shall not be entitled to cast their vote again at the AGM.
8. The Board of Directors of the Company has appointed Mr. Prajot Tungare Partner, Prajot Tungare & Associates, Company Secretaries, to act as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
9. The Scrutinizer immediately after the conclusion of e-voting at the AGM, will unblock the votes cast through remote e-Voting and e-voting at the AGM and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
10. The results declared along with the Scrutinizer's Report will be placed on the Company's website: [www.autostampings.com](http://www.autostampings.com) and on the website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) immediately after their declaration and the same shall simultaneously communicated to BSE Limited and National Stock Exchange of India Limited.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM will be uploaded on the website of the Company at [www.autostampings.com](http://www.autostampings.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

## REMOTE E-VOTING THROUGH ELECTRONIC MEAN

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

- i. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday June 02, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The Members should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on “Shareholders” module.
- v. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

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

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



## **xx. Non – Individual Members and Custodians**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [prajot@prajottungarecs.com](mailto:prajot@prajottungarecs.com) and [cs@autostampings.com](mailto:cs@autostampings.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

## Automotive Stampings and Assemblies Limited

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3, 4, 5 and 6 of the accompanying Notice dated April 25, 2022.

#### ITEM NO. 3

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

Pursuant to the provision of section 139(2) of the Companies Act 2013, No listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint -

- (a) an individual as auditor for more than one term of five consecutive years and
- (b) an audit firm as auditor for more than two terms of five consecutive years

B S R & Co. LLP, Chartered Accountants, (Firm Registration No.: 101248W/W- 100022), were appointed as the statutory auditors of the Company at the 27th Annual General Meeting (AGM) of the Company held on July 28, 2017 to hold office from the conclusion of Twenty Seventh (27th) AGM from FY 2017-18 for a period of five consecutive financial years till the conclusion of Thirty Second (32nd) AGM to be held in FY 2022-23. Accordingly, B S R & Co. LLP, Chartered Accountants has completed its first term of appointment.

Further, pursuant to the provisions of Section 139 (2) of the Companies Act 2013, B S R & Co. LLP, Chartered Accountants is eligible for re-appointment as an Auditor of the Company.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on April 25, 2022, proposed the re-appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of consecutive 5 years from FY 2022-23, to hold office from the conclusion of this 32nd AGM till the conclusion of the 37th AGM of the Company to be held in the FY 2027-28.

The Company has received letter under Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 from B S R & Co. LLP, Chartered Accountants to the effect that if the re-appointment as an Auditor, it would be in accordance with provisions of Section 141 of the Act and that they are not disqualified.

Accordingly, approval of the Members is being sought for re-appointment of statutory auditors as per the proposal contained in the Resolution set out at Item No. 3 of the notice. The Board recommends an Ordinary Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution set out at Item No. 3 of the accompanying notice.

#### ITEM NO. 4

Mr. Jitendraa Dikkshit joined the Company as 'Chief Operating Officer' wef April 10, 2019. Shareholders of the Company in the 30th AGM held on August 20, 2020 appointed Mr. Jitendraa Dikkshit (the appointee) as a "Manager" under Section 196 of the Companies Act, 2013 (the Act), designated as the 'Chief Executive Officer' of the Company, for a period of not exceeding 3 years from October 17, 2019 to October 16, 2022 and approved payment of his remuneration.

Further, considering performance and overall growth of the Company, management proposed the re-appoint Mr. Jitendraa Dikkshit as a "Manager" under the provisions of Section 196, 197 Schedule V of the Companies Act, 2013, w.e.f October 17, 2022 for tenure of 3 Years 45 days. Accordingly, The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee at their respective meetings held on April 25, 2022 re-appointed Mr. Jitendraa Dikkshit (the appointee) as a "Manager" under Section 196 of the Companies Act, 2013 (the Act), designated as the 'Chief Executive Officer' of the Company, for a period of not exceeding 3 years 45 days from October 17, 2022 to November 30, 2025

Main terms and conditions, contained in the agreement being entered into in this behalf with the appointee are as given below:

1. The terms and conditions of the said agreement and / or appointment may be revised, enhanced, altered and varied from time to time by the Board of Directors of the Company and/or 'Nomination and Remuneration Committee' in such manner as may be agreed to between the Board and the appointee within the maximum amounts payable to managerial person in accordance with the provisions of the Act, or any amendments or re-enactments thereof made hereafter in this regard.
2. The appointee is subject to the supervision and control of the Board of Directors, entrusted with substantial powers of management and shall also perform such other duties as may from time to time be entrusted to him.
3. The appointee shall not, either before or after the termination of this Agreement, disclose to any person whatsoever, any information relating to the Company or its customers or any trade secret of which he may come to know while acting as the Manager.
4. The appointee shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall also not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government
5. If at any time, the appointee ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Manager of the Company and this agreement will forthwith terminate.
6. In case the appointee dies in the course of his employment, the Company shall pay to his legal personal representative the salary and current emoluments for the then current month.
7. The appointee shall not have the following powers—
  - a. The power to make calls on shareholders in respect of money unpaid on their shares in the Company.
  - b. The power to issue debentures.
  - c. The power to invest the funds of the Company in shares, stocks and securities
8. The agreement may be terminated by either party by giving three months' notice of such termination or paying three months' salary in lieu thereof.

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

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

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

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

A brief resume of Mr. Jitendraa Dikkshit, nature of his expertise in specific functional areas, names of companies in which he hold directorships, memberships of the Board's Committees, date of first appointment, terms and conditions of appointment/re-appointment, details of remuneration last drawn (FY 2021-22) and sought to be paid if any, No. of Board Meetings attended during the FY 2021-22, shareholding in the Company and relationships between Directors inter-se, Manager and other Key Managerial Personnel of the Company as stipulated in Secretarial Standards – 2 on General Meetings is given herein under and forms part of the Notice.

## Automotive Stampings and Assemblies Limited

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

Date of Birth and Age	December 1, 1965 – 56 Years
Date of first appointment	as Chief Operating Officer wef April 10, 2019 as Chief Executive Officer wef October 17, 2019
Qualifications	Bachelor of Engineering (Mechanical) and Post Graduate in Business Administration.
Brief Profile and Expertise in specific functional areas	Mr. Jitendraa Dikkshit has overall work experience over 30 years in managing large and medium business operations and start-up greenfield Projects and has rich experience in the field of Metal Systems, Stampings. He successfully handled P&L responsibilities for business operations with leading JV's/ MNC's as BU Head/Profit Centre Head since last 15 years. Mr. Dikkshit has earlier worked with leading organisations and multinational companies like Caparo, Tata Bluescope, Siac-SKHcabs, Metalsa Tenneco Exhaust and Tata Ficosa, Tata AutoComp Systems Limited. He has extensive experience in turnaround operations in the capacity of profit centre head. Being passionate for numbers and results, he expanded divisions, handled turnarounds and drove long-term growth.
Terms and conditions of appointment/ re-appointment	Appointed as Manager designated as Chief Executive Officer of the Company. Refer details at Item No. 4 to the Notice.
Details of remuneration last drawn (FY 2021-22) and sought to be paid, if applicable	Rs. 87.63 Lakh
No. of Board Meetings attended during the FY 2021-22	6
Relationships between Directors inter-se	None
List of Companies in which Directorship held as on March 31, 2022 (excluding foreign and Section 8 Companies)	Nil
Chairmanship / Membership of specified Committees* of the Boards of above Companies as on March 31, 2022	Nil
No. of shares held in the Company: (a) Own (b) For other persons on a beneficial basis	Nil

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

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

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

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

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

## **ITEM NO: - 05**

The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee at their respective meetings held on October 17, 2019 appointed Mr. Jitendraa Dikkshit as a “Manager” under Section 196 of the Companies Act, 2013 (the Act), designated as the ‘Chief Executive Officer’ of the Company, for a period of not exceeding 3 years from October 17, 2019 to October 16, 2022 and approved payment of his remuneration. In the 30th and 31st Annual General Meeting held on August 20, 2020 and May 28, 2021 respectively, members of the Company approved revision in remuneration of Mr. Jitendraa Dikkshit as ‘Chief Executive Officer’.

Further, The Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee at their respective meetings held on April 25, 2022 has approved revision in remuneration payable to Mr. Jitendraa Dikkshit.

The revision in the remuneration payable to him is subject to the approval of the Members.

Schedule V to the Act, fixes the limits for payment of managerial remuneration by companies in case of loss or inadequacy of profits in any financial year and inter-alia, requires Members’ approval for payment of managerial remuneration to the managerial person by way of a Special Resolution. Mr. Jitendraa Dikkshit is functioning in a professional capacity and is not having any interest in the capital of the Company or its holding Company or any of its subsidiaries directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the Directors or Key Managerial Personnel or Promoters of the Company or its holding Company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment. Besides the terms and conditions for payment of managerial remuneration as contained in the proposed Resolution, the other main terms and conditions, contained in the agreement entered into in this behalf with the Mr. Jitendraa Dikkshit shall remain same.

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

Other than Mr. Jitendraa Dikkshit, no Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

Accordingly the Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members of the Company.

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

### **I. General Information:**

1. Nature of Industry: The Company is manufacturer of sheet metal components, assemblies and subassemblies for the automotive industry.

## Automotive Stampings and Assemblies Limited

2. Date or expected date of commencement of commercial production: The Company was incorporated on March 13, 1990. The existing plant of the Company at Pune is in Commercial Production for more than last 20 years. The Plant at Pantnagar in Uttarakhand has been operational since last 13 years.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
4. Financial performance based on given indicators - as per published audited financial results for the financial year ended March 31, 2022:

Particulars	(₹ in Lakhs)
Revenue from Sale of Products / Services (Net)	607.63
PAT	52.31

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

### II. Information about the appointee:

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

Particulars	Amount (₹ in Lakhs)
Annualized salary including Retirement Benefits in the form of contributions to Provident Fund and Superannuation Fund (Based on the last drawn salary from the previous employer)	87.63

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

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

5) Remuneration proposed:

Particulars	(Rs. in Lakhs)
Basic Salary	In the scale of Rs. 1,80,000/- to Rs. 3,90,000/- per month. The Salary with effect from April 1, 2022 being Rs. 2,54,504/- per month.
Incentive Remuneration	The base performance incentive remuneration is Rs. 17,80,200. Amount of Incentive remuneration can go up to 200% of Rs. 17,80,200 and may be paid at the discretion of the Board and/or Nomination and Remuneration Committee and based on certain performance criteria
Perquisites & Allowance #	Upto 300 % of basic salary.
Minimum Remuneration in case of inadequacy of profits during any financial year	Salary, incentive remuneration and perquisites and allowances as mentioned above.

The increments may be decided by the Board and /or 'Nomination and Remuneration Committee' from time to time provided that the monthly basic salary does not exceed Rs. 3,90,000/-

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

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

### III. Other Information:

1) Reasons of loss / inadequate profits:

The company has improved the financial performance from FY. 2020-21 to FY 2021-22. The loss before exceptional item and tax is Rs. (767.34) Lakh in FY 2021-22 against Rs. (2969.89) Lakh in FY 2020-21.

The Company is operating in Auto Component segment catering to the Automotive OEMs and there is no independent market of its final products. During the year under review, All major customers including anchor customer Tata Motors Limited of your Company recorded a positive growth in all segments due to which business of the company recorded growth and sales of the company has improved by 79.17% compared with earlier year sale, in spite of the fact that, quarter one was badly impacted by Covid-19 situation. In spite of consecutive losses of the previous years, Company has improved operational efficiencies in terms of material savings, labour productivity, original equipment efficiency and EBITDA savings.

2) Steps taken by the Company to improve performance:

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

## Automotive Stampings and Assemblies Limited

processes and controls.

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

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

### IV. Disclosures

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

#### Item No. 06

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

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

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

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

Your Company supplies just in time / just in sequence all components required by Tata AutoComp being the Company located in proximity to Tata AutoComp. Further your Company enters into various transaction(s) such as sale, supply / purchase of goods, materials, tools, dies and fixtures to / from Tata AutoComp, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata AutoComp, rendering / availing of any services to / from Tata AutoComp, warranty expenses, sale or purchase of fixed assets to /from Tata AutoComp, any transaction from time to time in the nature of loan / advance, short term /long term loan, Inter Corporate Deposits from Tata AutoComp with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise for its various projects. The objective being to serve in a most efficient way and providing just-in-time deliveries. In light of the above, your Company has been dealing through such transactions with the said related party.

Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on April 25, 2022 approved the said limit of Rs. 500 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. date of passing this resolution by the members of the Company in General Meeting. These transactions may be considered as material for the coming financial years in terms of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the 32nd Annual General Meeting



of the Company. Looking at the nature of business of the Company and the transactions, such approval of Members for the period of five financial years would be essentially required at this point of time.

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

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Regulation and Disclosure Requirements) Regulation 2015 are as below:

1. Name of the related party and nature of relationship: Tata Autocomp System Limited (Tata Autocomp). Promoter.
2. Applicability of the agreement / arrangement is subject to statutory approval, if any.- Not applicable
3. A summary of the information provided by the management of the listed entity to the audit committee : Management communicated to the Audit Committee regarding related party, nature of transaction, tenure of transaction and other necessary information as per regulation
4. Justification on proposed transaction is in the interest of the listed entity: Proposed transaction will result into increase in business of the Company
5. Transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: NA
6. Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction: NA
7. Notice period for termination: Based on various contracts.
8. Manner of determining the pricing and other commercial terms: Based on commercial negotiations, on arm's length basis, as far as possible and in tune with market parameters.
9. Disclosure of interest: None of the Directors, Key Managerial Personnel or their respective relatives are interested or concerned in the Resolution.
10. Duration – 5 financial years as stated above.
11. Monetary value: Estimated values as mentioned in the Resolution.

12. Nature, material terms and particulars of the arrangement:

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

## Automotive Stampings and Assemblies Limited

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

None of the Director, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution.

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

### Item No. 07

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

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

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

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

Your Company supplies just in time / just in sequence all components required by Tata Gotion being the Company located in proximity to Tata Gotion. Further your Company enters into various transaction(s) such as sale, supply / purchase of goods, materials, tools, dies and fixtures to / from Tata Gotion, selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata Gotion, rendering / availing of any services to / from Tata Gotion, warranty expenses, sale or purchase of fixed assets to /from Tata Gotion, any transaction from time to time in the nature of loan / advance, short term /long term loan, Inter Corporate Deposits from Tata Gotion with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise for its various projects. The objective being to serve in a most efficient way and providing just-in-time deliveries. In light of the above, your Company has been dealing through such transactions with the said related party.

Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on April 25, 2022 approved the said limit of Rs. 500 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. date of passing this resolution by the members of the Company in General Meeting. These transactions may be considered as material for the coming financial years in terms

of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the 32nd Annual General Meeting of the Company. Looking at the nature of business of the Company and the transactions, such approval of Members for the period of five financial years would be essentially required at this point of time.

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

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Regulation and Disclosure Requirements) Regulation 2015 are as below:

1. Name of the related party and nature of relationship: Tata Autocomp Gotion Green Energy Solutions Private Limited (Tata Gotion). – Common Promoter
2. Applicability of the agreement / arrangement is subject to statutory approval, if any.- Not applicable
3. A summary of the information provided by the management of the listed entity to the audit committee : Management communicated to the Audit Committee regarding related party, nature of transaction, tenure of transaction and other necessary information as per regulation
4. Justification on proposed transaction is in the interest of the listed entity: Proposed transaction will result into increase in business of the Company
5. Transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: NA
6. Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction: NA
7. Notice period for termination: Based on various contracts.
8. Manner of determining the pricing and other commercial terms: Based on commercial negotiations, on arm's length basis, as far as possible and in tune with market parameters.
9. Disclosure of interest: None of the Directors, Key Managerial Personnel or their respective relatives are interested or concerned in the Resolution.
10. Duration – 5 financial years as stated above.
11. Monetary value: Estimated values as mentioned in the Resolution.
12. Nature, material terms and particulars of the arrangement:

## Automotive Stampings and Assemblies Limited

Name of the Company	Nature of Contract / arrangement
Tata Autocomp Gotion Green Energy Solutions Private Limited (Tata Gotion)	Sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from Tata Gotion
	Selling or otherwise disposing of or buying, leasing of property of any kind to / from Tata Gotion
	Rendering / availing of any services to / from Tata Gotion
	Warranty expenses
	Sale / purchase of Fixed Assets to / from Tata Gotion
	Any transaction of loan, Inter Corporate Deposits from Tata Gotion with or without interest / charges thereon including roll-over / extension of maturity, waiver from time to time
	Issue of Letter of Comfort / providing of any Guarantee or security, if any, by Tata Gotion
	Any other transactions with / by Tata Gotion including reimbursement / recovery of expenses etc.

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

None of the Director, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution.

The Board recommends an Ordinary Resolution set out at Item No.7 of the Notice for approval by the Members.

### ITEM NO: - 08

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

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

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

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

Your Company supplies just in time / just in sequence all components required by TMPVL being the Company located in proximity to TMPVL. Further your Company enters into various transaction(s) such as sale, supply / purchase of goods, materials, tools, dies and fixtures to / from TMPVL, selling or otherwise disposing of or buying, leasing of property of any kind to / from TMPVL, rendering / availing of any services to / from TMPVL, warranty expenses, sale or purchase of fixed assets to /from TMPVL, any transaction from time to time in the

nature of loan / advance, short term /long term loan, Inter Corporate Deposits from TMPVL with or without interest / charges thereon including rollover / extension of maturity / repayments from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise for its various projects. The objective being to serve in a most efficient way and providing just-in-time deliveries. In light of the above, your Company has been dealing through such transactions with the said related party.

Considering business plans of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on April 25, 2022 approved the said limit of Rs. 600 Crore p.a. (plus applicable taxes) for a period of 5 years w.e.f. date of passing this resolution by the members of the Company in General Meeting. These transactions may be considered as material for the coming financial years in terms of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the 32nd Annual General Meeting of the Company. Looking at the nature of business of the Company and the transactions, such approval of Members for the period of five financial years would be essentially required at this point of time.

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

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Regulation and Disclosure Requirements) Regulation 2015 are as below:

1. Name of the related party and nature of relationship: Tata Motors Passenger Vehicles Limited (TMPVC) subsidiary of Tata Motors Limited, Associate company of Holding Company.
2. Applicability of the agreement / arrangement is subject to statutory approval, if any.- Not applicable
3. A summary of the information provided by the management of the listed entity to the audit committee : Management communicated to the Audit Committee regarding related party, nature of transaction, tenure of transaction and other necessary information as per regulation
4. Justification on proposed transaction is in the interest of the listed entity: Proposed transaction will result into increase in business of the Company
5. Transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: NA
6. Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction: NA
7. Notice period for termination: Based on various contracts.
8. Manner of determining the pricing and other commercial terms: Based on commercial negotiations, on arm's length basis, as far as possible and in tune with market parameters.
9. Disclosure of interest: None of the Directors, Key Managerial Personnel or their respective relatives are interested or concerned in the Resolution.
10. Duration – 5 financial years as stated above.
11. Monetary value: Estimated values as mentioned in the Resolution.
12. Nature, material terms and particulars of the arrangement:

## Automotive Stampings and Assemblies Limited

Name of the Company	Nature of Contract / arrangement
Tata Motors Passenger Vehicles Limited (TMPVL)	Sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from TMPVL
	Selling or otherwise disposing of or buying, leasing of property of any kind to / from TMPVL
	Rendering / availing of any services to / from TMPVL
	Warranty expenses
	Sale / purchase of Fixed Assets to / from TMPVL
	Any transaction of loan, Inter Corporate Deposits from TMPVL with or without interest / charges thereon including roll-over / extension of maturity, waiver from time to time
	Issue of Letter of Comfort / providing of any Guarantee or security, if any, by TMPVL
	Any other transactions with / by TMPVL including reimbursement / recovery of expenses etc.

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

None of the Director, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution.

The Board recommends an Ordinary Resolution set out at Item No.8 of the Notice for approval by the Members.

### BY ORDER OF THE BOARD

For Automotive Stampings and Assemblies Limited

Prasad Zinjurde  
Company Secretary  
ICSI Membership No.:-A54800

Date : 25.04.2022

Place : Pune

**Registered Office:**

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

## BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Thirty-Second (32nd) Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2022. The Management Discussion and Analysis forms part of this Report.

### FINANCIAL RESULTS -

(All figures in INR Lakhs, unless stated otherwise)

Particulars	Financial Year	
	2021-22	2020-21
Revenue from Sale of Products/Services(Net) (including operating income)	<b>60,763.71</b>	33,913.02
Other Income	<b>227.44</b>	5.20
Total Revenue	<b>60,991.15</b>	33,918.22
Cost of Materials Consumed (including change in inventories)	<b>49,068.78</b>	25,797.03
Employee Benefit Expense	<b>3,108.60</b>	2,920.12
Other Expenses	<b>6,999.40</b>	5,195.20
<b>Earnings/(Loss) before Depreciation, Financial Cost and Tax</b>	<b>1,814.37</b>	5.87
<b>Finance Cost</b>	<b>1,497.30</b>	1,829.34
Depreciation and Amortization Expense	<b>1,084.41</b>	1,146.42
Profit/(Loss) before exceptional items and Tax	<b>(767.34)</b>	(2,969.89)
Exceptional items	<b>5998.42</b>	-
Tax Expense/(Credit)	-	-
Profit/(Loss) for the year	<b>5231.08</b>	(2,969.89)
<b>Other Comprehensive Income/(loss) (OCI)</b>	<b>69.57</b>	(18.85)
<b>Total Comprehensive Income/(loss)(net of taxes)</b>	<b>5,300.65</b>	(2,988.74)

### DIVIDEND

The Board of Directors of the Company has not recommended any dividend, considering the current financial position of the Company and future requirement of funds.

### TRANSFER TO RESERVES IN TERMS OF THE COMPANIES ACT, 2013 :

The Company has not transferred any amount to General Reserve Account.

### SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2022 was Rs. 1,586.44 Lakhs, comprising 15,864,397 equity shares of Rs. 10 each. During FY 2021-22, the Company has neither issued any shares including those with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2022, none of the Directors or the Key Managerial Personnel of the Company held any Equity Shares or instruments convertible into equity shares of the Company.

## Automotive Stampings and Assemblies Limited

### MANAGEMENT DISCUSSION AND ANALYSIS

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company is engaged in development, manufacture and selling of automotive components mainly sheet metal components, welded assemblies and modules for automobiles.

The performance of automotive industry was significantly impacted during the FY 2020-21 on account of pandemic Covid-19. The industry and all its segments recorded negative growth. During the current year, with the pandemic waning and the economy gaining momentum, most verticals in auto industry registered growth, which was partly due to lower base of previous year. While the Auto Industry registered a growth of 1 per cent, the Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a growth of 19 per cent. Within this segment, the utility vehicle market grew by 43 per cent and the Van segment and the Passenger Car segment recorded a growth of 7 per cent and 4 per cent, respectively. The Commercial Vehicle segment also registered a growth of 29 per cent. Within the CV segment, the M&HCV segment registered a growth of 50 per cent and LCV segment registered a growth of 20 per cent. The Two Wheeler segment registered a negative growth of 3 per cent and Three Wheeler segment registered a growth of 23 per cent.

The chart given below shows the production of various categories of vehicles during FY 2021-22 vis-à-vis FY2020-21.

(Figures in No.)

Segment	FY2020-21	FY2021-22	% Growth
Passenger cars	17,72,972	18,44,985	4%
Utility vehicles	11,82,144	16,91,081	43%
Vans	1,07,164	1,14,632	7%
<b>Passenger Vehicles</b>	<b>30,62,280</b>	<b>36,50,698</b>	<b>19%</b>
M&H CVs	1,81,242	2,72,167	50%
LCV	4,43,697	5,33,360	20%
<b>Commercial vehicles</b>	<b>6,24,939</b>	<b>8,05,527</b>	<b>29%</b>
Three Wheelers	6,14,613	7,58,088	23%
Two Wheelers	1,83,49,941	1,77,14,856	-3%
Quadricycle	3,836	4,061	6%
<b>Total of All Categories</b>	<b>2,26,55,609</b>	<b>2,29,33,230</b>	<b>1%</b>

(Source SIAM report March 22)

#### 2. OPERATIONS

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

All major customers (Auto OEMs) including anchor customer Tata Motors Limited, recorded a positive growth in all segments. This has enabled the Company to achieve growth in revenue by 79.18% over last year, partly attributable to lower sales in FY 2020-21, which mainly related to impact on account of pandemic Covid-19. (Please refer to details given in the discussion on financial performance).

Consequent to the emergence of second wave of the pandemic Covid-19, your Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its plant locations and offices. The employee support in terms of adherence to our benchmark COVID SOP's and ensuring timely vaccination, has helped in minimizing its impact on our operations.



Our Customer Satisfaction and Engagement score jumped by 33% over last year with an Ex-Index of 67%.

### **3. OPPORTUNITIES:**

#### a) Growth in Automotive demand:

The following factors will contribute to growth in Automotive demand, including introduction of new models by the Automotive OEMs.

- i. India's GDP is likely grow during 2022-23 by 7.2% as per latest estimate by RBI. The demand for passenger cars is likely to grow with the increase in demand for personal mobility, with rise in disposable income.
- ii. Considering the focus of the government on infrastructure and growth in GDP, demand for commercial vehicles will be on rise.
- iii. The government has introduced 'Production Linked Incentive (PLI)' which proposes financial incentives of up to 18% to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain.
- iv. In order to promote environmental initiative, the Government has given lot of incentives for electric vehicles (EVs).

#### b) Affiliation with market leader:

The Company's major customer is Tata Motors Limited, a leading player in Indian automotive market. It has increased its market share of passenger vehicles to 12.14% in FY 2021-22 from 5% in FY 2019-20. Tata Motors has and continues to focus on new models in passenger vehicle segment, including electric vehicles.

#### c) Manufacturing capability:

The components manufactured by the Company require development of tooling and dies and appropriate manufacturing process. The Company has an established supplier base to supply parts as per our Standards and requirements.

### **4. RISKS AND CONCERNS:**

#### a) Concentrated Customer Base:

The Company derives majority of its revenue from one customer. The Company continues to diversify its customer base on a continuous basis by focusing on business development activities to increase the customer base and is striving to increase share of business with existing customers, where Company's share is low.

#### b) Rising input costs:

The product manufactured by the Company consume mainly steel, where prices continue to rise exponentially. While customer adjusts the price, there is continued pressure for reduction in conversion and other costs. The Company has on going improvement initiatives mainly, conversion cost reduction, supply chain efficiency improvement and material yield improvement.

#### c) Skill Availability:

Your Company focuses on recruitment and in-house skill development to address this Challenge.

#### d) Supply chain:

The pandemic COVID-19 has disrupted the supply chain mainly for Auto OEM and also has consequential impact on our cycle times and manufacturing processes. The Auto OEMs are taking all necessary measures to minimize the impact on supply chain.

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

## **5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Summerised financial performance

Particulars	INR (Lakhs)		% to Sales	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Sales	60,763.71	33,913.02	100	100
Other Income	227.44	5.20	0.37%	0.02%
Total Income	60,991.15	33,918.22		
Expenses				
Cost of materials consumed (Including change in finished goods and works in process)	49,068.78	25,797.03	80.75%	76.07%
Employee benefits expense	3,108.60	2,920.12	5.12%	8.61%
Finance costs	1,497.30	1,829.34	2.46%	5.39%
Depreciation and amortization expense	1,084.41	1,146.42	1.78%	3.38%
Other expenses	6,999.40	5,195.20	11.52%	15.32%
Total Expenses	61,758.49	36,888.11	101.64%	108.77%
Profit before exceptional items and tax	(767.34)	(2,969.89)	-1.26%	-8.76%
Exceptional item - (see note below)	5,998.42	-	9.87%	0.00%
Profit/loss before tax	5,231.08	(2,969.89)	8.61%	-8.76%
Income tax expense	-	-		
Other comprehensive income	69.57	(18.85)	0.11%	-0.06%
Profit for the year	5,300.65	(2,988.74)	8.72%	-8.81%
EBITDA	1,814.37	5.87	2.98%	0.02%

Note - Exceptional item

- The Company concluded the transfer of land and building at Halol plant during the year and recognised gain of Rs 485.78 Lakhs. Further, the Company recognised expenses of Rs 660.11 Lakhs towards cost of transfer of identified plant and equipment to other manufacturing facilities, write off of certain property, plant and equipment having no continuing use, one-time termination compensation to employees relating to Halol plant, consequent to its closure and certain other expenses.
- During the year under review, Company sold land at Chakan plant along with buildings for a consideration of Rs 10,100 Lakhs. The Company has taken building and a portion of land, on lease for 15 years, on which the operations of the Company will continue. Consequently, the right to use of asset of Rs. 743.88 Lakhs and lease liability of Rs. 3,427.16 Lakhs are recognized in books. Net gain of Rs 6,172.75 has been recognised.

In respect of (a) and (b) above, a net gain of Rs 5,998.42 Lakhs has been recognised as an exceptional item.

Out of sale proceeds, the Company repaid the borrowings of Rs. 10,971.60 Lakhs.

## Explanation for other items -

- a) Sales have increased by Rs 26,850.69 Lakhs over last year (approximately 79%). As explained above, the improved performance of Automotive industry and consequent higher off-take by our OEM customer has contributed to the increase. Also, apart from volume increase, significant change in steel prices during the year has resulted in back to back increase in our sales prices. This has partly contributed to the increase in sales.
- b) The percentage of material consumption to sales has increased during the year, mainly due to steep hike in steel prices. The Company has arrangement with the customers for price correction where major price changes occur. Though we have recovered major portion of steel price hike from customers, the material cost has also been impacted due to product mix.
- c) The percentage of employee cost to sales has lowered as compared to last year mainly due to increase in sales in FY 2021-22. Also, a part of improvement is attributable to continuous focus on productivity and rationalization measures.
- d) The percentage of other expenses to sales has improved from previous year FY 2020-21 mainly due to higher sales. The Company continues to focus on control on the fixed expenses and cost saving programmes.
- e) Finance cost has improved substantially due to reduction in borrowings by utilizing proceeds of land sale. The Company has managed working capital requirements effectively.
- f) The operating profit margin (EBITDA) has improved mainly due to volume growth in sales. In order to improve operating margin, there had been continuous efforts towards volume increase from the existing and new customers. Besides there had been a continued focus on various initiatives including cost optimization through operational efficiency, and rationalization of existing operations.

## KEY FINANCIAL RATIOS

Sr. No	Ratios	FY 2021-22/ as at March 31, 2022	FY 2020-21/ as at March 31, 2021	% Change
1	Debtors Turnover (times of sales)	22.43	10.80	107.80
2	Inventory Turnover (times of sales)	12.70	7.57	67.67
3	Interest Coverage Ratio	1.06	0.00	79.03
4	Current Ratio	0.45	0.38	19.07
5	Debt Equity Ratio	-2.29	-1.79	28.43
6	Operating profit margin (% to sales)	-1.26%	-8.76%	86%
7	Net profit margin (% to sales)	0.09%	(0.09)%	198.30
8	Return on Net worth	1.46	(0.16)	990.93

- Interest coverage ratio has significantly improved since the Company has improved the earning before Interest and tax during the year.
- Current ratio has slightly increased as compared to previous FY 2020-21, mainly due to inventory increase consequent to volume increase and increase in input prices.
- Debt to equity ratio continues to be negative as the company has negative net worth which has decreased from Rs. (8872.07) Lakh as at March 31, 2021 to Rs.(3571.42) Lakhas at March 31, 2022. During the year, the Company has reduced its borrowing from Rs. 15,737.00 Lakh to Rs. 4283.00 Lakh.
- Net profit margin - Company has improved operational efficiencies in terms of material savings, labour

## Automotive Stampings and Assemblies Limited

productivity, original equipment efficiency and EBITDA.

- The Company had negative net worth of Rs 8872.07 Lakhs as at March 31, 2021 which has improved by Rs 5300.65 Lakhs to negative net worth of Rs. 3,571.42 Lakhs. Net worth has improved due to reduction in operating losses and exceptional gain as explained above.

The Company has improved operational efficiencies in terms of material saving, labour productivity, original equipment efficiencies & EBITDA.

Return on Net Worth Ratio has improved due to land sale proceeds, improvement in operational efficiencies and reduction in borrowings.

Debtors Turn Over Ratio has improved compared with FY 2020-21 due to effective control on receivables and discounting facility with OEM customers.

Inventory Turn Over Ratio has improved as compared with FY 2020-21 mainly due to volume increase and control on inventory.

The Management is confident that the cost reduction initiatives and operational efficiencies are sustainable. Your Company has been attentively managing its net working capital and was able to keep it under control. Also, we were able to add new customers.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focused on controlling the fixed costs, maintaining liquidity and meticulously managing supply chain issues to ensure that the manufacturing facilities operate smoothly. Your Company operates its business in conformity with the highest ethical and moral standards and employee centricity.

## COMPANY'S OWN TECHNOLOGY / PROCESSES / SYSTEM IMPROVEMENT PLAN

Your Company is also upgrading its technology to participate in new vehicle programmes launched by Customers. During the year under review your Company has implemented and productionised laser cut machines and press break for various new programmes especially at Chakan plant 2.

Your Company has implemented SCADA (Supervisory Control and Data Acquisition) based Automated BAR CODE System for RTB (Rear Twist Beam) higher end assembly for a customer passenger car. SCADA is a control system architecture comprising computers, networked data communications and Graphical User Interfaces (GUI) for high-level process supervisory management, while also comprising other peripheral devices like programmable logic controllers (PLC) and discrete proportional-integral-derivative (PID) controllers to interface with process plant or machinery. All these efforts have resulted in improvement in productivity and customer satisfaction. The profitability of the Indian Auto Components Industry is likely to continue to be subdued due to pricing Pressures from OEMs. Your Company is undertaking various new technology initiatives, process up gradation and system enhancements like installation of Robotic Welding Lines for new Customer programmes at Chakan and Pantnagar plants.

## SEGMENT-WISE PERFORMANCE

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

## FUTURE OUTLOOK

The market has started showing improvements since quarter three of FY 2021-22. The growth of Auto Industry which is largely dependent on infrastructure building and financing options are expected to grow in line with the GDP growth estimated.

All sub-sectors within the automobile industry are rebounding from the pandemic. The industry has shown resilience with both sales and values increasing. Innovation is continuing at a strong pace, investment in new capacity, particularly for electric vehicles (EVs), is soaring, and customer demand is increasing. Despite the pressures, the outlook for the industry is positive.

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

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

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

The Company has established the framework of Internal Financial Controls and Compliance systems. These are subject to audits conducted by the internal auditors and reputed Accounting and Auditing firm, which are reviewed by the Audit Committee regularly. Based on such reviews, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

## **RELATED PARTIES**

Note No. 37 of the Financial Statements sets out the nature of transactions with Related Parties. Transactions with Related Parties are carried out in the ordinary course of business and at arm's length. The details of the transactions are tabled before the Audit Committee. Further details on this are explained in the Corporate Governance Report. None of the transactions with related parties falls under the scope of Section 188 (1) of the Companies Act, 2013. Hence, no particulars are being provided in Form AOC-2.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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

## **ENVIRONMENT, HEALTH AND SAFETY**

The Company is committed to provide a safe, secure and healthy workplace and this has been documented in the Health, Safety and Environment (HSE) policy which is part of the Overarching Wellness strategy of Company. Company has therefore adopted a comprehensive approach to implement this by adopting 'Total Safety Culture' concept across its operations.

All the Plants of your Company have been certified for EMS 14001 and ISO 45001:2018 and National Safety Council (NSC). During the period under review, all plants are especially focused on the wellness (Safety) initiative like, safety week celebration, annual medical check-up, road safety traffic management in plant premises and monthly wellness programme have been conducted by the Group Medical Chief Officer.

In the FY 2021-22, your Company has engaged the British Safety Council (BSC) for certification. Your Company is in process of getting BSC certification. Internal Audits of BSC for health, safety and environment have been conducted at all Plants every quarter wherein all plants received 5 star ratings. Further safety training and awareness initiatives have been undertaken during the year. Health checks and counselling are extended to employees by the Group Medical Chief officer.

During the year, the scope of safety has been further strengthened in all operations in our company. Regular safety drills and safety audits are conducted at all plants. The requisite training is provided to the employees in Safety. Safety enforcement is continuously being monitored and the company is taking guidance from reputed agencies in this activity. To mitigate pandemic situation, continuous awareness of risks is being evaluated and steps like wearing of masks, sanitization, social distancing, SOPS in canteen, face punching instead of thumb punching, punching cards given to all official staff, temperature checking is being done.

The company is connecting to local agencies for dissipation of information like vaccination centres. 80% of employees above the age of 45 have already taken the vaccine. The Company has taken initiatives to reduce

## Automotive Stampings and Assemblies Limited

its carbon footprint by reducing power consumption, using solar power and initiated reuse of cartoon boxes for normal packing.

There is a continued focus on tracking of “near miss” incidences which has resulted not only in reduction of reportable accidents but even in first aid injuries and non-reportable accidents. Safety competitions, presentations on safety kaizens, environment mock drills, environment day celebration etc. are conducted for achieving a safe and healthy work environment. Your Company has taken initiatives to reduce its carbon footprint by reducing power consumption and selling steel scrap to be reprocessed and sold.

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

### QUALITY INITIATIVES

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

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### • Appointment of Directors

At the 31st Annual General Meeting of the Company held on May 28, 2021, Mr. Prakash Gurav was appointed as Independent Director of the Company for first term of five years w.e.f. April 05, 2021.

#### Retirement / resignation / Cessation of Directorship

Mr. Arvind Goel (DIN: 02300813) will retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

During the year, Mr. Sanjay Sinha, (DIN: 08210898) Non-Executive Non- Independent Director of the Company resigned from the post of directorship due to personal reasons. The Board of Directors placed on record its sincere appreciation for the valuable guidance and immense contributions made by Mr. Sanjay Sinha during his tenure as Director of the Company.

#### - Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are: Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer, Mr. Yogesh Jaju, Chief Financial Officer and Mr. Prasad Zinjurde, Company Secretary. During the period under review, there was no change in the Key Managerial Personnel of the Company.

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

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on January 5, 2017, the Board has carried out the annual performance evaluation for FY 2021-22 of (a) its own performance; (b) the Directors individually; and (c) the working of its Committees viz. 'Audit Committee', 'Nomination and Remuneration Committee', 'Corporate Social Responsibility Committee' and the 'Stakeholders Relationship Committee'. The details of evaluation process have been explained in the Corporate Governance Report.

### REMUNERATION POLICY

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

## **POLICY WITH REFERENCE TO QUALIFICATIONS, ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

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

## **DECLARATION BY INDEPENDENT DIRECTORS**

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

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

## **BOARD AND COMMITTEE MEETINGS**

During the year under review total 6 board meetings were held. The details of Board and Committee meetings held during the year are given in the Corporate Governance Report.

## **CHANGE IN THE NATURE OF BUSINESS**

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

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

During the year, the Company transferred the ownership of its land and building situated at Chakan Plant-1 and partially land and building is taken on long term lease for running the operations. Out of sales proceeds of land, the Company has repaid the borrowings of INR 10,971.60 lakhs. This will reduce the interest burden in future years. Consequently, as of March 31, 2022, the total liabilities exceeded its total assets by INR 3,571.74 lakhs as compared to INR 8,872.07 Lakhs as at March 31, 2021. The total borrowings as at March 31, 2022 stood at Rs 4,283 Lakh as compared to Rs 15,700.00 Lakh as at March 31, 2021. Shareholders are requested to refer Notes of the financial results released on April 25, 2022 for more details.

No other material changes and commitments occurred which might adversely affect the financial position of the company.

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

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

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

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

## **Automotive Stampings and Assemblies Limited**

### **DEPOSITS**

The Company has not accepted deposits under Chapter V of the Companies Act, 2013 during the year under review. No amount on account of principal or interest on deposit from public was outstanding as on March 31, 2022.

### **CORPORATE GOVERNANCE**

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the corresponding internal financial control were adequate & effective during the FY 2021-22.

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

1. in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures;
2. accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the loss of the Company for the year ended on that date;
3. proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

### **ANNUAL RETURN**

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of Companies (Management and Administration) Rules, 2014 then Annual Return for FY 2021-22 is available on company's website at [www.autostampings.com](http://www.autostampings.com)



## **PERSONNEL**

At the end of March, 2022, your Company had 1390 employees (excluding trainees and apprentices) as compared to 435 employees as on March 31, 2022.

Your Company accords high importance in building and sustaining healthy employee engagement with the aim of achieving competitive productivity and harmonious work environment. The industrial relations during the year remained peaceful. With a view to ensure prompt resolution of employee's grievances, various Committees have been set up under the capable Chairmanships which are guided by Functional Heads / Department Heads e.g. Works Committee, Health, Safety and Environment Committee, Prevention of Sexual Harassment Committee (POSH) etc.

The functioning of these Committees are regularly reviewed by the Management and the Board is also updated regularly. Your Company has HR help desk to resolve grievances/day to day issues of employees within time bound manner. This results in maintaining transparent culture and help to increase satisfaction level of the employees. Considering the competitive market scenario, it has become essential to have substantial improvement in the productivity on the shop floor.

Your Company has been implementing TPM, WCSQ, Kaizen and other various systems to improve overall performance of all plants.

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

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

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

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

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Your Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. Awareness Programmes were conducted at various plants of the Company. Your Company has not received any complaint of sexual harassment during the financial year 2021- 22.

Your Company has not received any complaint of sexual harassment during the financial year 2021- 22.

## Automotive Stampings and Assemblies Limited

### RISK MANAGEMENT

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

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

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

### AUDITORS

#### 1. Statutory Auditors:

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

The Statutory Auditors' Report for FY 2021-22 on the financial statement of the Company forms part of this Annual Report.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended March 31, 2022. The observations of the Statutory Auditors in their Reports are self-explanatory and therefore Directors don't have any further comments to offer on the same.

#### 2. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Prajot Tungare & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for FY 2021-22.

The Report of the Secretarial Audit is annexed herewith as Annexure IV to this Report. There are no qualifications, reservations or adverse remarks or disclaimer in the said report and therefore Directors don't have any further comments to offer on the same Pursuant to Listing Regulations read with SEBI circular No. LIST/COMP/14/2018 dated June 20, 2018, a certificate from M/s. Prajot Tungare & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to Corporate Governance Report.

#### 3. Cost Auditor:

During the year under review cost audit & maintenance of cost record was not applicable.

## **COMPLIANCE OF SECRETARIAL STANDARDS**

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

## **REPORTING OF FRAUDS BY AUDITORS**

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

## **FORWARD LOOKING STATEMENTS**

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

## **ACKNOWLEDGEMENTS**

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

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

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

Place: Pune  
Date : April 25, 2022

## **Annexure I to Board's Report**

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

#### **A. CONSERVATION OF ENERGY**

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

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

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

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

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

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

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

##### **(iii) Capital Investment on Energy Conservation Equipment:**

The Company acknowledges the fact that investment in energy conservation offers significant economic benefits in addition to climate change benefits. However, Company is exploring opportunity to invest in energy conservation equipment.

## **B. RESEARCH AND DEVELOPMENT & TECHNOLOGY ABSORPTION**

During year 2021 - 22 we have introduced the technology of Bending & Forming of hollow AI tube - (Cooling Tube) without change in internal structure.

For this we are designing SPM for bending, SPM for Forming, Induction Brazing introduced as new process. Along with this we have added technology/ processes of Laser cutting, Press BreakwhichBreak which will be mostly utilized in suspension parts and battery tray.

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

## **C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year, the total foreign exchange expenditure amounted to Rs. 80.97 Lakhs purchasing of bought out parts (BOP).

The Company did not earn any foreign exchange.

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

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

Place: Pune  
Date : April 25, 2022

## **Annexure III to Board's Report**

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

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

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

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

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

- None of the Directors of the Company is in receipt of any kind of remuneration other than the Sitting Fees.
- The ratio of remuneration of Manager (designated as "Chief Executive Officer"), CFO and CS to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in his remuneration during the financial year 2021-22 are given below:

<b>Manager (designated as "Chief Executive Officer")</b>	<b>Ratio to Median</b>	<b>Percentage Increase in Remuneration*</b>
Mr. Jitendraa Dikkshit (April 2021 – March 2022)	51.95	33%
Mr. Yogesh Jaju (April 2021 – March 2022)	15.13	25%
Mr. Prasad Zinjurde (April 2021 – March 2022)	5.18	2%

2. The number of permanent employees on the rolls of Company: 409 employees (excluding trainees and Apprentices).  
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.
3. Affirmation that the remuneration is as per the Remuneration Policy of the Company.
4. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

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

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

Place: Pune

Date: April 25, 2022

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

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

To,  
**The Members,**  
**Automotive Stampings and Assemblies Limited**  
CIN: L28932PN1990PLC016314  
TACO House, Plot No.20/B FPN085,  
V. G. Damle Path, Off. Law College Road,  
Erandwane, Pune, Maharashtra 411004

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

Management is responsible for the preparation and filing of all the forms, returns and documents for the compliances under the Companies Act, 2013, rules there under and compliances of all the laws and regulations listed hereinafter and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Audit for the Company is conducted as a process of verification of records and documents on sample basis to check secretarial compliances with the provisions of laws, rules and procedures. The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby make our report on the basis of our opinion during the audit conducted covering the financial year ended on 31st March 2022, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable to the Company during the audit period];

## Automotive Stampings and Assemblies Limited

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not applicable to the Company during the audit period];
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the Company during the audit period];
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the audit period];
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the audit period];
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not applicable to the Company during the audit period]; and
  - (i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As per discussion with the officials of the Company, there are no Other Laws specifically applicable to the Company.

We have also examined secretarial compliances with the applicable clauses of the following:

- (i) Secretarial Standard 1 & 2 issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that:

1. Board of Directors of the Company is duly constituted with proper balance of Directors, Non-Executive Directors and Independent Directors, including Woman Director. Further, change in directorship during the period under review were carried out in the compliances with the provisions of the Act.
2. As per information and representation given, we also report that adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for active participation at the meeting.
3. As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.



We further report that the compliance by the Company of applicable financial statements and laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Director of the Company, in my opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

We further report that, during the year under review, the company has disposed off ownership rights in land along with building situated at Chakan plant and Halol plant and the same has been duly complied with under the provisions of the Act.

**For Prajot Tungare & Associates  
Company Secretaries**

CS Prajot Tungare  
Partner  
FCS No : 5484  
CP No : 4449  
UDIN: F005484D000196983

Date : 25/04/2022

Place : Pune

## Automotive Stampings and Assemblies Limited

### BUSINESS RESPONSIBILITY REPORT

*(This section is as per Regulation 34 of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

#### **Section A: General information about the company**

1. **Corporate Identity Number (CIN) of the Company:** L28932PN1990PLC016314
2. **Name of the Company:** Automotive Stampings and Assemblies Limited
3. **Registered address:** TACO House, Plot No.- 20/B FPN085, V.G. Damle Path Off Law College Road, Erandwane Pune MH 411004 IN
4. **Website:** www.autostampings.com
5. **E-mail id:** cs@autostampings.com
6. **Financial Year reported:** April 1, 2021 to March 31, 2022
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**  
ITC CODE: 998933 Product Description: Stamping, fabrication and welding of Auto Component
8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**  
Stampings, Fabrication and welding.
9. **Total number of locations where business activity is undertaken by the Company:**
  - a. Number of International Locations (Provide details of major 5): 0
  - b. Number of National Locations: 2
10. **Markets served by the Company – Local/State/National/International:** India

#### **Section B: Financial details of the company**

1. **Paid up Capital (INR):** 15.86 crores
2. **Total Turnover (INR):** 607.63 crores
3. **Total profit after taxes (INR):** 52.31 crores
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**  
Though CSR Expenditure is not mandatory for the company, the company has an active CSR programs.
5. **List of activities in which expenditure in 4 above has been incurred:** Not applicable

#### **Section C: Other details**

1. **Does the Company have any Subsidiary Company/ Companies?** No

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): Not applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]  
No.

## Section D: BR information

### 1. Details of Director/Directors responsible for BR

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

The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

DIN	Name	Designation
07314422	Bhavna Bindra	Independent Director
02317869	Deepak Rastogi	Non-Executive non Independent Director
01521346	Bharatkumar Parekh	Non-Executive non Independent Director

- b. Details of the BR head – Responsible for Execution of BR related Policies

Name: Jitendraa Dikkshit

Designation: Chief Executive Officer

E-mail id: jitendraa.dikkshit@autostampings.com

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

The NVG on social, environmental and economic responsibilities of business released by MCA has adopted nine areas of business responsibility. These are as follows:

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 – Businesses should promote the well-being of all employees.

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 – Businesses should respect and promote human rights.

P6 – Businesses should respect, protect, and make efforts to restore the environment.

P7 – Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should support inclusive growth and equitable development.

## Automotive Stampings and Assemblies Limited

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Has the policy been formally communicated to all relevant internal and external stakeholders?	TCoC and the policies which are relevant to the stakeholders are being communicated to the respective stakeholders based on their relevance.								
7.	Does the company have in-house structure to implement the policy/policies?	Since the applicability of the provision to the company become effective from the FY 2022-23. Company will take necessary initiative.								
8.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Whistle Blower Mechanism provides employees to report any concerns or grievances pertaining to any potential or actual violation of TCoC, which covers all aspects of BRR. An Investor grievance mechanism is in place to respond to investor grievances. The Customer Complaints mechanism records the grievances of customers on product and service quality and other issues of interest to them. The supplier, vendor, dealer and channel partner forums and ongoing communication captures their concerns and grievances. The continual community engagement needs assessments, impact assessment serve as a means for communities to represent their concerns and grievances.								
9.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. The implementation of TCoC and other policies are reviewed through internal audit function/ Ethics Counselor. The Quality, Safety & Health and Environmental policies are subject to internal and external audits as part of certification process.								

Principles	Applicable Policies	National/International Standards Certification
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	1. Tata Code of Conduct 2. Whistle Blower Policy 3. Health, Safety and Environment Policy	ISO 14001:2015 ISO 45001:2018 IATF 16949 (IATF Standards) IS14489:1998 AIS-037, AIS095 and AIS037
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	1. Health, Safety and Environment Policy 2. Sustainable guideline for Supplier	ISO 14001:2015 ISO 45001:2018 IATF 16949 (IATF Standards) IS14489:1998 AIS-037, AIS095 and AIS037
Principle 3: Businesses should promote the well-being of all employees.	1. Health, Safety and Environment Policy 2. Whistle Blower Policy 3. TACO (TOPS) Policies	ISO 45001:2018 IS14489:1998
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	1. Tata Code of Conduct 2. Sustainable Policy 3. Corporate Social Responsibility Policy 4. Affirmative Action Policy	--
Principle 5: Businesses should respect and promote human rights.	1. Tata Code of Conduct 2. Sustainable Policy 3. Whistle Blower Policy 4. Affirmative Action Policy	--
Principle 6: Businesses should respect, protect, and make efforts to restore the environment.	1. Health, Safety and Environment Policy 2. Corporate Social Responsibility Policy	ISO 14001:2015
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	1. Tata Code of Conduct	--
Principle 8: Businesses should support inclusive growth and equitable development.	1. Corporate Social Responsibility Policy 2. Affirmative Action Policy	ISO 45001:2018 IS14489:1998
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	1. Sustainable Guideline for Supplier	AIS-037, AIS095 and AIS037

*All the policies are carved from its guiding principles and core values. These policies are mapped to each principle hereunder:*

### 3. Governance related to BR

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

The Company has dedicated Health & Safety Committee at the plant level to oversee the overall implementation of the BR Health and Safety practices and its performance. CEO of the Company reviews the status of Safety Practises on a quarterly basis and update to the Board on its status. Further, plant wise Company Conduct Health Check-up drive on Yearly basis.

## Automotive Stampings and Assemblies Limited

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

Since the applicability of the provision to the company become effective from the FY 2022-23. Going forward company will take necessary initiative.

### **Section E: Principle-wise performance**

#### **Principle 1: Ethics, Transparency and Accountability**

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

The Company has adopted the Tata Code of Conduct (TCOC) to remain consistently vigilant and ensure ethical conduct of its operations. All internal and external stakeholders of the Tata Group are expected to work within boundaries of the TCOC. The Company ensures compliance of ethical standards by its vendors and contractors through appropriate clauses in their work contracts to which they are obligated. Generally, the contract includes clauses in relation to Human Rights Protection, Corruption practices and other topics related to ethics. Training and awareness on TCOC is provided to all employees and relevant stakeholders are also made aware of the same from time to time.

The Company has a 'Tata Code of Conduct' that guides our suppliers and dealers on topics such as regulatory compliances, prevention of bribery and corruption, protection of human rights, health and safety, environment, conflict of interest, reporting violations etc.

The Company also has a Whistle Blower Mechanism, which is governed by the Whistle Blower Policy.

Through this it has placed mechanisms for ensuring confidentiality and protecting the whistle blower from any harassment/ victimization. The Policy covers instances pertaining to any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the whistle blowers right to continue to perform his duties / functions including making of any further protected disclosure. The Policy is directly monitored by the Chairman of the Audit Committee and the Group Ethics Officer.

#### **Ethics Helpline:**

The Company has an ethics counsellor where employees can place anonymous complaints against ethics violations as per the Policy of the Company. The ethics helpline can be reached in the following ways:

A whistle-blower can report his / her ethical concerns by sending concern either to Audit Committee Chairman or to Ethics Counsellor.

Oral reports will normally be documented as a written transcription of the oral report by the Chief Ethics Counsellor / Chairman of the Audit Committee.

#### **Written application:**

All concerns can be reported to Chief Ethics Counsellor / Chairman of the Audit Committee in Hindi, English or any regional language.

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.

Stakeholders complaint received	Nil
Stakeholders Compliant resolved	N.A.
Percentage of complaint resolved	N.A.

The above stakeholder complaints are related to TCoC concerns, investor complaints. TCoC concerns included complaints on employee relations, financial impropriety, legal compliance and unfair business practices.

The Company had setup an Investor Grievance Mechanism to respond to investor grievances in a timely and appropriate manner. The investor grievances are also reviewed at the Board level by the Stakeholders Relationship Committee and immediate action is taken to resolve the same. The TCoC concerns are resolved through internal review mechanism by Ethics Counsellor and Senior Management.

### Principle 2: Product Life Cycle Sustainability

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

Company is in the business of built to print parts. Company follows specifications provided by customers.

- For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product (optional):**
- Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?**

The Company has laid focus on sustainable approaches within various areas of its operations. The company has replaced Diesel-powered forklifts with Battery-operated forklifts to reduce fossil fuel consumption in the past years. Efforts on sustainable sourcing initiatives have led to in-sourcing of several bought-out parts that has led to reduction in transportation costs. Detailed analysis of variety of steel scrap has led to use of scrap off-cuts to produce child parts thus reducing fresh raw material requirements. Use of blanking and nesting software has led to reduction in blank sizes and gross weight. These initiatives have positively impacted the carbon footprint generation. Hard-chrome plating of stamping dies has led to reduction of oil consumption in the production processes. Optimisation of pallet design has led to accommodating more parts per pallet, leading to reduction in number of vehicle trips for delivery to Customers.

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

The Company has formulated Sustainability Guidelines for its Suppliers, Environmental Policy and Sustainability Policy to engage with its value chain partners on sustainability. The Tata Code of Conduct provides the foundation to abide with sustainable fair, equitable and transparent business practices for suppliers and addresses topics such as regulatory compliance, prevention of bribery and corruption, protection of human rights, health and safety, environment etc. The Company continues to work with its Supplier Partners to ensure sustainable sourcing.

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

Yes.

## Automotive Stampings and Assemblies Limited

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

The Company took significant initiatives to enhance the capabilities of local and small vendors. While the basic criteria for selection of goods and services are quality, reliability and price, ASAL encourages small organizations, particularly promoted by entrepreneurs from socially backward communities. ASAL has also supported suppliers to meet their raw material / hardware purchasing needs from Tier II suppliers. This has helped the suppliers to improve their own capabilities.

The Company engages with suppliers for providing training on different topics such as governance, legal compliance, TCoC, Management system certification, transparency & reporting, Occupational Health and Safety, labour and Human Rights.

**6. 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 is primarily focussing on recycling of water and steel scrap. 100% of discharged water is recycled and used in gardening and other applications. 100% of process Steel scrap is recycled through nominated supplier. Company is reviewing to initiate other such opportunities like oils and packaging.

### Principle 3: Employee Wellbeing

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

1390 as on 31st March, 2022

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

981

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

5 as on 31st March, 2022

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

Nil

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

Yes

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

100% of permanent workmen are part of employee associations recognized by Management. This does not include permanent white-collar staff.

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

Nil



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

- a. **Permanent Employees:** 100%
- b. **Permanent Women Employees:** 100%
- c. **Casual/Temporary/Contractual Employees:** 100%
- d. **Employees with Disabilities:** N.A.

Safety has always been of paramount importance to the Company. Safety training formed part of the 'Induction Programme' and was provided to all employees. The safety induction programme is compulsory for all categories of employees prior to their inducted into the system. Training and Capability Building across organization is considered as a key element of Safety Processes.

The skill upgradation especially at the shop-floor level is a continual activity. The learning and development needs of Management cadre employees were met through the Company's L&D structure which included various training delivery mechanisms.

Following are the details of the training provided on POSH and TCoC:

Course Title	Number of employees covered	Total hours of training for FY 2021-22
Prevention of Sexual Harassment (POSH)	149	149
Tata Code of Conduct	149	75
Total		224

**Principle 4: Stakeholder Engagement**

**1. Has the company mapped its internal and external stakeholders?**

Yes, the Company identified its internal and external stakeholders which are as follows:

Internal and External Stakeholders	Policies/Mechanism to look after concerns of Stakeholders
1. Investors	Whistle Blower Mechanism, Investor Grievance Resolution Mechanism
2. Employees	TCOC, Health, Safety and Environment Policy
3. Vendors/suppliers	Sustainable Guideline for Vendors, Annual Vendor Meetings, Group Level TCOC Communications
4. Customers	Customer Satisfaction Survey
5. Environment/Society	CSR Policy, Sustainable Policy, Affirmative Action Policy

Stakeholders' views and suggestions are incorporated into business strategies. The Company engages with different stakeholder groups which help in identifying the critical issues that needed immediate attention.

## Automotive Stampings and Assemblies Limited

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

Since the applicability of the provision to the company become effective from the FY 2022-23. Going forward company will take necessary action. However, Companies CSR programmes are mainly driven towards education and Skill development of school children.

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

The Company's CSR programmes are aimed at serving the needy, deserving, socio-economically backward and disadvantaged communities, to improve the quality of their lives.

### Principle 5: Human Rights

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

The Company respects human rights, which is an integral part of TCoC. The Company has formulated an Affirmative Action Policy, adhere to Tata Code of Conduct, Whistle Blower Policy and also adhere to Tata Autocomp Operating Processes (TOPS).

The Company encourage and set expectations for its suppliers, vendors, contractors and other business partners, associated to adhere to principles of human rights laid out in TCoC, Supplier Code of Conduct, and Sustainability Guidelines for Suppliers & vendors.

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

No material concern related to violation of fundamental human rights of individuals was received during the financial year.

### Principle 6: Environment

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

The Company has formulated a Health, Safety and Environment Policy which is applicable all stakeholders. These Policies reaffirms value system commitments to integrate environmental, social and ethical principles into the Company's business and innovated sustainable mobility solutions with passion to enhance quality of life of communities.

**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.**

Yes. Company is using more fuel-efficient as well as battery powered vehicles, regular preventive maintenance of the machinery resulting into less noise pollution. Further, Company use Variable Frequency Drive for press machines to regulated fluctuating electricity consumption resulting into optimum consumption of electricity utilisation. Employees are encouraged to use less paper. Also, Company indulge in planting activities. A more structured approach is being planned in the coming year.

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

Yes. Company has Enterprise Risk Management (Risk Register) where in company identify and assess potential environmental 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?**

Company will review on this initiative to initiate suitable measures if any.

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

The Company continues to work on improving energy efficiency and increased consumption of renewable energy. The company has installed roof top solar system in both the plants.

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

- The manufacturing plants in India possess current and valid 'Consents to Operate' and 'Hazardous Waste Authorizations'.
- All the plants are compliant within the permissible limits prescribed by Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) for air emissions, effluent quality and discharge, and hazardous waste disposal.

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 are no Show Cause Notices / legal notices from CPCB/SPCBs pending resolution by the Company as on end of FY 2021-22.

## Principle 7: Policy Advocacy

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

Yes. Confederation of Indian Industries

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

No

## Principle 8: Inclusive Growth

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

Going forward company will take necessary action.

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

The social programmes and projects are deployed by the Company directly;

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

Since the applicability of the provision to the company become effective from the FY 2022-23. Going forward company will take necessary action.

## Automotive Stampings and Assemblies Limited

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

Company voluntarily under taking CSR Activities. Wherein, Company employees contribute in terms of Man Hours. Currently, Company is working on Skill and hygiene development among the Children at Zilha Parishad Schools and activities related to protection of stray dogs.

The details of projects:

**Project HoPE** (Holistic and Progressive Education) focuses at ZPP School Childrento promoting education, including special education and employment enhancing vocation skills especially among children.

**Project Sehat** focuses on promoting health care including preventive health care and sanitation among children

**Aakar** (Life Skills Education)emotional literacy and self-introduction. Also develop communicational skills.

**Sahjeevan** (Co-existence)provide an end-to-end solution for stray dogs, who face cruelty by abandonment, who inadvertently contribute to the growing street dog population and become the source of human-dog conflict in urban ecosystems.

**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.**

Company will review on this initiative to initiate suitable measures if any

### Principle 9: Customer Value

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

No cases are pending.

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

Not applicable for products supplied by ASAL.

**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.**

Nil

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

Company Supply its products to OEM's and not to consumers directly.

## REPORT ON CORPORATE GOVERNANCE

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

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company's business objective is to manufacture its products in such a way as to create value that can be sustained over the long term for its customers, shareholders and employees.

The Company is conscious of the fact that its success is a reflection of the professionalism, conduct and ethical values of its management and its employees.

Pursuant to Listing Regulations, the Company has executed fresh Listing Agreement with the Stock Exchange(s).

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

A report, in line with the requirements of Listing Regulations for the year ended March 31, 2022 is given below:

### BOARD OF DIRECTORS:

- **Composition of the Board:**

The Board of Directors of the Company consists of six Directors as on March 31, 2022. All six are Non-Executive Directors of whom three are independent with one being a Woman Director.

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

Further, Mr. Sanjay Sinha, Non-Executive Director of the Company resigned from the post of Director on October 23, 2021. Mr. Sanjay Sinha was appointed on the Board of the Company in the year 2018 and the Company immensely benefitted from his vision and leadership during his tenure.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other. None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all Public Companies in which he/ she is a Director. For this purpose, membership / Chairmanship in Audit Committee and Stakeholders Relationship Committee are considered. Further no person has been appointed or continues as an alternate director for an Independent Director of the Company. The necessary disclosures regarding Committee positions have been made by all the Directors.

## Automotive Stampings and Assemblies Limited

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

The Company has adopted the “Tata Code of Conduct” for all the employees of the Company. Tata Code of Conduct (TCoC) is a comprehensive written code which is applicable to all employees including CEO, the Managing and Executive Directors.

The TCoC is augmented by a number of policies that help strengthen governance practices at the Company. The Code lays emphasis amongst other things, on the integrity at workplace and in business practices, honest and ethical personal conduct, diversity, fairness and respect etc.

The Board has also approved a “Code of Conduct for Non-Executive Directors”. The Code was suitably modified in October, 2014 to include the duties of Independent Directors as laid down in the Act. The Code of Conduct for the employees as well as Non-Executive Directors is posted on the website of the Company: [www.autostampings.com](http://www.autostampings.com).

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

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

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

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

The Company has revised the Whistle-Blower policy to include “reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information (UPSI)” in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and the revised Vigil Mechanism / Whistle Blower Policy was approved by the Audit Committee and the Board effective from April 1, 2019 respectively.

The policy as approved may be accessed on the Company’s website at the link [www.autostampings.com](http://www.autostampings.com). All Directors and employees have access to the Chairman of the Audit Committee. The policy with the name and address of Chairman of the Audit Committee has been circulated to the employees. Further no personnel have been denied access to the Audit Committee during the period under review.

- **Number of Board Meetings:**

During the financial year 2021-22, 6 (Six) Board Meetings were held and the gap between two Board Meetings did not exceed 120 days. The meetings were held on April 05, 2021, April 26, 2021, July 24, 2021, October 23, 2021, January 25, 2022 and March 09, 2022. The necessary quorum was present for all the above Board Meetings.

- Information placed before the Board:**

During FY 2021-22, Agenda papers along with detailed notes are being circulated in advance of each meeting of the Board. Information as mentioned under Part A of Schedule II of Listing Regulations have been placed before the Board for its consideration from time to time.

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

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

The Company did not have any pecuniary relationship or transactions with its Non-Executive and/or Independent Directors during the year 2021-22.

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

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

The information tabled as follows is as on March 31, 2022:

Name of Director (DIN)	Category of Directorship	No. of Board Meetings Attended during FY 2021-22	Whether attended last AGM held on May 28, 2021 (Yes/ No)	Number of Directorship in other public Companies **	Directorship in listed entity and the category of Directorship	Number of Committee positions held in public companies@	
						Chairman	Member
Mr. Pradeep Bhargava ^ (DIN: 00525234)	Chairman, Non-Executive, Independent	6	Yes	5	• Automotive Stampings And Assemblies Limited - Non Executive Independent Director • Persistent Systems Limited - Non Executive Independent Director • HimatsingkaSeide Limited- Non Executive Independent Director	-	3
Mr. Prakash Gurav (DIN: 02004317)	Non-Executive, Independent	6	Yes	7	•Automotive Stampings And Assemblies Limited - Non Executive Independent Director	5 <sup>1</sup>	9 <sup>1</sup>
Ms. Bhavana Bindra (DIN: 07314422)	Non-Executive, Independent	6	Yes	4	• Automotive Stampings And Assemblies Limited –Non Executive Independent Director • Kennametal India Limited –Non Executive Independent Director	-	2
Mr. Arvind Goel (DIN:02300813)	Non-Executive, Non Independent	6	Yes	6	•Automotive Stampings And Assemblies Limited –Non Executive Director • Tata AutoComp Systems Limited – Managing Director & CEO	-	-
Mr. Deepak Rastogi (DIN:02317869)	Non-Executive, Non Independent	6	Yes	2	• Automotive Stampings And Assemblies Limited – Non Executive Director	2	3
Mr. Sanjay Sinha\$ (DIN: 08210898)	Non-Executive, Non Independent	4	Yes	1	•Automotive Stampings And Assemblies Limited – Non Executive Director	-	2
Mr. Bharat Parekh (DIN: 01521346)	Non-Executive, Non Independent	6	Yes	3	• Automotive Stampings And Assemblies Limited – Non Executive Director	-	2

## Automotive Stampings and Assemblies Limited

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

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

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

! Mr. Prakash Gurav Ceased to be director of the Company Powerica Limited since March 31, 2022.Hence, ceased to be members of the Committees as well April 01, 2022 onwards.

Mr. Sanjay Sinha, resigned from the post of director on October 23, 2021.

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

### Notes:

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

- a) They meet the criteria of independence and fulfil the conditions specified in Listing Regulations and Section 149 of the Act and are independent of the management.
- b) They are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence In terms of Regulation 25(8) of Listing Regulations.
- c) Not being a Director in more than ten public companies (to a limit of seven listed companies) and ten private companies, aggregating to not more than twenty companies. Further, confirmation from Independent Director to adhere to this requirement for FY 2021-22 as well.
- d) They have complied with the requirement of inclusion of their name in the data bank maintained by Indian Institute of Corporate Affairs as envisaged under Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, as applicable and they hold valid registration certificate with the Data Bank of Independent Directors.

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



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

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

## AUDIT COMMITTEE:

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

The Committee comprises 4 (four) Members, 3 being Independent Directors and one Non-Executive Director.

Mr. Prakash Gurav is the Chairman of the Committee and Mr. Pradeep Bhargava, Ms. Bhavna Bindra and Mr. Deepak Rastogi are the other Members.

All the Members are financially literate and two members have accounting or related financial management expertise. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and Listing Regulations.

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

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

The Chairman of the Audit Committee was present at the 31st Annual General Meeting held on May 28, 2021.

## Automotive Stampings and Assemblies Limited

### • Terms of Reference of Audit Committee:

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

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

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Audit Committee shall mandatorily review the following information:

- 1) Management Discussion and Analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal Audit reports relating to internal control weaknesses; and
- 5) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- 6) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).
- 7) Compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year (effective from April 1, 2019) and shall verify that the systems for internal control are adequate and is operating effectively.

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

Four Audit Committee meetings were held during financial year 2021-22. The meetings were held on April 26, 2021, July 24, 2021, October 23, 2021 and January 25, 2022. The necessary quorum was present at all the Audit Committee Meetings.

## Automotive Stampings and Assemblies Limited

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

Name of Director	Designation	Category of Directorship	No. of meetings attended #
Mr. Prakash Gurav	Chairperson	Non-Executive, Independent	4
Mr. Pradeep Bhargava	Member	Non-Executive, Independent	4
Ms. Bhavna Bindra	Member	Non-Executive, Independent	4
Mr. Deepak Rastogi	Member	Non-Executive Director	4

# Number of meetings held during financial year 2021-22: Four

### NOMINATION AND REMUNERATION COMMITTEE:

The Company has Nomination and Remuneration Committee of the Board in compliance with the requirements of Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee comprises (3) three Members of whom two are Independent Directors.

Mr. Prakash Gurav is the Chairman of the Committee. Mr. Pradeep Bhargava and Mr. Arvind Goel are the other Members of the Committee.

### The terms of reference are as under:

- (1) Recommend to the Board the setup and composition of the Board and its Committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
- 2) Periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- 3) Identifying person who are qualified to become Directors and who may be appointed in Senior Management in accordance with criteria laid down and Recommend to the Board their appointment or removal.
- 4) Devise a policy on Board diversity.
- 5) Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by the Committee).
- 6) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors.
- 7) Formulation of criteria for evaluation of Independent Directors and the Board.
- 8) Oversee the performance review process of the KMP and the executive team of the Company.
- 9) Recommend to the Board the remuneration policy for Directors, Senior Management / executive team/ KMP as well as the rest of the employees.
- 10) Recommend to the Board all remuneration in whatever form payable to Directors, KMP and Senior Management / other employees of the Company.
- 11) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 12) Oversee familiarization programmes for Directors.

- 13) Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and Senior Management / executive team).
- 14) Performing such other duties and responsibilities as may be consistent with the provisions of the Committee Charter.

Three meetings of the Nomination and Remuneration Committee were held during the financial year 2021-22. The meetings were held on April 05, 2021, October 23, 2021 and March 09, 2022.

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

Name of Director	Designation	Category of Directorship	No. of meetings attended#
Mr. Prakash Gurav	Chairperson	Non-Executive, Independent	2
Mr. Pradeep Bhargava	Member	Non-Executive, Independent	3
Mr. Arvind Goel	Member	Non-Executive, Director	3

# Number of meetings held during the financial year 2021-22: Three

#### DETAILS OF REMUNERATION TO ALL DIRECTORS:

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

#### 1. Details of managerial remuneration for the financial year 2021-22 are given below:

(₹. in Lakhs)

Name	Salary and Allowances	Perquisites	Retirement Benefits	Contribution to Funds	Total
Mr. Jitendraa Dikkshit Manager	56.09	24.87	6.67	-	87.63

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

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

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

##### Sitting fees to Directors:

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

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The details of Sitting Fees to Non-Executive Directors for the financial year 2021-22 are as under:

Sl. No.	Name of the Director	Amount (₹. in Lakhs)
1.	Mr. Pradeep Bhargava	6.50
2.	Mr. Prakash Gurav	6.20
3.	Ms. Bhavna Bindra	5.00
4.	Mr. Arvind Goel	-
5.	Mr. Deepak Rastogi	-
6.	Mr. Sanjay Sinha*	-
7.	Mr. Bharat Parekh	-

\*Mr. Sanjay Sinha resigned from the post of director on October 23, 2021.

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

### STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee comprises three Non-Executive Directors, Mr. Deepak Rastogi as Chairman, Mr. Prakash Gurav, Mr. Sanjay Sinha\* and Mr. Bharat Parekh\* as Members.

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

#### • Terms of Reference

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

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

9. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.; and

10. Recommend measures for overall improvement of the quality of investor services.

One meeting of the 'Stakeholders Relationship Committee' was held during the financial year 2021- 22 on January 25, 2022.

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

Name of Director	Designation	Category of Directorship	No. of meetings attended#
Mr. Deepak Rastogi	Chairman	Non-Executive, Non-Independent	1
Mr. Prakash Gurav	Member	Non-Executive, Independent	1
Mr. Sanjay Sinha*	Member	Non-Executive, Non-Independent	0
Mr. Bharat Parekh*	Member	Non-Executive, Non-Independent	1

# Number of meetings held during financial year 2021-22: One

\*Mr. Sanjay Sinha resigned from the post of director w.e.f October 23, 2021. Consequently, ceased to be member of the Committee. Mr. Bharat Parekh was appointed as a member of SRC Committee w.e.f October 23, 2021.

The details of Shareholders Complaints received so far, resolved and pending during the Financial Year 2021-22 are as follows:

Opening Balance	Received during year	Resolved during year	Pending/ closing balance	Not solved to the satisfaction of Shareholders
0	14	14	0	-

There were no pending Shareholders complaints as on March 31, 2022.

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

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

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

Mr. Prasad Zinjurde, Company Secretary is the Compliance Officer of the Company.

The Share transfers approved by the Committee are placed at the Board meetings from time to time. The Company attends to the Investor correspondence promptly. There were no pending share transfers as on March 31, 2022.

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

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

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

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

\*Mr. Sanjay Sinha resigned from the post of director w.e.f October 23, 2021. Consequently, ceased to be member of the Committee. Mr. Bharat Parekh was appointed as a member of CSR Committee w.e.f October 23, 2021.

The role of the Committee includes the following:

1. To formulate and recommend to the Board, the CSR Policy to be undertaken by the Company.
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause above.
3. To monitor implementation of CSR activities in terms of CSR Policy.
4. To monitor compliance requirements of the Act and Rules made there under w.r.t. CSR.
5. To oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
6. To oversee activities impacting the CSR projects.
7. To monitor the CSR policy and expenditure of the material subsidiaries.

### FAMILIARISATION PROGRAMME FOR DIRECTORS:

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

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time. The information w.r.t. the nature of industry in which the Company operates and business model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board.

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

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

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

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



directors, the Board and its Committees; and (c) a policy on Board diversity.

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

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

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

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

Pursuant to the provisions of the Act, Listing Regulations and Guidance Note on Board Evaluation issued by SEBI vide Circular dated January 5, 2017, the Board has carried out the annual performance evaluation for FY 2021-22 of its own performance, the Directors individually as well as the evaluation of the working of its Committees viz. ‘Audit Committee’, ‘Nomination and Remuneration Committee’, ‘Corporate Social Responsibility Committee’; and the ‘Stakeholders Relationship Committee’.

➤ **EVALUATION OF INDIVIDUAL DIRECTORS:**

- The review of the performance of all the Directors (including the Chairman) was also evaluated for FY 2021-22 by the Nomination and Remuneration Committee.
- The performance review of the Non-Independent Directors was evaluated for FY 2021-22 in the meeting of the ‘Independent Directors’.
- Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Director being evaluated.

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of above criteria. Additionally, for the Chairman, the key aspects of the role have been considered like: (a) Efficient leadership, decisive, courteous, professionalism, coordinate the discussion

## Automotive Stampings and Assemblies Limited

and steer the meeting effectively; (b) Impartial in conducting discussions, seeking views and dealing with dissent; and (c) Communicating effectively with all stakeholders and enable meaningful relationships as required.

### ➤ **EVALUATION OF BOARD:**

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

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

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

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

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

### ➤ **Meeting of Independent Directors:**

During the year under review, the Independent Directors met on March 09, 2022 and:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole for FY 2021-22 and Chairman of the Company, taking into account the views of executive directors and non-executive directors.; and
2. Assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

All the Independent Directors were present at the Meeting.

In the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual Directors was also discussed. The performance of the Chairman was evaluated for FY 2021-22 by the 'Nomination and Remuneration Committee' and the Board.

### **Board Diversity:**

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

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

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

1. Independent Directors (“ID”) and Non-independent Non-executive Directors (“NED”) may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be Members) and commission within regulatory limits.
2. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the ‘Nomination and Remuneration Committee’ and approved by the Board.
3. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
4. Overall remuneration should be reflective of size of the Company, complexity of the sector/industry/ Company’s operations and the Company’s capacity to pay the remuneration.
5. Overall remuneration practices should be consistent with recognized best practices.
6. Quantum of sitting fees may be subject to review on a periodic basis, as required.
7. The aggregate commission payable to all the NEDs and IDs will be recommended by the ‘Nomination and Remuneration Committee’ to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
8. The ‘Nomination and Remuneration Committee’ will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
9. In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board Committee Meetings, General Meetings, Court Convened Meetings, Meetings with Shareholders/ Creditors/ Management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

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

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
  - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
  - Driven by the role played by the individual,
  - Reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay
  - Consistent with recognized best practices; and
  - Aligned to any regulatory requirements.
- In terms of remuneration mix or composition:
  - The remuneration mix for the MD/ EDs/ Manager/ Chief Executive Officer is as per the contract approved by the Shareholders. In case of any change, the same would require the approval of the Shareholders.

## Automotive Stampings and Assemblies Limited

- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
- The Company provides retirement benefits as applicable. Excludes employee covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides such remuneration by way of annual incentive remuneration/ performance incentive subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
  - a. Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
  - b. Industry benchmarks of remuneration,
  - c. Performance of the individual.

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

- **Remuneration payable to Director for services rendered in other capacity.**

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

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

## GENERAL BODY MEETINGS

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

AGM for the financial year	Date & Time of AGM	Venue	No. of Special Resolutions	Details of Special Resolutions passed
2020-21	May 28, 2021 at 11:00 a.m.	Through Audio Video Mean Deemed Venue:	2	1. Revision in remuneration of Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer and payment of Incentives. 2. To approve Related Party transactions of the Company with FIAT India Automobiles Pvt. Ltd. (FIAT)
2019-20	August 20, 2020 at 11.00 a.m.	Through Audio Video Mean Deemed Venue:	1	1. Appointment of Mr. Jitendraa Dikkshit as a Manager designated as Chief Executive Officer
2018-19	July 1, 2019 at 10.00 a.m.	Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.	3	1. Re-appointment of Mr. Pradeep Bhargava (DIN:00525234) as Non-Executive Independent Director of the Company for second term of four consecutive years w.e.f. July 22, 2019. 2. Re-appointment of Ms. Rati Forbes (DIN: 00137326) as Non-Executive Independent Director of the Company for second term of one consecutive year w.e.f. July 22, 2019. 3. Approval under Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 wrt appointment of Mr. Neeraj Shrivastava as a Manager designated as Chief Executive Officer and approval for his remuneration for a period of 3 years from August 6, 2018 to August 5, 2021

Postal Ballot for the financial year	Date of Postal Ballot	Details of Special Resolutions Passed	VOTING RESULTS		Person Conducted Postal Ballot exercise
2021-22	September 01, 2021	NIL	NIL	NIL	Jayesh Parmar PCS C.P. No. 17776
2021-22	June 03, 2021	To approve sell / transfer / dispose of ownership rights in land along with building situated at Chakan plant and Halol plant.	No. of Votes in Favour No. of Votes in against Voting Result	11,901,343 364 Pass	Jayesh Parmar PCS C.P. No. 17776

The Shareholders passed all the Resolutions set out in the respective Notices. One Special Resolution was passed in last year through Postal ballot.

No Extraordinary General Meeting of the members was held during FY 2021-22.

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

## Automotive Stampings and Assemblies Limited

### DISCLOSURES

- Risk Management Framework**

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

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

- Related Party Transactions**

During the financial year 2021-22, the Company had transactions with related parties as defined under the Act and Listing Regulations. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the 'ordinary course of business' and on 'arm's length basis'. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and / or repetitive in nature.

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

Sr. No.	AGM Details	Particulars
1	28th Annual General Meeting held on June 05, 2018	W.r.t. transactions with Tata Capital Financial Services Limited, Tata Steel Processing and Distribution Limited, and Tata Autocomp Systems Limited (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2017 and April 1, 2019 respectively.
2	29th Annual General Meeting held on July 01, 2019	W.r.t. transactions with Tata Motors Limited, (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2019.
3	30th Annual General Meeting held on August 20, 2020	W.r.t. transactions with Tata Autocomp Hendrickson Pvt Ltd and Tata Autocomp Systems Limited (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2020.
4	31st Annual General Meeting held on May 28, 2021	W.r.t. transactions with FIAT India Automobiles Pvt. Ltd. (FIAT) (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2021.
5	Postal Ballot (Through Remote E-Voting) on August 30, 2021	1. W.r.t. transactions with FIAT India Automobiles Pvt. Ltd. (FIAT) (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2021. 2. W.r.t. transactions with Tata Steel Downstream Products Limited (TSDPL) (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2021. 3. W.r.t. transactions with Tata Ficosa Automotive Systems Private Limited (TFASPL) (being material RPTs as per Ind-AS) for a period of 5 years w.e.f. April 1, 2021.

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

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

Except transactions with Tata AutoComp Systems Limited, Tata Motors Limited, Fiat India Automobiles Private Limited, Tata Capital Financial Services Limited and Tata Steel Processing and Distribution Limited there were no material related party transactions in terms of Listing Regulations, during the financial year. Suitable disclosure as required has been made in the Note No. 37 to the Financial Statements. The Board has revised its 'Policy on Related Party Transactions' in line with SEBI Listing Regulations amendments w.e.f. April 1, 2020 which has been uploaded on the Company's website: [www.autostampings.com](http://www.autostampings.com).

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

#### • **Management Disclosures**

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

#### **MEANS OF COMMUNICATION**

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

#### **GENERAL SHAREHOLDER INFORMATION**

- AGM: Day, Date, Time and Venue      Thursday, June 09, 2022 at 11.00 a.m. (IST)  
Annual General Meeting at Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.
- Financial year:      April 1st to March 31st.
- Profile of Directors being re-appointed:

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

## Automotive Stampings and Assemblies Limited

Profile of Mr. Arvind Goel (DIN 02300813) who is being re-appointed:

Date of Birth and Age	October 13, 1957 – 64 years
Date of first Appointment	January 21, 2019
Qualifications	Mr. Arvind Goel holds a degree of BE Mechanical from NIT Kurukshetra. He has also attended several leadership and skill enhancement programs including Advanced Leadership Development at Center for Creative Leadership at Singapore and Strategy creation by Harvard.
Expertise in specific functional areas	Mr. Arvind Goel is the MD & CEO of Tata AutoComp Systems Limited (Tata AutoComp). Mr. Goel joined Tata AutoComp in 2008 as President and Head Business Group where he was responsible for a group of Business Units of Tata AutoComp. Mr. Goel was then elevated to the position of COO and President Strategic Growth, where he was responsible for Mergers and Acquisitions. Under his leadership, Tata AutoComp entered into 3 new Joint Ventures and acquired TitanX, a global leader in Engine and Powertrain cooling system based in Sweden. TitanX has plants across North America, Latin America, Europe and China. Mr. Goel also serves on the Boards of some companies within Tata AutoComp. Prior to joining Tata AutoComp, he was President and COO of Man Trucks and he has to his credit implemented this project in less than 30 months with a high degree of localization in Engine, Gear Box, and Axle as well as Vehicle assembly. Mr. Goel was earlier associated with Force Motors, Bajaj Tempo and Kirloskar Oil Engines at various leadership positions. He has actively worked in functions like Engineering, Manufacturing and also has been a Profit Center Head earlier. Mr. Goel has also been an active member of various industry bodies and currently serves on the Executive Committee of Automotive Components Manufacture Association (ACMA)
Terms and conditions of appointment/ re-appointment	Non-Executive Director liable to retire by rotation
Details of remuneration last drawn (FY 2021-22) and sought to be paid, if applicable	Nil
No. of Board Meetings attended during the FY 2021-22	6
Relationships* between Directors inter-se	NIL
List of Companies in which Directorships held as on March 31, 2022 (excluding foreign and Section 8 Companies)	<ol style="list-style-type: none"> <li>1. Automotive Stampings And Assemblies Limited</li> <li>2. Mahratta Chamber Of Commerce Industries And Agriculture</li> <li>3. Amtek Auto Limited</li> <li>4. Tata Autocomp Hendrickson Suspensions Private Limited</li> <li>5. Air International TTR Thermal Systems Private Limited</li> <li>6. Tata Autocomp Gotion Green Energy Solutions Private Limited</li> <li>7. Tata Autocomp GY Batteries Private Limited</li> <li>8. Tata Autocomp Systems Limited</li> <li>9. Tm Automotive Seating Systems Private Limited</li> <li>10. Tata Autocomp Katcon Exhaust Systems Private Limited</li> <li>11. Tata Ficosa Automotive Systems Private Limited</li> <li>12. Automotive Component Manufacturers Association Of India</li> <li>13. Tata Toyo Radiator Limited</li> <li>14. Taco Prestolite Electric Pvt. Ltd.</li> <li>15. Tata Autocomp Secopowertrain Pvt. Ltd.</li> </ol>
Chairmanship / Membership of specified Committees** of the Boards of above Companies as on March 31, 2022	Nil
No. of shares held in the Company: (a) Own (b) For other persons on a beneficial basis*	Nil

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

\*\* Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee.



- \* Mr. Arvind Goel and his relatives do not hold any shares in the Company and is not related with other Directors, Manager and other Key Managerial Personnel of the Company.
- Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee
- Financial Calendar for the financial year 2022-23:
    - (i) First Quarter Results – Before August 14, 2022;
    - (ii) Half yearly Results – Before November 14, 2022;
    - (iii) Third Quarter Results – Before February 14, 2023; and
    - (iv) Results for the year ending March 31, 2022 – Before end of May, 2023.
  - Dividend payment date The Board of Directors has not recommended a dividend due to inadequate profit in F.Y. 2021-22.
  - Date of Book Closure Friday, June 03, 2022 to Thursday, June 09, 2022 (Both days inclusive).
  - Listing on Stock Exchanges BSE Limited- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  
National Stock Exchange of India Limited-Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051  
The Company has paid listing fees for the period April 1, 2022 to March 31, 2023.
  - Stock Code “520119” on BSE Limited and  
“ASAL” on The National Stock Exchange of India Limited.
  - Demat ISIN Number for INE900C01027  
NSDL & CDSL
  - High/Low of market price of the Company’s shares traded on BSE Limited & The National Stock Exchange of India Limited during the year 2021 – 22 is furnished below:

Period	ASAL share prices on BSE		BSE Sensex		ASAL share prices on NSE		NSE Nifty	
	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹
April 21	35.55	31.00	50,375.77	47,204.50	34.95	30.50	15,044.35	14,151.40
May 21	41.20	31.70	52,013.22	48,028.07	41.40	31.35	15,606.35	14,416.25
June 21	76.70	38.00	53,126.73	51,450.58	76.75	37.80	15,915.65	15,450.90
July 21	82.00	58.10	53,290.81	51,802.73	82.30	57.60	15,962.25	15,513.45
Aug 21	71.00	47.70	57,625.26	52,804.08	67.70	47.95	17,153.50	15,834.65
Sep 21	64.05	53.10	60,412.32	57,263.90	63.75	53.00	17,947.65	17,055.05
Oct 21	93.20	58.55	62,245.43	58,551.14	94.55	59.40	18,604.45	17,452.90
Nov 21	214.10	92.00	61,036.56	56,382.93	214.45	91.30	18,210.15	16,782.40
Dec 21	656.70	224.80	59,203.37	55,132.68	657.85	225.15	17,639.50	16,410.20
Jan 22	923.85	474.45	61,475.15	56,409.63	925.45	475.25	18,350.95	16,836.80
Feb 22	547.75	236.30	59,618.51	54,383.20	548.70	232.20	17,794.60	16,203.25
Mar 22	587.65	266.35	58,890.92	52,260.82	584.30	269.40	17,557.95	17,440.75

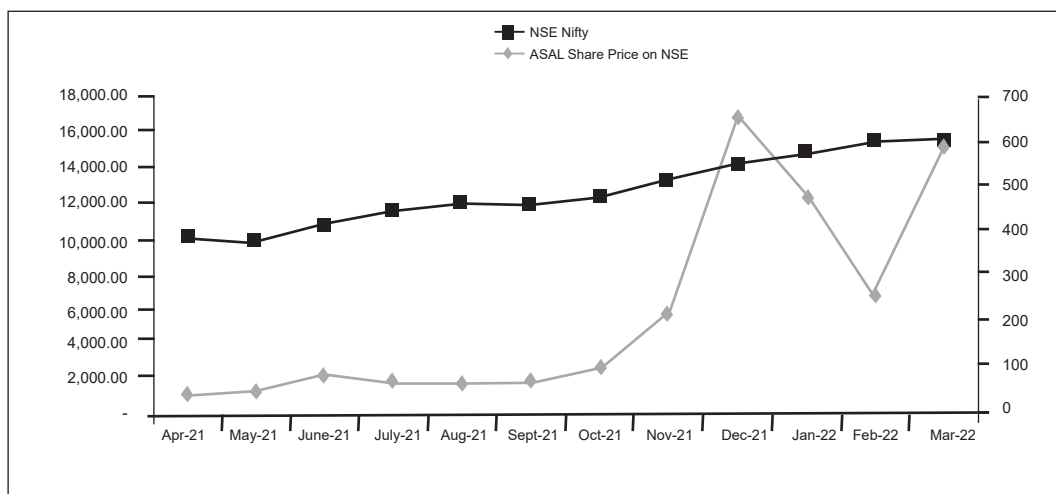
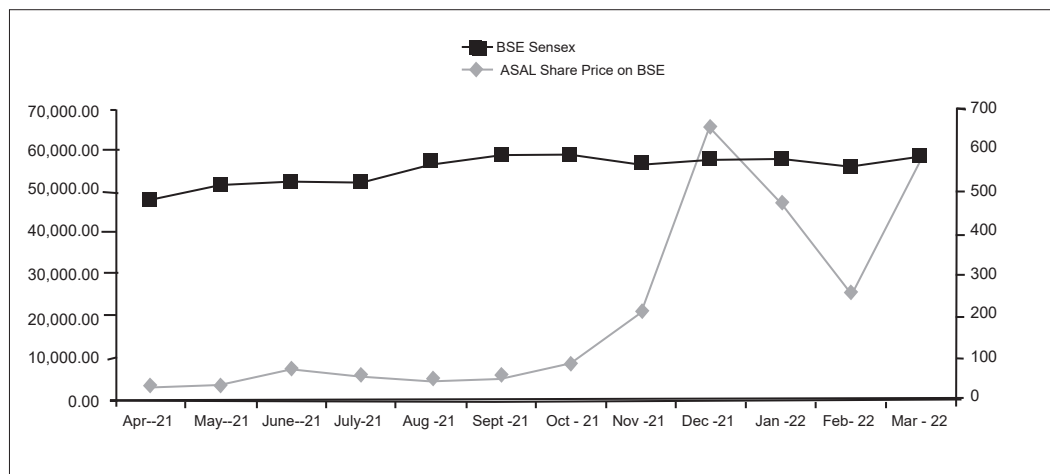
[Source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)]

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

# ASAL

Thirty-Second Annual Report 2021-22

## Automotive Stampings and Assemblies Limited



- During the F.Y. 2021-22 the securities are not suspended from trading.
- Registrar and Transfer Agents: The Company has appointed M/s. Link Intime India Pvt. Ltd. as Registrar and Transfer Agents having their office at: Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune 411 001. Tel. No. (020) 26160084 Fax No. (020) 26163503 Email Id: pune@linkintime.co.in
- Share Transfer System: All the transfers received are processed by the Registrar and Transfer Agent and are approved by the Committee of Executives of the Company constituted in this behalf. The Committee attends to share transfer formalities once in a week. Share transfers are registered and returned within a maximum period of 15 days from the date of lodgement, if documents are completed in all respects. In compliance with the Listing Regulations, the share transfer system is audited by a practicing Company Secretary in every six months and certificate to that effect is issued by him.
- Distribution of Shareholding and Shareholding pattern as on March 31, 2022:

The distribution of Shareholding as on March 31, 2022 was as follows:

Number of Shareholders	% to Total	Share Holding of Nominal Value of ₹	No. of Shares	Amount in ₹	% to Total
26892	96.24	up to 5,000	1328348	1,32,83,480	8.37
567	2.02	5,001 to 10,000	438995	43,89,950	2.76
239	0.85	10,001 to 20,000	350484	35,04,840	2.20
101	0.36	20,001 to 30,000	259084	25,90,840	1.63
40	0.1432	30,001 to 40,000	144285	14,42,850	0.9095
25	0.0895	40,001 to 50,000	116894	11,68,940	0.7368
45	0.1611	50,001 to 1,00,000	344187	34,41,870	2.1696
31	0.1110	1,00,001 and above	12882120	12,88,21,200	81.2014
<b>27940</b>	<b>100</b>	<b>Total</b>	<b>15864397.00</b>	<b>15,86,43,970</b>	<b>100</b>

• **Shareholding pattern as on March 31, 2022:**

Category	No. of Shares	Percentage of shareholding
Promoters	1,18,98,296	75
Banks, Financial Institutions, Insurance Companies, Central/ State Govt. Institutions, etc.	240	0.0015
Other Bodies Corporate	2,76,934	1.75
Non Resident Indians	1,10,632	0.70
Others	35,78,295	22.54
<b>Total</b>	<b>15864397</b>	<b>100</b>

- Dematerialization of shares: 99.84% equity shares of the Company and liquidity were held in dematerialized form as on March 31, 2022. The status of dematerialization of shares as on March 31, 2022 is as under:

Particulars	No. of shares	% of the total capital issued
Physical	25098	0.15
NSDL	13737506	86.59
CDSL	2101793	13.24

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

As on March 31, 2022, there is no such outstanding global depository receipt or American depository receipts or warrants or any other convertible instruments.

Disclosure of commodity price risks and commodity hedging activities:

The Company had managed the foreign exchange risk. The details have been disclosed in Note No. 45 to the notes to Annual Accounts.

## Automotive Stampings and Assemblies Limited

- Plant Locations :
  - a) Chakan Works (Plant -1): Gat No.427, Medankarwadi, Chakan, Taluka Khed, District, Pune- 410 501, Maharashtra
  - b) Chakan Works (Plant -2) Survey No. 679/2/2, Alandi Road, Kuruli, Chakan, Taluka: Khed, District, Pune - 410 501, Maharashtra, India
  - c) Pantnagar Works: Plot No. 71, Sector 11, IIE Pantnagar Industrial Estate, Udham Singh Nagar – 263 153, Uttarakhand.

- Address for correspondence :

Shareholders correspondence should be addressed to our Registrars and Share Transfer Agents at the address mentioned above. Shareholders may also contact the Secretary of the Company at the Registered Office of the Company for any assistance: 'TACO House, Plot No- 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune: 411004, Maharashtra, India'. The Secretary has designated following Email ID for investors' correspondence and redressal of their grievances and complaints Email: [cs@autostampings.com](mailto:cs@autostampings.com).

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

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

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

### CEO & CFO CERTIFICATION:

A Certificate by Mr. Jitendraa Dikkshit, Chief Executive Officer and Mr. Yogesh Jaju, Chief Financial Officer, in terms of Regulation 17(8) of Listing Regulations was placed before the Board at its meeting held on April 25, 2022.

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

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

### REGULATIONS FOR PREVENTION OF INSIDER TRADING:

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

Board at its meeting held on April 25, 2022 have ensured compliance with the provisions of SEBI (Prohibition Of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year (effective from April 1, 2019) and verified that the systems for internal control are adequate and are operating effectively.

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

## **OTHER SHAREHOLDERS RELATED INFORMATION:**

Regulation 39(4) & Schedule VI of Listing Regulations w.r.t. Unclaimed Shares

- As per the Scheme of Arrangement (demerger) of 2001 between the Company and JBM Auto Limited (formerly known as JBM Auto Components Limited), the shareholders of the Company were required to surrender the original share certificates of the Company for exchange of new share certificates of both the Companies. The Company had pending share certificates of those shareholders who had not submitted their share certificates in terms of the scheme of arrangement for exchange and also of those shareholders in whose case new share certificates remained undelivered.
- In compliance with the amendment to Clause 5A of Listing Agreement, the Company has opened a demat account in the name of Automotive Stampings and Assemblies Limited - Unclaimed Securities Suspense Account for the purpose of transferring the unclaimed shares. As per the said circular, the shares which remained unclaimed even after three reminders, were dematerialized and transferred to the above said demat account in FY 2015-16.
- As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the above said shares, after proper verification, the shares lying in the Unclaimed suspense account shall either be credited to the demat account of the shareholder or the physical certificates shall be delivered after re-materializing the same, depending on what has been opted by the shareholder.
- **Disclosure with respect to shares lying in suspense account:**

<b>Particulars</b>	<b>Shareholders</b>	<b>Shares</b>
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2021	123	16638
Number of shareholders who approached the Company for transfer of shares from suspense account during the period	-	-
Number of shareholders to whom the shares were transferred from the suspense account during the period	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	123	16638

## Automotive Stampings and Assemblies Limited

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

### Procedure for dematerialization of shares:

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

### DIVIDEND INFORMATION

- The amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.
- Accordingly, the dividend upto the financial year ended March 31, 2012 which remained unpaid or unclaimed over a period of seven years had been transferred by the Company to Investor Education and Protection Fund (IEPF) in the FY 2019-20. Now, Company has no dividend amount which remains unpaid or unclaimed.
- Further in accordance with Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, amongst other matters, all shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2012 and remained unpaid or unclaimed were transferred to the IEPF Demat Account. The Company has sent notices to all such members in this regard and thereafter transferred the shares to the IEPF during financial year 2019-20. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on website: [www.autostampings.com](http://www.autostampings.com)
- Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account as per the applicable provisions of Companies Act, 2013 and Rules made thereunder. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.
- In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends on the website of Investor Education and Protection Fund: [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company: [www.autostampings.com](http://www.autostampings.com).

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

### OTHER DISCLOSURES

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

Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have

been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

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

There was no such instance in the last three years

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

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

Regulation 21 and 24 are not applicable to the Company.

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

Modified Opinion in Auditors Report: The Company's financial statement for the Financial Year 2021-22 does not contain any modified audit opinion.

Separate posts of Chairman and Chief Executive Officer: The Chairman of the Board is a Nonexecutive Director and his position is separate from that of the Chief Executive Officer.

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

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

Please refer details mentioned at the beginning of this report.

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

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

- f) Content Archiving Policy:

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

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

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

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

## Automotive Stampings and Assemblies Limited

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

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

Given as herein above.

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

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

- k) A certificate from M/s. Prajot Tungare & Associates, practicing Company Secretaries (attached and which forms integral part of this report) confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.
- l) There was no such instance during FY 2021-22 when the Board had not accepted any recommendation of any committee of the Board.
- m) Total fees for all services paid / payable by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part - given below:

₹ In Lakhs

Sr. No.	Particulars	FY 2021-22
1	Statutory Audit and Limited Review	11
2	Other Services including reimbursement of expenses	1.75
	<b>TOTAL</b>	<b>12.75</b>

Note: The above fees are exclusive of applicable tax.

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

Number of complaints filed during the financial year 2021-22	Number of complaints disposed of during the financial year - 2021-22	Number of complaints pending as on end of the financial year 2021-22
Nil	Nil	Nil



- o) Loans and Advances in the nature of Loan to firm/companies in which directors are interested - Nil
- p) Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V (c) of the Listing Regulations: Nil
- q) Extent to which the discretionary requirements specified in Part E of Schedule II of the Listing Regulations have been adopted: Given in clause c) above.
- r) Disclosure of compliance with Corporate Governance requirements as specified in Listing Regulations are given in clause c) above. Necessary disclosures and explanations w.r.t. observations of Secretarial and Statutory Auditors are given in the Board's Report.
- s) Compliance with Accounting Standard:

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

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## DECLARATION

I, Jitendraa Dikkshit, Chief Executive Officer of Automotive Stampings and Assemblies Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them for the year ended March 31, 2022.

Place: Pune  
Date: April 25, 2022

Jitendraa Dikkshit  
Chief Executive Officer

## Automotive Stampings and Assemblies Limited

### DIRECTOR NON-DISQUALIFICATION CERTIFICATE

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN
1.	Pradeep Kumar Bhargava	00525234
2.	Bharatkumar Balvantrai Parekh	01521346
3.	Arvind Hari Goel	02300813
4.	Deepak Rastogi	02317869
5.	Bhavna Bindra	07314422
6.	Prakash Yashwant Gurav	02004317

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

For **Prajot Tungare & Associates**  
Company Secretaries

**CS Prajot Tungare**  
Partner  
FCS: 5484  
CP No: 4449  
UDIN: F005484D000197038

Date:  
Place: Pune

## **INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

### **To The Members Of Automotive Stampings and Assemblies Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 07 April 2022.
2. We have examined the compliance of conditions of Corporate Governance by Automotive Stampings and Assemblies Limited ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

### **Management's responsibility**

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

### **Auditor's responsibility**

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

8. 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 above-mentioned Listing Regulations.

## Automotive Stampings and Assemblies Limited

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

### Restriction on use

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

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

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Abhishek

Partner

Place: Pune

Date: 25 April 2022

Membership Number: 062343

UDIN: 22062343AHTBDP9252

## **INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED

Report on the Audit of the Financial Statements

### **Opinion**

We have audited the financial statements of Automotive Stampings and Assemblies Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Material uncertainty Related to Going Concern**

We draw your attention to note 4.2 to the financial statements, which states that the Company has incurred losses in the recent years which was also impacted by COVID-19. While there has been an improvement in business operations in the current period, it has incurred a net loss before exceptional items and tax of INR 767.34 lakhs during the year ended 31 March 2022. Further, as at date, the Company's liabilities exceed its total assets by INR 3,571.42 lakhs and the net worth of the company as at 31 March 22 is negative. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the Management has prepared the financial statements on a going concern basis since they have a reasonable expectation that the company would be able to meet its liabilities on the basis of letter of financial support provided by the Holding Company, access to alternative sources of funding by the Group entities, implementation of various measures to improve operational efficiency and optimise margins.

Our opinion is not modified in respect of this matter.

### **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. In addition to the matter described in the Material Uncertainty related to Going Concern section we have determined the matter described below to be the key audit matter to be communicated in our report.

## Automotive Stampings and Assemblies Limited

The Key Audit Matter	How the matter was addressed in our audit
<p><b>Impairment evaluation of Property, Plant and Equipment (“PPE”) (refer note 2.4 and 5 to the financial statements)</b></p> <p>Based on the guidance provided by Ind AS 36 ‘Impairment of assets’, the following indicators that PPE may be impaired have been identified:</p> <ul style="list-style-type: none"> <li>- As of 31 March 2022, the Company’s total liabilities exceeded its total assets by INR 3,571.42 Lakhs</li> <li>- The Company has been consistently reporting losses before exceptional items and tax for the past 10 years. For the year ended 31 March 2022, the Company has reported a net loss before exceptional items and tax amounting to INR 767.34 Lakhs.</li> <li>- The automobile sector has business and operational challenges due to the COVID-19 pandemic.</li> </ul> <p>Therefore, as required by Ind AS 36, the Company has estimated the recoverable amount of its PPE with the assistance of an external expert. The fallout of the COVID-19 pandemic has repercussions on the Indian economy. Any valuation / forecasting assessments performed in this environment are exposed to a higher-than-usual degree of estimation uncertainty and judgement. Accordingly, this is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>- Obtaining an understanding of the Company’s process and key controls over the impairment evaluation.</li> <li>- Assessing and testing the design and operating effectiveness of such controls.</li> <li>- Evaluating the Company’s process with respect to impairment assessment and fair valuation. Assessed the competence, experience and objectivity of the expert engaged by the management.</li> <li>- Involving our valuation specialists to assess and challenge the appropriateness of the valuation model and the underlying assumptions.</li> <li>- Assessing and testing the sensitivity analysis performed by the Company and evaluating whether any possible changes in assumptions could lead to a significant change the recoverable value.</li> </ul>

### 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 auditors’ report thereon.

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

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

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

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)

specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Automotive Stampings and Assemblies Limited

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 41 to the financial statements;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including



foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current 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) of the Act which are required to be commented upon by us.

For **BSR & Co LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Abhishek

Partner

Membership No. No: 062343

UDIN: 22062343AHTAAX9948

Place: Pune

Date: 25 April 2022

## Automotive Stampings and Assemblies Limited

### **Annexure A to the Independent Auditors' report on the financial statements of Automotive Stampings and Assemblies Limited for the period ended 31 March 2022.**

With reference to Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable property (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

- vii.(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Profession Tax, Provident fund, and Employees' State Insurance, except for certain dues in relation to provident fund related matters referred to in note 41(b) to the financial statements.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except for certain dues in relation to provident fund related matters referred to in note 41(b) to the financial statements.

- (b) According to the information and explanations given to us, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs) (Gross Demand)	Amount (₹ in Lakhs) (Paid under Protest)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty	31.70	-	2007-08	Custom, Excise and Service Tax Appellate Tribunal
	Duty	123.96	-	2008-09	Custom, Excise and Service Tax Appellate Tribunal
	Penalty	83.82	69.83	2006-11	Bombay High Court
	Duty	357.37	-	2002-05	Custom, Excise and Service Tax Appellate Tribunal
Bombay Sales Tax Act, 1959	Sale Tax	2.92	-	2002-03	Joint Commission (Appeals)
Income Tax Act, 1961	Income Tax	30.08	-	2002-03	Commissioner of Income Tax (Appeals)
	Income Tax	17.78	-	2005-06	Commissioner of Income Tax (Appeals)

## Automotive Stampings and Assemblies Limited

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions or any other lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, no term loans were obtained. Accordingly, clause 3(ix)(c) is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and 1 CIC which is not required to be registered with the Reserve Bank of India.
- xvii. The Company has not incurred cash losses in the current financial year however cash losses of INR 1,823.46 lakhs was incurred in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. We draw attention to Note 4.2 to the financial statements, which indicates that the Company has incurred a net loss before exceptional items and tax of INR 767.34 lakhs during the year ended 31 March 2022 and, as of that date, the Company's net worth is fully eroded and that the current liabilities exceed its current assets by INR 3,571.42 lakhs. On the basis of the above and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the aforesaid events or conditions indicate that a material uncertainty exists as on the date of the audit report regarding whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, Tata AutoComp System Limited, the holding company, has given a letter that it would continue to provide financial support to the Company in the foreseeable future to meet its obligations.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Abhishek  
Partner

Place: Pune  
Date: 25 April 2022

Membership No.: 062343  
UDIN: 22062343AHTAAX9948

## **Automotive Stampings and Assemblies Limited**

### **Annexure B to the Independent Auditors' report on the financial statements of Automotive Stampings and Assemblies Limited for the period ended 31 March 2022.**

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

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

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Automotive Stampings and Assemblies Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, 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**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

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

## **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Abhishek

Partner

Membership No. 062343

UDIN: 22062343AHTAAX9948

Place: Pune

Date: 25 April 2022

# ASAL

Thirty-Second Annual Report 2021-22

## Automotive Stampings and Assemblies Limited

### BALANCE SHEET

(All figures in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	7,551.36	8,104.35
Capital work-in-progress	5	316.27	92.23
Right-of-use assets	6	1,434.20	221.98
Intangible assets	7	22.85	30.67
<b>Financial assets</b>			
(i) Other financial assets	8	136.74	114.30
Deferred tax assets (net)	9	-	-
Income tax asset (net)	10	342.12	148.55
Other non-current assets	11	331.28	336.63
<b>Total non-current assets</b>		<b>10,134.82</b>	<b>9,048.71</b>
<b>Current assets</b>			
Inventories	12	4,053.34	3,675.97
<b>Financial assets</b>			
(i) Trade receivables	13	2,302.06	3,115.47
(ii) Cash and cash equivalents	14	357.10	2.59
(iii) Bank balances other than (iii) above	15	65.47	0.96
(iv) Other financial assets	8	14.14	31.13
Other current assets	16	1,162.59	856.82
Assets held for sale	17	-	751.43
<b>Total current assets</b>		<b>7,954.70</b>	<b>8,434.37</b>
<b>Total assets</b>		<b>18,089.52</b>	<b>17,483.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	1,586.44	1,586.44
Reserves and surplus	19	(5,157.86)	(10,458.51)
<b>Total equity</b>		<b>(3,571.42)</b>	<b>(8,872.07)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	20	-	3,607.81
(ii) Lease liabilities	6	3,666.91	-
Provisions	21	377.40	505.45
<b>Total non-current liabilities</b>		<b>4,044.31</b>	<b>4,113.26</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	22	4,284.28	12,133.17
(ii) Trade payables	23		
(a) total outstanding dues of micro and small enterprises		1,181.31	459.69
(b) total outstanding dues other than (ii) (a) above		9,869.18	7,237.47
(iii) Lease liabilities	6	243.23	109.10
(iv) Other financial liabilities	24	534.26	701.17
Provisions	21	41.68	277.65
Other current liabilities	25	1,462.69	1,323.64
<b>Total current liabilities</b>		<b>17,616.63</b>	<b>22,241.89</b>
<b>Total equity and liabilities</b>		<b>18,089.52</b>	<b>17,483.08</b>

Summary of significant accounting policies

See accompanying notes to the standalone financial statements

The notes referred to above form an integral part of the standalone financial statements

2-4

4-51

As per our report of even date.

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

Chartered Accountants

Firm Registration Number: 101248W / W-100022

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

CIN:L28932PN1990PLC016314

**Abhishek**

Partner

Membership No: 062343

ICAI UDIN: 22062343AHTAAX9948

**Pradeep Bhargava**

Chairman

DIN: 00525234

**Yogesh Jaju**

Chief Financial Officer

**Deepak Rastogi**

Director

DIN: 02317869

**Jitendra Dikkshit**

Chief Executive Officer

**Prasad Zinjurde**

Company Secretary

Place: Pune

Date: April 25, 2022

Place: Pune

Date: April 25, 2022



## STATEMENT OF PROFIT AND LOSS

(All figures in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	26	60,763.71	33,913.02
Other income	27	227.44	5.20
<b>Total income</b>		<b>60,991.15</b>	<b>33,918.22</b>
<b>Expenses</b>			
Cost of materials consumed	28	49,327.09	25,602.51
Changes in inventories of finished goods, work-in-progress, stock-in-trade and tools	29	(258.31)	194.52
Employee benefits expense	30	3,108.60	2,920.12
Finance costs	31	1,497.30	1,829.34
Depreciation and amortization expense	32	1,084.41	1,146.42
Other expenses	33	6,999.40	5,195.20
<b>Total expenses</b>		<b>61,758.49</b>	<b>36,888.11</b>
<b>Profit before exceptional items and tax</b>		<b>(767.34)</b>	<b>(2,969.89)</b>
<b>Exceptional item</b>	48	<b>5,998.42</b>	-
<b>Profit/(Loss) before tax</b>		<b>5,231.08</b>	<b>(2,969.89)</b>
<b>Income tax expense:</b>		-	-
Current tax		-	-
Deferred tax		-	-
<b>Profit (Loss) for the year</b>		<b>5,231.08</b>	<b>(2,969.89)</b>
<b>Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of post-employment benefit obligations		69.57	(18.85)
Income tax relating to items that will not be reclassified to profit or loss			
<b>Total other comprehensive income / (loss) for the year</b>		<b>69.57</b>	<b>(18.85)</b>
<b>Total Comprehensive income / (loss) for the year (TCI)</b>		<b>5,300.65</b>	<b>-2,988.74</b>
<b>Earnings per equity share</b>			
Basic earning per share of face value of Rs 10 each	41	32.97	(18.72)
Diluted earning per share of face value of Rs 10 each		32.97	(18.72)

Summary of significant accounting policies 2-4  
See accompanying notes to the standalone financial statements 4-51  
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date.

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

**Abhishek**  
Partner  
Membership No: 062343  
ICAI UDIN: 22062343AHTAAX9948

Place: Pune  
Date: April 25, 2022

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

**Pradeep Bhargava**  
Chairman  
DIN: 00525234

**Yogesh Jaju**  
Chief Financial Officer

Place: Pune  
Date: April 25, 2022

**Deepak Rastogi**  
Director  
DIN: 02317869

**Jitendraa Dikkshit**      **Prasad Zinjurde**  
Chief Executive Officer      Company Secretary

## Automotive Stampings and Assemblies Limited

### CASH FLOW STATEMENT

(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	5,231.08	(2,969.89)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,084.41	1,146.42
Net (Gain) / loss on disposal of property, plant and equipment	(6,683.34)	2.25
Provision for tax contingencies written back	(149.04)	-
Changes in fair value of financial assets at fair value through profit or loss	-	0.52
Finance costs	1,497.30	1,829.34
Interest income	(1.53)	(2.20)
	<b>978.88</b>	<b>6.44</b>
<b>Change in operating assets and liabilities:</b>		
Decrease in trade receivables	813.41	52.01
Increase in inventories	(377.37)	(538.79)
Increase in trade payables	3,502.37	657.30
Increase in other non-current financial assets	(22.44)	-
Decrease in other current financial assets	16.99	403.48
Decrease in other non-current assets	(7.64)	8.75
Increase in other current assets	(305.77)	(80.79)
(Decrease) / increase in non-current provisions	(58.48)	70.17
(Decrease) / increase in current provisions	(235.97)	28.23
Increase in other current liabilities	139.05	212.23
Increase / (decrease) in other current financial liabilities	132.95	(470.94)
Other financial liabilities non-current	-	-
<b>Cash generated from operations</b>	<b>4,575.98</b>	<b>348.09</b>
Income taxes paid (net of refund, if any)	(193.57)	74.69
<b>Net cash flow from operating activities (A)</b>	<b>4,382.41</b>	<b>422.78</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(1,784.48)	(121.02)
Advance received for sale of property, plant and equipment	-	345.00
Proceeds on sale of property, plant and equipment	10,971.60	50.13
Fixed deposit (placed) / matured with banks	(64.51)	12.00
Interest received	1.53	2.20
<b>Net cash generated from investing activities (B)</b>	<b>9,124.14</b>	<b>288.30</b>
<b>C. Cash flow from financing activities</b>		
Interest paid	(1,432.41)	(1,863.97)
Payment of Initial direct cost for lease	(63.16)	-
Payment of lease liabilities	(199.77)	(102.01)
Repayment of long term borrowings	(3,925.00)	(1,254.87)
Proceeds from Long term borrowings	-	2,325.00

## CASH FLOW STATEMENT (CONTD.)

(All figures in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
Proceeds from short term borrowings availed	13,596.10	26,111.00
Repayment of short term borrowings availed	(21,127.81)	(25,964.62)
<b>Net cash flow used in financing activities (C)</b>	<b>(13,152.04)</b>	<b>(749.47)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>354.51</b>	<b>(38.39)</b>
Cash and cash equivalents at the beginning of the period	2.59	40.98
<b>Cash and cash equivalents at the end of the year</b>	<b>357.10</b>	<b>2.59</b>
<b>Cash and cash equivalents as per above comprise of the following:</b>		
Cash on hand	0.29	0.29
Balances with banks	356.81	2.30
	<b>357.10</b>	<b>2.59</b>

### Changes in liabilities arising from financing activities

(INR In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Non-current borrowings: (Including current maturities)</b>		
<u>Opening balance</u>	<b>3,925.00</b>	2,854.87
Amount borrowed during the year	-	2,325.00
Amount repaid during the year	<b>(3,925.00)</b>	(1,254.87)
<u>Closing balance</u>	-	3,925.00
<b>Short term borrowings: (Excluding current maturities of long term debt)</b>		
<u>Opening balance</u>	<b>11,815.98</b>	11,669.60
Amount borrowed during the year	<b>13,596.10</b>	26,111.00
Amount repaid during the year	<b>(21,127.81)</b>	(25,964.62)
<u>Closing balance</u>	<b>4,284.27</b>	11,815.98
<b>Finance cost:</b>		
<u>Opening balance</u>	<b>106.06</b>	140.69
Finance cost incurred during the year	<b>1,440.29</b>	1,829.34
Amount paid during the year	<b>(1,432.41)</b>	(1,863.97)
<u>Closing balance</u>	<b>113.94</b>	106.06

Summary of significant accounting policies 2-4

See accompanying notes to standalone financial statements 4-51

The notes referred to above form integral part of standalone financial statements

As per our report of even date.

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

Chartered Accountants

Firm Registration Number: 101248W / W-100022

**Abhishek**

Partner

Membership No: 062343

ICAI UDIN: 22062343AHTAAX9948

Place: Pune

Date: April 25, 2022

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

CIN:L28932PN1990PLC016314

**Pradeep Bhargava**

Chairman

DIN: 00525234

**Yogesh Jaju**

Chief Financial Officer

Place: Pune

Date: April 25, 2022

**Deepak Rastogi**

Director

DIN: 02317869

**Jitendraa Dikkshit**

Chief Executive Officer

**Prasad Zinjurde**

Company Secretary

## Automotive Stampings and Assemblies Limited

### Statement of changes in equity

(All figures in INR Lakhs, unless otherwise stated)

#### A. Equity Share Capital

##### 1. As at March 31, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,586.44	-	1,586.44	-	<b>1,586.44</b>

##### 2. As at March 31, 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,586.44	-	1,586.44	-	<b>1,586.44</b>

#### B. Other equity

Particulars	Reserves and surplus				Total
	General reserve	Capital redemption reserve	Securities premium	Retained earnings	
<b>As at April 1, 2020</b>	444.15	300.00	4,237.26	(12,451.18)	<b>(7,469.77)</b>
Loss for the year	-	-	-	(2,969.89)	<b>(2,969.89)</b>
Other comprehensive income, net of tax	-	-	-	(18.85)	<b>(18.85)</b>
					-
<b>As at March 31, 2021</b>	<b>444.15</b>	<b>300.00</b>	<b>4,237.26</b>	<b>(15,439.92)</b>	<b>(10,458.51)</b>
As at April 1, 2021	444.15	300.00	4,237.26	(15,439.92)	<b>(10,458.51)</b>
Profit for the period				5,231.08	<b>5,231.08</b>
Other comprehensive income, net of tax				69.57	<b>69.57</b>
<b>As at March 31, 2022</b>	<b>444.15</b>	<b>300.00</b>	<b>4,237.26</b>	<b>(10,139.27)</b>	<b>(5,157.86)</b>

#### Nature and purpose of other reserves

##### **General Reserve**

The general reserves are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations. The general reserve is a free reserves which can be utilized for any purpose after fulfilling certain conditions.

##### **Capital Redemption Reserve**

Capital Redemption Reserve was created for redemption of preference shares. The Company may issue fully paid - up bonus shares to its members out of the capital redemption reserve account.

##### **Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## Statement of changes in equity

(All figures in INR Lakhs, unless otherwise stated)

### **Retained Earnings**

Retained earnings are the profits that a Company has earned to date, less any dividends or other distributions paid to investors.

Summary of significant accounting policies 2-4  
See accompanying notes to the standalone financial statements 4-51

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date.

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

Chartered Accountants

Firm Registration Number: 101248W / W-100022

#### **Abhishek**

Partner

Membership No: 062343

ICAI UDIN: 22062343AHTAAX9948

Place: Pune

Date: April 25, 2022

#### **For and on behalf of the Board of Directors of Automotive Stampings and Assemblies Limited**

CIN:L28932PN1990PLC016314

#### **Pradeep Bhargava**

Chairman

DIN: 00525234

#### **Yogesh Jaju**

Chief Financial Officer

Place: Pune

Date: April 25, 2022

#### **Deepak Rastogi**

Director

DIN: 02317869

#### **Jitendraa Dikkshit**

Chief Executive Officer

#### **Prasad Zinjurde**

Company Secretary

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

### **Note 1 : Company overview**

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

### **Note 2 : Significant accounting policies**

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

The accounting policies applied in these financial statements are the same as those applied in the financial statements as at and for the year ended 31 March 2022.

#### **2.1 Basis of preparation of financial statements**

##### **(i) Compliance with Ind AS**

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

The financial statements were authorized for issue by the Company's Board of Directors on April 25, 2022.

##### **(ii) Basis of measurement**

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

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

##### **(iii) Functional and presentation currency**

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

##### **(iv) Current versus non-current classification**

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

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

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

All other assets are classified as non-current. A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

### (v) Measurement of fair values

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

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

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. 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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:- Note 32- Financial risk management"

### (vi) Operating cycle

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

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### 2.2 Revenue recognition

The Company generates revenue principally from -

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

The Company recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier appointed by the customer. Invoices are generated, and revenue is recognised at that point in time. Invoices are usually payable within 30 – 90 days. Revenue excludes taxes collected from customers on behalf of the government.

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

#### (ii) Sale of tools:

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

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

#### (iii) Sale of services:

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

#### (iv) Other Income:

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

#### (v) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### 2.3 Foreign currency transactions and translation

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

### 2.4 Property, plant and equipment

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separated items (major components) of property, plant and equipment.

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

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

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

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

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

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

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

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

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

### **2.5 Intangible asset**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets are amortized on a straight line basis over their estimated useful lives ranging from 3-5 years. The amortization period and amortization method are reviewed as at each Balance sheet end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

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

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

Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

### **2.7 Borrowings**

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

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

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### 2.8 Borrowing cost

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

### 2.9 Leases

#### A. Recognition

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

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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

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

#### B. Company as a lessee

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. The Company has considered all relevant facts and circumstances to determine whether the option to extend the lease shall be exercised. This includes but is not limited to the fact that certain assets have been leased to us by related parties for operations directly linked to them.

The Company recognises a Right-Of-Use (ROU) asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Company has applied a single discounting rate to a portfolio of leases of similar assets.

### **C. Sale and leaseback of Assets**

Ind As 116 requires, The Company shall apply Ind AS 116 which says the requirements for determining when a performance obligation is satisfied in Ind AS 115 to determine whether the transfer of an asset is accounted for as a sale of that asset.

(a) the seller-lessee shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the seller-lessee shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

(b) the buyer-lessor shall account for the purchase of the asset applying applicable Standards, and for the lease applying the lessor accounting requirements in this Standard.

If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, an entity shall make the following adjustments to measure the sale proceeds at fair value:

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- (a) any below-market terms shall be accounted for as a prepayment of lease payments; and
- (b) any above-market terms shall be accounted for as additional financing provided by the buyer-lessor to the seller-lessee.

### D. Short-term leases and leases of low-value assets

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

### 2.10 Inventories

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

### 2.11 Employee benefits

#### (i) Short-term obligations

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

The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

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

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### *Gratuity obligations*

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

### (b) Defined contribution plans

A defined contribution plan is a post-employment benefit under which an entity pays a specific contribution to a separate entity and has no obligation to pay any further amounts. Retirement benefit in the form of provident fund and superannuation fund are a defined contribution schemes and the contributions are charged to the statement of profit and loss during the period in which the employee renders the related service. The Company has no obligation, other than the contribution payable to these funds. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

### (iv) Termination benefits

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

## 2.12 Financial instruments

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

### (i) **Classification**

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition.

### (ii) Measurement

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

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

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

### (iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 45 (c) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.

### (iv) **Derecognition**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss."

### 2.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### 2.14 Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of profit and loss.

### 2.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 2.16 Earnings/(loss) per share

(I) Basic earnings/ (loss) per share

Basic earnings / (loss) per share is calculated by dividing:

- the profit attributable to owners of the Company

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

- by the weighted average number of equity shares outstanding during the financial year.
- (ii) Diluted earnings / (loss) per share
- Diluted earnings / (loss) per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **2.17 Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **2.18 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions for restructuring are recognized by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### 2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.20 Government grants

Grant from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchases of Property, Plant and Equipment are included in non-current liability as deferred income and are credited to Profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

### 2.21 Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income / expenses.

### 2.22 Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### Note 3: Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

#### Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

### **Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

## **Note 4 : Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures.

These judgments, estimates and assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below. These Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### **Significant judgments**

#### **4.1 Contingent liabilities**

The Company has received various orders and notices from tax and other judicial authorities in respect of direct taxes, indirect taxes and labour matters. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate. Management regularly analyzes current information about these matters and makes provisions for probable losses including the estimate of legal expense to resolve the matters. In their assessments management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### 4.2 Going concern assumptions

The Company has incurred loss before exceptional item and tax of INR 140.49 lakhs for the quarter ended March 31, 2022 and INR 767.34 lakhs for the year ended March 31, 2022. Further, the Company had incurred losses in the recent years, partly impacted by the pandemic Covid-19. As of March 31, 2022, the total liabilities exceeded its total assets by INR 3,571.42 lakhs as compared to INR 8,872.07 as at March 31, 2021. These factors indicate that material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The Company's management has carried out an assessment of the Company's financial performance and has obtained a letter providing comfort of financial support from the Holding Company, if required to meet its liabilities. The Company also has access to alternate sources of funding by the Group entities. There has been continued improvement in business operations during the current year. Further, as explained in note 8 below, the Company has sold surplus land and out of sale proceeds repaid the borrowings of INR 9977.82 lakhs. This will reduce the interest burden in future year. During the year FY 2020-21, the Company had also prepared a strategic plan for the next five years after estimating effect of COVID-19. Pursuant to the said plan, the Company continues to focus on various initiatives including cost optimisation through operational efficiency, improvement initiatives, rationalisation of existing operations and increase in sales volumes from the existing and new customers. With continued efforts, the Company expects to address the material uncertainty in future. Accordingly, the above financial results have been prepared on going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of business.

### 4.3 Determination of cash generating unit (CGU) for Impairment analysis

As part of its impairment assessment for non-financial assets (i.e. property, plant and equipment), the management needs to identify Cash Generating Units i.e. lowest group of assets that generate cash flows which are independent of those from other assets. Considering the nature of its assets, operations and administrative structure, the management has defined all assets put together as a single Cash Generating Unit.

### 4.4 Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

Operating segments are defined as 'Business Units' of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Company has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Company operates is India.

### 4.5 Impairment of Property, plant and equipment :

The management has assessed current and forecasted financial performance of the Company and the current market value of the assets to determine whether carrying value of property, plant and equipment has

## **Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved may vary and the variations may be material.

### **4.6 Claims payables & receivable to customers**

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Company has made accruals in respect of unsettled prices for some of its other material purchase contracts, finished goods and scrap sales contracts. These accruals are made considering the past settlement arrangements with the vendors and customers respectively and the applicable metal prices from published sources. Actual results of these considerations may vary and the variations may be material.

Further, the management has assessed and believes that the timing of cash outflow pertaining to this accruals are uncertain and hence considered the same as payable on demand and classified under current liabilities.

### **4.7 Defined benefit plan**

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 43.

### **4.8 Fair valuation of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **4.9 Impairment of financial assets**

The impairment provisions for financial assets disclosed under Note 32 are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 5 : Property, plant and equipment and capital work-in-progress**

**a. Reconciliation of carrying amount of property, plant and equipment**

	Freehold Land	Factory Buildings	Office Buildings	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Tools, Jigs and Fixtures	Total	Capital work-in-progress
<b>As at March 31, 2021</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	30.46	3,601.75	123.13	22.78	10,320.05	4.42	112.98	30.79	14,246.36	377.83
Additions	-	316.75	-	-	61.96	-	16.10	-	394.81	83.72
Disposals	-	-	-	-	(61.12)	-	(0.24)	-	(61.36)	(369.32)
Assets held for sale (refer note 17)	(6.91)	(901.90)	(24.30)	-	(140.83)	-	-	-	(1,073.94)	-
<b>Closing gross carrying amount</b>	<b>23.55</b>	<b>3,016.60</b>	<b>98.83</b>	<b>22.78</b>	<b>10,180.06</b>	<b>4.42</b>	<b>128.84</b>	<b>30.79</b>	<b>13,505.87</b>	<b>92.23</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	-	830.34	10.96	14.60	3,780.98	4.42	51.77	9.90	4,702.97	-
Depreciation charge during the year	-	176.40	2.34	2.29	823.39	-	23.66	1.97	1,030.04	-
Disposals / write off Assets held for sale (refer note 17)	-	(239.06)	(2.77)	-	(80.68)	-	(0.24)	-	(8.99)	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>767.68</b>	<b>10.53</b>	<b>16.89</b>	<b>4,514.94</b>	<b>4.42</b>	<b>75.19</b>	<b>11.87</b>	<b>5,401.51</b>	<b>-</b>
<b>Net carrying amount</b>	<b>23.55</b>	<b>2,248.92</b>	<b>88.30</b>	<b>5.89</b>	<b>5,665.12</b>	<b>-</b>	<b>53.65</b>	<b>18.92</b>	<b>8,104.36</b>	<b>92.23</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 5 : Property, plant and equipment and capital work-in-progress

a. Reconciliation of carrying amount of property, plant and equipment

	Freehold Land	Factory Buildings	Office Buildings	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Tools, Jigs and Fixtures	Total	Capital work-in-progress
<b>As at March 31, 2022</b>										
Gross carrying amount										
Opening gross carrying amount	23.55	3,016.60	98.83	22.78	10,180.06	4.42	128.84	30.79	13,505.87	92.23
Additions	-	295.79	2.41	-	1,213.73	-	38.04	46.42	1,596.39	307.76
Disposals	(23.55)	(1,479.75)	(83.36)	(3.08)	(348.87)	-	(20.52)	(1.42)	(1,960.55)	(83.72)
<b>Closing gross carrying amount</b>	<b>-</b>	<b>1,832.64</b>	<b>17.88</b>	<b>19.70</b>	<b>11,044.92</b>	<b>4.42</b>	<b>146.36</b>	<b>75.79</b>	<b>13,141.71</b>	<b>316.27</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	-	767.68	10.53	16.89	4,514.94	4.42	75.19	11.87	5,401.51	-
Depreciation charge during the year	-	89.30	0.68	1.55	820.39	-	22.45	4.16	938.53	-
Disposals / write off	-	(455.22)	(9.64)	(2.43)	(265.25)	-	(16.50)	(0.66)	(749.70)	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>401.76</b>	<b>1.57</b>	<b>16.01</b>	<b>5,070.08</b>	<b>4.42</b>	<b>81.14</b>	<b>15.37</b>	<b>5,590.34</b>	<b>-</b>
<b>Net carrying amount</b>	<b>-</b>	<b>1,430.88</b>	<b>16.31</b>	<b>3.69</b>	<b>5,974.84</b>	<b>-</b>	<b>65.22</b>	<b>60.42</b>	<b>7,551.37</b>	<b>316.27</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### b. Capital work-in-progress

Capital work-in-progress as at March 31, 2022 amounts to INR 316.27 Lakhs comprising majorly of addition to plant and machinery for capacity expansions, while that as at March 31, 2021 amounts to INR 92.23 Lakhs comprising majorly of addition to plant and machinery for capacity expansions.

#### Capital work-in-progress- Ageing

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Projects in process		
Less than 1 year	316.27	92.23
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>316.27</b>	<b>92.23</b>

There is no projects whose completion is overdue or has exceeded its cost compared to its original plan.

### c. Contractual Obligation

Refer note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### d. Sale of land and building

During the year, the company has sold freehold land and building situated at Chakan, Pune for INR 10,100.00 lakhs. The gain arising from sale of said assets is INR 6,172.75 lakhs is recognised as exceptional item. (refer note 48)

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 6 : Leases

#### A. Right of use assets

	Land	Building	Total
<b>As at March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	131.43	297.13	428.56
Additions	-	-	-
Disposals	-	-	-
Initial direct cost	-	-	-
<b>Closing gross carrying amount</b>	<b>131.43</b>	<b>297.13</b>	<b>428.56</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	2.01	101.28	103.29
Depreciation charge during the year	2.01	101.28	103.29
Disposals	-	-	-
<b>Closing accumulated depreciation</b>	<b>4.02</b>	<b>202.56</b>	<b>206.58</b>
<b>Net carrying amount</b>	<b>127.41</b>	<b>94.57</b>	<b>221.98</b>

	Land	Building	Total
<b>As at March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	131.43	297.13	428.56
Additions *	-	1,365.25	1,365.25
Disposals	-	(297.13)	(297.13)
<b>Closing gross carrying amount</b>	<b>131.43</b>	<b>1,365.25</b>	<b>1,559.85</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	4.02	202.56	206.58
Depreciation charge during the year	2.00	132.43	134.43
Disposals	-	(278.53)	(278.53)
<b>Closing accumulated depreciation</b>	<b>6.02</b>	<b>56.46</b>	<b>62.48</b>
<b>Net carrying amount</b>	<b>125.41</b>	<b>1,308.79</b>	<b>1,497.37</b>

\* Addition includes sales and lease back of chakan building.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### B. Lease liabilities

	As at March 31, 2022	As at March 31, 2021
Current	243.23	109.10
Non Current	3,666.91	-
<b>Total</b>	<b>3,910.14</b>	<b>109.10</b>

### C. Interest expenses on lease liabilities

	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	57.01	18.21

### D. Expenses on short term leases / low value assets

	As at March 31, 2022	As at March 31, 2021
Short term lease	153.08	126.51

### E. Amounts recognised in the statement of cash flow

	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	199.77	120.22

### F. Maturity analysis – contractual undiscounted cash flows

	As at March 31, 2022	As at March 31, 2021
Less than one year	539.40	115.21
One to five years	1,766.02	-
More than five years	3,950.65	-
<b>Total undiscounted lease liabilities</b>	<b>6,256.08</b>	<b>115.21</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 7 : Intangible assets and intangible assets under development

#### a. Intangible assets

	Acquired intangible asset
	Computer software
<b>As at March 31, 2021</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	87.85
Additions	-
Disposals	-
<b>Closing gross carrying amount</b>	<b>87.85</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	44.11
Amortisation charge for the year	13.08
Disposals	-
<b>Closing accumulated amortisation</b>	<b>57.19</b>
<b>Net carrying amount</b>	<b>30.66</b>

	Acquired intangible asset
	Computer software
<b>As at March 31, 2022</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount 87.85	
Additions	3.62
Disposals	-
<b>Closing gross carrying amount</b>	<b>91.47</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	57.19
Amortisation charge for the year	11.44
Disposals	-
<b>Closing accumulated amortisation</b>	<b>68.63</b>
<b>Net carrying amount</b>	<b>22.84</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 8 : Other financial assets

	As at March 31, 2022		As at March 31, 2021	
	Current	Non- current	Current	Non-current
<b>Unsecured, considered good unless otherwise stated</b>				
<b>Financial assets carried at amortised cost</b>				
Security deposits				
Considered good	10.00	116.14	14.29	93.80
Considered doubtful	10.00	116.14	14.29	93.80
Less : provision for doubtful deposits / loss allowance	-	-		
	10.00	116.14	14.29	93.80
Claims receivables	-	17.66	-	17.66
Bank deposits	-	2.94	-	2.84
Other receivables	4.14	-	16.84	-
<b>Total</b>	<b>14.14</b>	<b>136.74</b>	<b>31.13</b>	<b>114.30</b>

### Note 9 : Deferred tax assets (net)

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax asset</b>		
Tax losses carried forward (Including Unabsorbed Depreciation)	738.23	668.12
Defined benefit obligations	102.25	74.61
Disallowances under section 43B of the Income Tax Act, 1961	13.26	30.39
Provisions for doubtful debts and advances and inventory	24.08	87.93
Others	77.60	60.66
	<b>955.42</b>	<b>921.71</b>
<b>Deferred tax liabilities</b>		
Excess of depreciation/amortization on fixed assets under income tax law over depreciation/amortization provided in the accounts	(955.42)	(921.71)
	<b>(955.42)</b>	<b>(921.71)</b>
<b>Total</b>	-	-

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Movement in deferred tax assets/ (liabilities)

	Defined benefit obligation	Tax losses carried forward (Including Unabsorbed Depreciation)	Disallowances under section 43B of the Income Tax Act, 1961	Provisions for doubtful debts and advances and inventory	Other items	Total
<b>At April 01, 2020</b>	79.65	1,008.91	14.03	134.82	65.36	1,302.77
<b>(Charged)/Credited</b>						
To Profit and Loss Account	-5.04	-340.79	16.36	-46.89	-4.70	-381.06
To Other Comprehensive Income						-
Others						-
<b>At March 31, 2021</b>	<b>74.61</b>	<b>668.12</b>	<b>30.39</b>	<b>87.93</b>	<b>60.66</b>	<b>921.71</b>
<b>(Charged)/Credited</b>						
To Profit and Loss Account	27.64	70.11	(17.13)	(63.85)	16.94	33.71
To Other Comprehensive Income						-
Others						-
<b>At March 31, 2022</b>	<b>102.25</b>	<b>738.23</b>	<b>13.26</b>	<b>24.08</b>	<b>77.60</b>	<b>955.42</b>

Ind AS 12 'Income Taxes' states that deferred tax assets should be recognised and carried forward only to the extent it is probable that the entity will have sufficient taxable profit against which such

deferred tax assets can be realised. As it is not probable as at 31 March 2021, deferred tax assets is recognised only to the extent of deferred tax liabilities.

### Note 10 : Income tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Opening balance	148.55	223.24
Refund received during the year	-	(162.13)
Taxes paid during the year	193.57	87.44
<b>Closing balance</b>	<b>342.12</b>	<b>148.55</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 11 : Other non-current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Capital advances		
Considered good	20.28	33.27
Considered doubtful	-	-
	20.28	33.27
Less: Provision for doubtful capital advances	-	-
	<b>20.28</b>	<b>33.27</b>
Balances with government authorities		
Considered good	241.44	211.21
Considered doubtful	-	-
	<b>241.44</b>	<b>211.21</b>
Less: Provision for doubtful balances	-	-
	241.44	211.21
Taxes paid under protest		
Considered good	195.59	218.18
Considered doubtful	(126.03)	(126.03)
	<b>69.56</b>	<b>92.15</b>
<b>Total</b>	<b>331.28</b>	<b>336.63</b>

### Note 12 : Inventories

	As at March 31, 2022	As at March 31, 2021
Raw materials (includes inventory-in-transit Rs. NIL lakhs, March 31, 2021 Rs.NIL lakhs)	2,830.35	2,767.94
Work-in-progress	450.46	404.51
Finished goods(includes inventory-in-transit Rs.139.84 lakhs, March 31, 2021 Rs.59.85 lakhs)	368.36	157.31
Stores and spares	358.43	301.78
Scrap	45.74	44.43
<b>Total inventories</b>	<b>4,053.34</b>	<b>3,675.97</b>

Amount recognised in statement of profit and loss

(i) Write-downs of inventories to net realisable value amounted to Rs.7.13 lakhs (March 31, 2021 Rs.3.98 lakhs). These were recognised as an expense during the year and included in 'cost of materials consumed' in Statement of Profit and Loss.

(ii) Inventories have been offered as securities against the working capital facilities provided by the banks. Refer note 47.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 13 : Trade receivable

	As at March 31, 2022	As at March 31, 2021
Trade receivables	514.32	1,192.30
Balance with related parties (refer note 37)	1,860.59	2,058.81
Less: Allowance for doubtful trade receivables	(72.85)	(135.64)
<b>Total</b>	<b>2,302.06</b>	<b>3,115.47</b>

### Break-up of security details

	As at March 31, 2022	As at March 31, 2021
Trade receivable considered good - secured	-	-
Trade receivable considered good - unsecured	2,302.06	3,115.47
Trade receivable which have significant increase in credit risk (refer note 47)	72.85	135.64
Trade receivable credit impaired	-	-
<b>Total</b>	<b>2,374.91</b>	<b>3,251.11</b>
Less: Loss allowance	(72.85)	(135.64)
<b>Total</b>	<b>2,302.06</b>	<b>3,115.47</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Trade Receivables- Ageing

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Considered good:</b>		
<u>i. Undisputed Trade Receivables - considered good</u>		
Unbilled amounts	-	-
Not due	1,233.60	2,529.17
Less than 6 months	1,010.16	505.77
6 months - 1 year	6.59	13.89
1-2 years	96.67	31.71
2-3 years	1.00	120.90
More than 3 years	26.89	49.68
<b>Total</b>	<b>2,374.91</b>	<b>3,251.12</b>
<b>Considered doubtful:</b>		
<u>i. Undisputed Trade Receivables - considered doubtful</u>		
Unbilled amounts	-	-
Not due	-	-
Less than 6 months	10.19	1.93
6 months - 1 year	3.51	7.05
1-2 years	31.26	20.35
2-3 years	1.00	56.63
More than 3 years	26.89	49.68
<b>Total</b>	<b>72.85</b>	<b>135.64</b>

### Trade Receivables from private companies with common directors

	As at March 31, 2022	As at March 31, 2021
Tata AutoComp Hendrickson Suspensions Private Limited	153.48	20.73
Tata Ficosa Automotive Systems Private Limited	6.02	17.01

Trade receivables have been offered as securities against the working capital facilities provided by the banks. Refer note 47.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 14 : Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
<b>Balances with banks</b>		
- in current accounts	356.81	2.30
Cash on hand	0.29	0.29
<b>Total</b>	<b>357.10</b>	<b>2.59</b>

### Note 15 : Bank balances other than above

	As at March 31, 2022	As at March 31, 2021
Margin money deposits (with maturity more than 3 months but less than 12 months)	65.47	0.96
<b>Total</b>	<b>65.47</b>	<b>0.96</b>

### Note 16 : Other current assets

	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good unless otherwise stated</b>		
Advances to suppliers		
Considered good	969.59	588.48
Considered doubtful	-	-
	969.59	588.48
Less: Provision for doubtful advances	-	-
	<b>969.59</b>	<b>588.48</b>
Balances with government authorities	98.53	186.29
(i) CENVAT credit receivable	-	35.92
(ii) GST related balances	98.53	150.37
Prepaid expenses	94.47	61.91
Advances to employees	-	20.14
<b>Total</b>	<b>1,162.59</b>	<b>856.82</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 17 : Assets held for sale

	As at March 31, 2022	As at March 31, 2021
Leasehold land	-	6.91
Factory and office buildings	-	684.37
Plant and machinery	-	60.15
<b>Total</b>	-	<b>751.43</b>

On January 31, 2021, consent of the Board of Directors was obtained for transfer of the freehold land situated at Halol along with the building. The carrying value of said assets have been presented as "Assets held for sale" under the current assets and the advance consideration received from buyers amounting to INR 245 lakhs was presented under "Other current liabilities". The transaction completed in financial year 2021-22.

### Note 18: Equity share capital

	As at March 31, 2022	As at March 31, 2021
<b>Authorised share capital</b>		
20,000,000 (March 31, 2020 : 20,000,000) equity shares of INR 10 each	2,000.00	2,000.00
16,000,000 (March 31, 2020:16,000,000 ) preference shares of INR 10 each	1,600.00	1,600.00
	3,600.00	3,600.00
<b>Issued, subscribed and fully paid up</b>		
15,864,397 equity shares of INR 10 each. ( 31 March 2020: 15,864,397 equity shares of INR 10 each)	1,586.44	1,586.44

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### (a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2022		As at March 31, 2021	
	Number of shares (in lakhs)	Equity share capital (par value)	Number of shares (in lakhs)	Equity share capital (par value)
Equity shares At the commencement and at the end of the year	15,864,397.00	1,586.44	15,864,397.00	1,586.44

### (b) Shares held by holding, subsidiary and associate of holding company

	As at March 31, 2022	As at March 31, 2021
11,898,296 equity shares (March 31, 2020 : 11,898,296 equity shares) held by Tata AutoComp Systems Limited, the Holding Company	1,189.83	1,189.83
	-	-
	<b>1,189.83</b>	<b>1,189.83</b>

### (c) Details of shares held by shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	Number of shares held as on March 31, 2022	% holding	Number of shares held as on March 31, 2021	% holding
Tata AutoComp Systems Limited	11,898,296	75.00%	11,898,296	75.00%

### (d) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a face value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Notes to financial statement**

(All figures in INR Lakhs, unless otherwise stated)

**Note 19: Reserves and surplus**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Capital redemption reserve</b>		
At the commencement and at the end of the year	300.00	300.00
<b>Securities premium</b>		
At the commencement and at the end of the year	4,237.26	4,237.26
<b>General reserve</b>		
At the commencement of the year	444.15	444.15
Add: Additions	-	-
At the end of the year	444.15	444.15
<b>Retained earnings</b>		
At the commencement of the year	(15439.92)	(12451.18)
Profit for the year	5231.08	(2969.89)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
Remeasurements of post-employment benefit obligations	69.57	(18.85)
	(10139.27)	(15439.92)
<b>Total</b>	<b>(5157.86)</b>	<b>(10458.51)</b>

**Note 20 : Non-current borrowings**

	<b>Maturity date</b>	<b>Terms of repayment</b>	<b>Nature of Security</b>	<b>Interest rate</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Secured</b>						
<b>Term Loan</b>						
From related party	May 2025 to February 2026	Monthly Installment in 5 years	first and exclusive hypothecation of land and building and plant and machinery of Pantnagar plant of the Company	9% to 11.5%	-	-
					-	1,767.37
<b>Unsecured</b>						
From related party					-	-
Long term loan	March 2023	Lumpsum	NIL	10.25%	-	1,350.00
Inter Corporate Deposit (ICD)	March 2023	Lumpsum	NIL	10.25%	-	500.00
					-	-
<b>Total</b>					-	3,617.37
Less: Interest accrued					-	(9.56)
<b>Total</b>					-	3,607.81

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 21 : Provisions

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
<b>Provision for employee benefits</b>				
Compensated absences	18.89	163.82	23.60	215.46
Gratuity (refer note 35)	-	210.55	-	286.96
<b>Other provisions (refer note 40)</b>				
Provision for indirect tax matters	15.53	-	246.79	-
Provision for warranty	7.26	3.03	7.26	3.03
<b>Total</b>	<b>41.68</b>	<b>377.40</b>	<b>277.65</b>	<b>505.45</b>

Note : Non-current - other liabilities

### Note 22 : Financial liabilities - current borrowings

	Terms of repayment	Nature of security	Coupon / interest rate	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>					
Loans from banks repayable on Demand	On Demand	hypothecation of current assets and second charge on the movable and immovable properties of Chakan plant of the Company.	9.50% p.a. to 11.00% p.a.	184.28	1,673.54
				-	-
Loan from related party repayable on demand	On Demand	first and exclusive hypothecation of plant and machinery and first charge on leasehold land and building of Pantnagar plant of the Company	10%	-	2,117.16
<b>Unsecured</b>					
Loan from related party repayable on demand	On Demand	-	7.7% pa (10.25% pa till January 22)	4,100.00	8,050.00
Current maturities of long term borrowings				-	317.19
Less: Interest accrued				-	(24.72)
<b>Total</b>				<b>4,284.28</b>	<b>12,133.17</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 23 : Trade payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 43)	1,181.31	459.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	940.57	794.54
Other than acceptances	4,462.49	5,024.03
<b>Trade payable to related parties (refer note 37)</b>	579.95	1,418.90
Acceptances to relates parties	3,886.17	-
<b>Total</b>	<b>11,050.49</b>	<b>7,697.16</b>

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 49.

### Trade Payables- Ageing

	As at March 31, 2022	As at March 31, 2021
<b>i. MSME</b>		
(a) Disputed dues-MSME		
Not due		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(b) Other than Disputed dues-MSME		
Not due	1,152.39	459.69
Less than 1 year	28.91	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1,181.30</b>	<b>459.69</b>
<b>i. Other than MSME</b>		
(a) Disputed dues- Others		
Not due	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 years	66.07	-
More than 3 years	-	-
<b>Total</b>	<b>66.07</b>	<b>-</b>
(b) Other than Disputed dues- Others		
Not due	9,370.71	5,673.60
Less than 1 year	158.74	1,165.86
1-2 years	16.24	140.26
2-3 years	75.09	83.35
More than 3 years	182.33	174.39
<b>Total</b>	<b>9,803.11</b>	<b>7,237.47</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 24 : Current - other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Creditors for capital goods	90.81	53.55
Payable towards employee benefits expense	278.97	325.35
Interest accrued on borrowings	113.94	106.06
Security deposit	41.80	56.96
Claims payable to customers	6.25	158.73
Other payable	2.45	-
Foreign-exchange forward contracts (refer note 44)	0.04	0.52
<b>Total</b>	<b>534.26</b>	<b>701.17</b>

### Note 25 : Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Advance from customers	992.15	347.37
Deferred grant income (INR 3 Lakhs each year released to statement of profit and loss)	12.00	15.00
Statutory dues payables	458.01	612.07
Consideration received in advance for sale of property, plant and equipment	-	345.00
Others	0.53	4.20
<b>Total</b>	<b>1,462.69</b>	<b>1,323.64</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 26: Revenue from Contracts with customer

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers		
Sale of products	60,694.91	33,787.87
Sale of services	13.69	122.94
Other operating revenues	55.11	2.21
<b>Total</b>	<b>60,763.71</b>	<b>33,913.02</b>

#### a) Contracts with customer

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customer	60,763.71	33,913.02
<b>Disaggregation of revenue</b>		
Based on type of goods		
- Components	51,726.00	28,975.62
- Tools, dies and Moulds	1,219.29	460.27
- Scrap	7,818.43	4,477.13
<b>Based on Market</b>		
- Original equipment manufacturer	52,945.28	29,435.89
- Others	7,818.43	4,477.13
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers	39.54	66.08

#### b) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers:

	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivable	2,302.06	3,115.47
Contract liabilities	998.40	506.10

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

Significant changes in the contract liability balances are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Contract liabilities at the beginning of the year</b>	<b>506.10</b>	1,214.19
Revenue recognised that was included in the contract liability balance at the beginning of the year	<b>(506.10)</b>	(1,214.19)
Increase due to cash received, excluding amounts recognised as revenue during the year	<b>998.40</b>	506.10
<b>Contract liabilities at the end of the year</b>	<b>998.40</b>	506.10

### c) Performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or more or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.

### d) Transaction Price

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

### e) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

### f) Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

### g) Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 27: Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from financial assets carried at amortised cost	1.53	2.20
Net gain on sale of property, plant and equipments	39.37	-
Provisions for tax contingencies written back	149.04	-
Other non-operating income	37.50	3.00
<b>Total</b>	<b>227.44</b>	<b>5.20</b>

### Note 28: Cost of materials consumed

	Year ended March 31, 2022	Year ended March 31, 2021
Inventory of raw materials at the beginning of the year	2,767.94	2,024.10
Add: Purchases	49,389.50	26,346.35
Less: Inventory of raw material at the end of the year	2,830.35	2,767.94
<b>Total</b>	<b>49,327.09</b>	<b>25,602.51</b>

### Note 29 : Changes in inventories of finished goods and work-in-progress

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Opening stock</b>		
Work-in-progress	404.51	509.65
Finished goods	157.31	229.42
Scrap	44.43	61.70
	606.25	800.77
<b>Closing stock</b>		
Work-in-progress	450.46	404.51
Finished goods	368.36	157.31
Scrap	45.74	44.43
	864.56	606.25
<b>Total</b>	<b>(258.31)</b>	<b>194.52</b>

### Note 30: Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	2,624.93	2,500.28
Contributions to provident fund and other fund (refer note 35)	227.69	229.95
Staff welfare expenses	255.98	189.89
<b>Total</b>	<b>3,108.60</b>	<b>2,920.12</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 31: Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest and finance charges on financial liabilities measured at amortised cost	1,332.82	1,783.66
Other borrowing costs	107.47	27.47
Interest expenses on lease liabilities	57.01	18.21
<b>Total</b>	<b>1,497.30</b>	<b>1,829.34</b>

### Note 32: Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	938.54	1,030.05
Depreciation on Right-of-use assets	134.43	103.29
Amortisation of intangible assets	11.44	13.08
<b>Total</b>	<b>1,084.41</b>	<b>1,146.42</b>

### Note 33: Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores, spares and consumables	536.28	321.35
Power and fuel	1,037.55	758.72
Site expenses and contract labour charges	2,078.67	1,427.23
Rent and service charges	153.08	126.51
Repairs and maintenance:		
Buildings	89.79	93.30
Machinery	366.18	269.57
Others	38.50	14.04
Insurance	106.68	101.90
Rates and taxes	128.13	236.22
Communication expenses	18.06	28.73
Travelling and conveyance	31.51	25.55
Freight and forwarding	863.63	570.25
Consumption of packing material	2.72	7.78
Legal and professional fees [Refer Note 33 (a)]	142.51	88.35
Provision for bad and doubtful debts	39.54	66.08
Net loss on foreign currency transaction and translation *	13.45	9.07
Loss on sale of property, plant and equipment	-	2.25
Security and housekeeping charges	131.66	141.01
Processing charges	870.82	628.35
Miscellaneous expenses	350.64	278.94
<b>Total</b>	<b>6,999.40</b>	<b>5,195.20</b>

\* Includes gain of Rs xxx lakhs on March 31, 2022 on account of change in fair value of derivative contracts.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 33 : a) Legal and Professional fees include payment to auditors

	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor		
Statutory audit	8.00	8.00
Tax audit	1.00	1.00
Limited reviews	3.00	3.00
Reimbursement of expenses and certification fees	2.50	1.07
<b>Total</b>	<b>14.50</b>	<b>13.07</b>

### 33 b) Corporate social responsibility expenditure

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Companies [Corporate Social Responsibility (CSR)] Rules, 2014. Therefore it is not required to incur any expenditure on account of CSR activities during the year.

### Note 34 : Income tax

#### Tax Losses

The Company does not have taxable income in current and previous year and hence no tax expenses have been recognized. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, no deferred tax assets have been recognized.

	Year ended March 31, 2022	Year ended March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised :		
- Business Losses and Unabsorbed depreciation	10,665.23	17,375.00
Potential tax benefit	2,772.96	4,517.50

Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.

Unused tax losses with respect to business losses have following expiry dates

Expiry Date	Year ended March 31, 2022	Year ended March 31, 2021
March 31, 2024	1,379.29	1,379.29
March 31, 2025	1,088.30	1,088.30
March 31, 2027	3,199.45	3,199.45
March 31,2028	567.41	567.41
March 31,2029	641.27	641.27
March 31,2030	1,644.41	1,639.36
<b>Total</b>	<b>8,520.13</b>	<b>8,515.08</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Reconciliation of tax expense and the accounting profit:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	(767.34)	(2,969.89)
<b>Tax Rate of 26% (FY 2020-21 – 26.00%)</b>	(199.51)	(772.17)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Other items	0.56	0.74
Unrecognised deferred tax asset	198.95	771.43
Adjustments for current tax of prior periods	-	-
<b>Income tax expense</b>	-	-

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Act 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company has evaluated and decided to continue under the existing tax regime.

### Note 35 : Employee benefits

#### (A) Defined benefit plans

##### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening defined benefit obligation as at April 1, 2020</b>	<b>719.09</b>	<b>(463.79)</b>	<b>255.30</b>
Current service cost	50.75	-	50.75
Interest expense/(income)	42.40	(28.41)	13.99
<b>Total amount recognised in profit or loss</b>	<b>93.15</b>	<b>(28.41)</b>	<b>64.74</b>
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense	-	2.95	2.95
(Gain)/loss from change in demographic assumptions	87.90	-	87.90
(Gain)/loss from change in financial assumptions	(42.86)	-	(42.86)
Experience (gains)/losses	(29.14)	-	(29.14)
<b>Total amount recognised in other comprehensive income</b>	<b>15.90</b>	<b>2.95</b>	<b>18.85</b>
Employer contributions	-	(4.00)	(4.00)
Benefit payments	(47.93)	-	(47.93)
<b>Closing defined benefit obligation as at March 31, 2021</b>	<b>780.21</b>	<b>(493.25)</b>	<b>286.96</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening defined benefit obligation as at April 1, 2021</b>	<b>780.21</b>	<b>(493.25)</b>	<b>286.96</b>
Current service cost	54.60		54.60
Interest expense/(income)	49.01	(32.64)	16.37
<b>Total amount recognised in profit or loss</b>	<b>103.61</b>	<b>(32.64)</b>	<b>70.97</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(4.58)	(4.58)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(15.34)	-	(15.34)
Experience (gains)/losses	(49.61)	-	(49.61)
<b>Total amount recognised in other comprehensive income</b>	<b>(64.95)</b>	<b>(4.58)</b>	<b>(69.53)</b>
Employer contributions	-	(2.47)	(2.47)
Benefit payments	(75.38)	-	(75.38)
<b>Closing defined benefit obligation as at March 31, 2022</b>	<b>743.49</b>	<b>(532.94)</b>	<b>210.55</b>

### Note 35 : Employee benefits (continued)

The net liability disclosed above relates to funded plan is as follows:

	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	743.49	780.21
Fair value of plan assets	(532.94)	(493.25)
<b>Non - current liability recognised in Balance Sheet</b>	<b>210.55</b>	<b>286.96</b>

Valuation in respect of gratuity has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.80%	6.60%
Salary escalation	8.00%	8.00%
Rate of return on plan assets	6.86%	6.91%
Attrition Rate- Management	16.00%	16.00%
Attrition Rate- Non- Management	3.00%	3.00%

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Year ended March 31, 2022	Year ended March 31, 2021
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(70.34)	(76.55)
(ii) 1% decrease in discount rate	81.44	89.18
(iii) 1% increase in rate of salary escalation	79.74	87.14
(iv) 1% decrease in rate of salary escalation	(70.27)	(76.34)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### Note 35 : Employee benefits (continued)

#### b) The following payments are expected contributions to defined benefit plan in future years.

The weighted average duration of the defined benefit obligation is 11 years

	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation (gratuity)		
Less than a year	34.40	38.34
Between 1 - 2 years	37.59	40.58
Between 2 - 5 years	156.12	164.94
Over 5 years	391.47	394.30
<b>Total</b>	<b>619.58</b>	<b>638.16</b>

Category of plan assets are as follows -

	As at March 31, 2022	As at March 31, 2021
Unquoted Insurer managed funds*	100%	100%

\* The Company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2022 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year Rs. 2.31 lakhs (Previous year Rs. NIL lakhs).



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### (B) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss

	As at March 31, 2022	As at March 31, 2021
Contribution to Employees' Superannuation Fund	16.72	19.44
Contribution to Provident Fund	105.75	140.84
Contribution to Labour Welfare fund	0.39	0.35
Contribution to Employees' State Insurance	7.06	4.57

### (C) Risk exposure

Through its defined benefit obligations, the company is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
3. Demographic risk: For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

### Note 36 : Segment information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The Company is engaged mainly in the business of manufacturing and trading of automobile components, design and engineering services. Based on the "management approach" as defined in Ind AS 108, the 'Chief Operating Decision Maker (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical area in which the Company operate is India.

i) Product information:

	Year ended March 31, 2022	Year ended March 31, 2021
- Components	51,726.00	28,975.62
- Tools, dies and Moulds	1,219.29	460.27
- Others	7,818.43	4,477.13
<b>Total</b>	<b>60,763.72</b>	<b>33,913.02</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### ii) Geographical information

	Revenue		Non-current assets*	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
India	60,763.72	33,913.02	9,998.08	8,934.41
<b>Total</b>	<b>60,763.72</b>	<b>33,913.02</b>	<b>9,998.08</b>	<b>8,934.41</b>

\* Non-current asset excludes financial assets.

### iii) Major customer

The revenue from customers which is more than 10% of Company's total revenue:

	Year ended March 31, 2022	Year ended March 31, 2021
Tata Motors Limited	26,942.58	17,398.45
Fiat India Automobiles Private Limited	15,922.03	6,943.78
<b>Tata Motors Passenger Vehicles Limited</b>	<b>7,147.46</b>	<b>-</b>
	<b>50,012.07</b>	<b>24,342.23</b>

### Note 37 : Related party transactions

#### a) Related parties and their relationship

##### Promoters/ Promoter group

- i) Tata Sons Private Limited (Ultimate holding company) (Formerly known as Tata Sons Limited)
- ii) Tata AutoComp Systems Limited (Holding company)

##### Fellow subsidiaries (with whom transactions have taken place during the year)

- i) Tata Toyo Radiator Limited
- ii) Tata Autocomp Hendrickson Suspensions Private Limited

##### Other group companies (with whom transactions have taken place during the year)

- i) Tata Capital Financial Services Limited
- ii) Tata AIG General Insurance Company Limited
- iii) Tata Motors Limited
- iv) Fiat India Automobiles Private Limited
- v) Tata Technologies Limited
- vi) Tata Steel Limited
- vii) Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)
- viii) Tata Communications Limited
- ix) Tata Teleservices Limited
- x) Tata Ficosa Automotive Systems Private Limited

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- xi) Voltas Limited
- xii) Tata Advanced Systems Limited (formerly TAL Manufacturing Solutions Limited)
- xiii) Tata Steel BSL Limited (formerly Bhushan Steel Limited)
- xiv) Tata Power Renewable Energy Limited
- xv) Trent Hypermarket Pvt Ltd
- xvi) Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)
- xvii) Roots Corporation Limited

### Key management personnel

- i) Mr. Jitendraa Dikkshit, CEO (Manager)
- ii) Mr. Pradeep Bhargava, Director
- iii) Mr. Shrikant Sarpotdar, Director (till March 14, 2021)
- iv) Ms. Bhavna Bindra, Director
- v) Mr. Arvind Goel, Director
- vi) Mr. Deepak Rastogi, Director
- vii) Mr. Sanjay Sinha, Director (till October 23, 2021)
- viii) Mr. Bharat Parekh, Director
- x) Mr. Prakash Gurav, Director

	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Sale of goods</b>				
- Tata Motors Limited	26,942.58	17,398.45	634.52	609.83
Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	7,147.46	-	791.50	-
- Fiat India Automobiles Private Limited	15,922.03	6,943.78	360.73	1,355.05
- Tata AutoComp Systems Limited	31.59	4.68	(553.74)	(7.58)
Taco Hendrickson Suspensions Private Limited	538.21	19.51	(146.96)	(-2.97)
Tata Ficosa Automotive Systems Limited	56.77	17.01	1.80	(13.03)
<b>Purchase of goods and services</b>				
- Tata Motors Limited	2,218.24	562.19	(484.41)	200.14
Tata International Limited	3.91			
Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited)	751.47		886.03	
- Tata Steel Limited	1,403.64	16.08	(210.91)	(12.53)
- Tata Steel Downstream Products Limited	11,359.58	5,979.13	3,960.06	981.77
Tata Steel BSL Limited (formerly Bhushan Steel Limited)	688.17	479.13	12.00	7.55
- Tata AutoComp Systems Limited		0.14	-	-
-Taco Hendrickson Suspensions Private Limited	31.98	-	37.74	-
- Others	-	-	1.25	2.27

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

	Transaction value		Closing balance	
	Year ended March 31, 2022	Year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Purchase of service</b>				
- Tata Sons Limited	-	0.15	0.27	0.27
Tata Capital Financial Services Limited	6.30	30.21	0.00	4.66
Tata Communications Limited	9.49		0.24	
Tata Power Renewable Energy Limited	17.48	18.04	-	
- Tata AutoComp Systems Limited	12.29	6.91	3.65	-
Tata AIG General Insurance Co Ltd	-	-	5.84	5.84
- Fellow Subsidiaries		13.93	0.00	-4.68
- Roots Corporation Limited	0.08	-	(0.01)	-
<b>Sale of services and reimbursement</b>				
- Tata Motors Limited	-	22.94	-	-
<b>Purchase of Property, plant and equipment</b>				
-Taco Hendrickson Suspensions Private Limited	0.00	-	0.00	-
- Voltas Limited	3.02		(0.91)	
<b>Recovery of expenses</b>				
- Tata AutoComp Systems Limited	-	43.46	52.56	52.56
- Fellow Subsidiaries	6.65	-	-	-
-Taco Hendrickson Suspensions Private Limited		2.94		
Tata Toyo Radiator Limited	-	18.39		21.70
<b>Reimbursement of expenses</b>				
- Tata AutoComp Systems Limited	168.51	129.54	26.52	99.98
Tata Toyo Radiator Limited	7.53	-	0.00	0.00
<b>Loan availed</b>				
- Tata AutoComp Systems Limited	7,300.00	6,550.00	4,100.00	3,400.00
- Tata AutoComp Systems Limited - ICD	-	-	-	500.00
- Tata Capital Financial Services Limited	6,932.89	16,886.00	-	4,167.44
-Taco Hendrickson Suspensions Private Limited	-	5,000.00	-	6,000.00
<b>Loan repaid</b>				
- Tata AutoComp Systems Limited	6,600.00	8,700.00	-	-
- Tata AutoComp Systems Limited -ICD	500.00	800.00	-	-
- Taco Hendrickson Suspensions Private Limited	6,000.00	-	-	-
- Tata Capital Financial Services Limited	11,100.00	17,163.39	-	-
<b>Interest paid</b>				
- Tata AutoComp Systems Limited	864.49	392.16	-	-
- Tata Capital Financial Services Limited	209.09	520.38	-	34.28
- Taco Hendrickson Suspensions Private Limited	11.11	584.11	-	-
<b>Sale of Property, plant and equipment</b>				
- Tata AutoComp Systems Limited	4.55	-	-	-
<b>Remuneration to key managerial personnel</b>				
-Mr. Jitendraa Dikkshit (Refer note d below)				
Short-term employee benefits	87.63	65.00	-	-
<b>Sitting fees paid to key managerial personnel</b>				
- Mr. Pradeep Bhargava	6.50	6.00	-	-
- Mr. Prakash Gurav	6.20	-	-	-
- Mr. Shrikant Sarpotdar	-	6.20	-	-
- Ms. Bhavna Bindra	5.00	5.40	-	-

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- a) The closing balances above are net of advances.
- b) All outstanding balances are unsecured and are repayable in cash.
- c) For borrowing terms and conditions refer note 20 and 22

In addition to the above related party transactions Tata Auto comp Systems Limited (Holding Company) has provided a letter of comfort for loans of INR 183.33 lakhs to State Bank of India , INR NIL lakhs to HDFC Bank Ltd and INR NIL lakhs to Tata capital financial services limited. (as at March 31, 2021 INR 988.21 lakhs to State Bank of India and INR 685.33 lakhs to HDFC Bank Ltd. and INR 4,500.00 lakhs to Tata capital Financial Services Limited) with respect to credit facilities availed by the Company.

d) As post employment obligations and other long-term employee benefits obligations are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

### Note 38 :

#### Contingent liabilities (To the extent not provided for)

	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts		
Excise duty and VAT related matters (refer note (a) below)	82.82	593.24
Labour matter (refer note (c) below)	417.23	397.23
Other matters (refer note (d) below)	52.43	52.43

**Note:** In addition to the above, there are certain pending cases in respect of labour matters, the impact of which is not quantifiable and is not expected to be material.

- (a) The Company has received various demand/notices from the Excise and VAT/Sales Tax department on various matters. The Company has filed/is in the process of filing of appeal for these demand/notices and does not expect any significant outflows. Major demand is for mismatch between details as per the Company with that of filed by vendors and other matters such as for alleged evasion of Central Excise duty and alleged contravention of Central Excise Rules for which demand is raised and interest / penalty is charged. Further, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.
- (b) There are numerous interpretative issues relating to the Supreme Court (SC) judgment dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has also obtained a legal opinion on the matter and basis the same there is no material impact on the financial statements as at 31 March 2021. The Company would record any further effect on its financial statements, on receiving additional clarity on the subject.
- (c) The Company is contesting various demands relating to labour matters and the management believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.
- (d) This represents remote liability pertaining to other employee related matters. The management believe that the chances of outflow of resources is remote.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 39 : Capital commitments

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	127.78	43.76

### Note 40 : Movements in provisions for probable claims and indirect tax matters

For the year ended March 31, 2022

	Tax Contingencies		Warranty	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Carrying amount at the beginning of the year	246.79	-	10.29	8.65
Additional provision made during the year	15.53	246.79	-	1.64
Amounts used / written back during the year	(246.79)	-	-	-
<b>Carrying amounts at the end of the year</b>	<b>15.53</b>	<b>246.79</b>	<b>10.29</b>	<b>10.29</b>
Current	15.53	246.79	7.26	7.26
Non Current	-	-	3.03	3.03

- a. This represents provisions made for probable liabilities / claims arising out of pending dispute / litigations with various regulatory authorities in respect of VAT and CST cases. These provisions are affected by numerous uncertainties and management has taken all efforts to make the best estimates. Timing of outflow of resources will depend upon timing of decision of cases.
- b. The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilized provision is reversed on expiry of the warranty period.

### Note 41 : Earnings per share

		As at March 31, 2022	As at March 31, 2021
Net earnings attributable to equity shareholders			
	Rs. in lakhs	5,231.08	(2,969.89)
Weighted average no. of equity shares		15,864,397	15,864,397
Earnings per share (Basic and Diluted)	Rs.	32.97	(18.72)
Nominal value of an equity share	Rs.	10.00	10.00

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 42 : Ratios

Ratios	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	Variation with preceding year	Comments if variation in above 25%
Current Ratio	Current Assets	Current Liabilities	0.45	0.38	19.07%	NA
Debt-Equity Ratio	Total Debt	Shareholder's Equity	(2.29)	(1.79)	28.43%	Refer Note A
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	0.12	0.01	1046.58%	Refer Note B
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	(0.84)	0.40	-308.86%	Refer Note C
Inventory Turnover Ratio	Cost of goods sold	Average inventory	12.70			Refer Note D
Trade Receivables turnover ratio	Net credit sales	Average accounts receivables	22.43	10.80	107.80%	Refer Note E
Trade Payable turnover ratio	Net credit purchases	Average accounts payables	5.27	3.58	47.36%	Refer Note F
Net Capital turnover ratio	Net sales	Working capital	(6.29)	(2.46)	156.05%	Refer Note G
Net profit ratio	Net profit	Net sales	0.09	(0.09)	-198.30%	Refer Note H
Return on capital employed	Earnings before interest and taxes	Capital employed	1.46	(0.16)	-990.93%	Refer Note I

A. Debt to equity ratio continues to be negative as the company has negative net worth which has decreased from Rs. -8872.07 Lakh as at March 31, 2021 to Rs.- 3571.42 Lakh as at March 31, 2022. During the year, the Company has reduced its borrowing from Rs. 15,737.00 Lakh to Rs. 4283.00 Lakh.

B. Debt coverage ratio has significantly improved since the Company has improved the earnings and substantial reduction in the borrowings.

C. The ratio negative as the company has negative net worth which has decreased from Rs. (8,872.07) Lakh as at March 31, 2021 to Rs.(3571.42) Lakh as at March 31, 2022.

D. Ratio has improved as compared to previous FY 2020-21, mainly due to volume increase and increase in input prices post COVID 19 lockdown impact.

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- E. The ratio has improved compared to PY 20-21 due to effective control on receivables and discounting facility with major OEM customers
- F. There is improvement in liquidity position leading to effective control on payables.
- G. There is improvement in ratio is due to reduced current borrowings and effective control on trade payables.
- H. As explained above, the Company has improved operational efficiencies in terms of material savings, labour productivity, original equipment efficiency and EBITDA.
- I. The ratio has improved due to land sale proceeds, resulting into reduction in overall borrowings and finance cost. Also exceptional gains of INR 5,998.42 booked out of said transaction.

**Note 43 :** Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows:

	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any micro and small supplier at the end of each accounting year:		
- Principal	1,181.31	459.69
- Interest	0.23	-
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		
- Payments made to suppliers beyond the appointed date (Principal amount)	2,110.56	783.92
- Interest on the principal amount	-	-
Interest paid, other than under Section 16 of Micro, Small and Medium Enterprises Development Act, 2006.		
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	5.22	5.84
Interest under section 16 Micro, Small and Medium Enterprises Development Act, 2006 accrued during the year	5.22	5.84
The amount of interest accrued and remaining unpaid at the end of each accounting year	5.45	5.84
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.	85.61	80.16



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 44 : Fair Value Measurement

#### Financial Instrument by category:

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
		Designated upon initial recognition	
<b>Financial assets:</b>			
<i>Non-current</i>			
Other financial assets	136.74	-	136.74
<i>Current</i>			
Trade receivables	2,302.06	-	2,302.06
Cash and cash equivalents	357.10	-	357.10
Bank balances other than cash and cash equivalent	65.47	-	65.47
Other financial asset	14.14	-	14.14
<b>Financial liabilities:</b>			
<i>Non-current</i>			
Borrowings	-	-	-
Lease liabilities	3,666.91	-	3,666.91
<i>Current</i>			
Borrowings	4,284.28	-	4,284.28
Trade payable	11,050.49	-	11,050.49
Lease liabilities	243.23	-	243.23
Other financial liabilities	534.22	0.04	534.26

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 44 : Fair Value Measurement (Contd.)

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
		Designated upon initial recognition	
<b>Financial assets:</b>			
<i>Non-current</i>			
Other financial assets	114.30	-	114.30
Trade receivables	3115.47	-	3115.47
Cash and cash equivalents	2.59	-	2.59
Bank balances other than cash and cash equivalent	0.96	-	0.96
Other financial asset	31.13	-	31.13
<b>Financial liabilities:</b>			
<i>Non-current</i>			
Borrowings	3,607.81	-	3607.81
<i>Current</i>			
Borrowings	12133.17	-	12133.17
Trade payable	7697.16	-	7697.16
Lease liabilities	109.10	-	109.10
Other financial liabilities	701.17	0.52	701.69

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

### Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 44 : Fair Value Measurement (continued)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022 :

	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Liabilities</b>				
Derivative financial instruments - foreign currency forward contracts	0.04	-	0.04	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021 :

	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Liabilities</b>				
Derivative financial instruments - foreign currency forward contracts	0.52	-	0.52	-

- The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- Fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date

-Fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO, VP Finance and the valuation team.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 45 : Financial risk management

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

#### (A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### (a) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and Others. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company's risk management policy is to hedge around 50% to 70% of forecasted foreign currency sales and purchases for the subsequent 6 months. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at March 31, 2022		As at March 31, 2021	
	USD	EUR	USD	EUR
<u>Financial liabilities</u>				
Trade payables	58.95	1.93	77.43	1.97
<b>Exposure to foreign currency risk (liabilities)</b>	<b>58.95</b>	<b>1.93</b>	<b>77.43</b>	<b>1.97</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

### Forward contracts receivable / payable

	As at March 31, 2022	As at March 31, 2021
Forward contracts payable USD	43.79	77.18

### (a) Interest rate risk

The Company has fixed rate borrowings and variable rate borrowing. The Company's fixed rate borrowings and loans to subsidiaries and joint ventures are carried at amortised cost. They are therefore not subject to interest rate risk as defined in In AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's exposure to variable borrowing rate are as follows:

	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	184.28	5,840.98
Fixed rate borrowings	4,100.00	9,900.00
<b>Total borrowings</b>	<b>4,284.28</b>	<b>15,740.98</b>

At the end of the period the Company has following variable borrowing outstanding:

	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loan	10.15%	184.28	4.30%	10.52%	5,840.98	37.11%

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

### Sensitivity

Loss is sensitive to change in interest expenses from borrowings as a result of change in interest rates

Change in interest rate	Impact on profit after tax	
	As at March 31, 2022	As at March 31, 2021
Increases in rates by - 0.50%	13.15	29.20
Decreases in rates by - 0.50%	(13.15)	(29.20)

## Automotive Stampings and Assemblies Limited

### Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

#### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet this. The Company invests its surplus funds in bank fixed deposit and liquid mutual funds which carry no / low mark to market risk.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 year and above	Total
<b>March 31, 2022</b>				
<b>Non-derivatives</b>				
Borrowings non current	-	-	-	-
Borrowings current	4,284.28	-	-	4,284.28
Trade payables	11,050.49	-	-	11,050.49
Other financial liabilities	534.26	-	-	534.26
Undiscounted lease liabilities	539.40	549.12	5,167.56	6,256.08
<b>Total non-derivative liabilities</b>	<b>16,408.43</b>	<b>549.12</b>	<b>5,167.56</b>	<b>22,125.11</b>
<b>Derivatives (net settled)</b>				
Foreign exchange forward contracts	43.79	-	-	43.79
<b>Total derivative liabilities</b>	<b>43.79</b>	<b>-</b>	<b>-</b>	<b>43.79</b>

Contractual maturities of financial liabilities	Upto 1 year	Between 1 and 2 years	2 year and above	Total
<b>March 31, 2021</b>				
<b>Non-derivatives</b>				
Borrowings non current	-	2,356.25	1,251.56	3,607.81
Borrowings current	12,133.17	-	-	12,133.17
Trade payables	7,697.16	-	-	7,697.16
Other financial liabilities	701.17	-	-	701.17
Undiscounted lease liabilities	115.21	-	-	115.21
<b>Total non-derivative liabilities</b>	<b>20,646.71</b>	<b>2,356.25</b>	<b>1,251.56</b>	<b>24,254.53</b>
<b>Derivatives (net settled)</b>				
Foreign exchange forward contracts	77.18	-	-	77.18
<b>Total derivative liabilities</b>	<b>77.18</b>	<b>-</b>	<b>-</b>	<b>77.18</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### (C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness. For the Company, credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables.

### Credit risk management

For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.”

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

None of the Company’s cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

### Financial assets that are neither past due nor impaired

None of the Company’s cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2021, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

Trade receivables	As at March 31, 2022			As at March 31, 2021		
	Gross	Allowance	Net	Gross	Allowance	Net
<b>Trade receivables</b>						
Period (in months)						
Not due	1,413.21		1,413.21	2,830.40	-	2,830.40
Overdue up to 3 months	760.56		760.57	168.99	-	168.99
Overdue 3-6 months	69.97	1.48	68.49	34.92	-	34.92
Overdue more than 6 months	131.16	71.37	59.79	216.80	135.64	81.16
<b>Total</b>	<b>2,374.91</b>	<b>72.85</b>	<b>2,302.06</b>	<b>3,251.11</b>	<b>135.64</b>	<b>3,115.47</b>

The following table summarises the change in loss allowance measured using lifetime expected credit loss model:

	Amount
<b>Loss allowance on March 31, 2020</b>	92.23
Changes in loss allowance	66.08
Loss allowance utilised	<b>(22.67)</b>
<b>Loss allowance on March 31, 2021</b>	135.64
Changes in loss allowance	(62.79)
<b>Loss allowance on March 31, 2022</b>	<b>72.85</b>

### Note 46 : Capital Management

#### (a) Risk management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non convertible debt securities and short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total debt includes all long and short-term debts and lease liabilities as disclosed in notes 20, 22 and 6 to the financial statements.

	As at March 31, 2022	As at March 31, 2021
Total debt	8,194.42	15,850.08
Total equity	(3,571.42)	(8,872.07)
<b>Net debt to equity ratio</b>	<b>(2.29)</b>	<b>(1.79)</b>



## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### Note 47 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<i>First charge</i>		
Leasehold land	104.76	127.42
Building	1,289.90	1,287.82
Plant and machinery	5,662.41	4,569.63
<i>Second charge</i>		
Freehold land	-	23.55
Building	-	1,049.40
<b>Current</b>		
<i>First charge</i>		
Trade receivables	1,994.15	3,115.47
Inventories	3,984.39	3,675.97

### Note 48 : Exceptional item - Gain on sale of leasehold land and building

#### A Chakan : Sale and Lease Back

In the board meeting held on April 5, 2021, the Board of Directors approved the sale of the Company's land along with building situated at Chakan. The Company had obtained an approval from the shareholders through the postal ballot. As at March 31, 2022 the Company had received entire consideration of INR 10,100 lakhs from the buyer and the sale deed for the said transaction was been executed on January 24, 2022. The Company has taken building and portion of land on lease for 15 years on which the operations of the Company will continue. Consequently, the right to use of asset of INR 743.88 lakhs, lease liability of INR 3427.16 lakhs is recognised in books and net gain of INR 6,172.42 lakhs is recognised exceptional item.

Particulars	Amount
Sales Consideration	10,100.00
Written Down Value (WDV)	(1,121.80)
<b>Total Gain</b>	<b>8,978.20</b>
Expenses Incurred	(122.18)
Lease Liability recognized for lease payments	(3,427.48)
Right of Use Assets recognized	743.88
<b>Net Gain recognized as Exceptional Item</b>	<b>6,172.42</b>

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

### B Sale of Land and Factory Building at Halol Plant

On January 31, 2021, consent of the Board of Directors was obtained for transfer of the freehold land situated at Halol along with the building. The carrying value of said assets was presented as "Assets held for sale" under the current assets and the advance consideration received from buyers amounting to INR 245 lakhs is presented under "Other current liabilities" as at March 31, 2021. The Company has completed the sale of said assets during the year and has recognised gain on Asset held for sale of amounting to INR 485.78 lakhs. Further, the Company has also incurred expenses of INR 660.11 lakhs during the year for one-time termination compensation of employees relating to the Halol plant consequent to its closure, expenses for transfer of identified plant and equipment from Halol plant to other manufacturing facilities of the Company, write off of certain property, plant and equipment having no continuing use and certain other expenses. These items have been disclosed as exceptional item.

Particulars	Amount
Sales Consideration	1,225.00
Written Down Value (WDV)	(739.00)
<b>Gross Gain on Sale</b>	<b>486.00</b>
Direct Expenses	14.5
<b>Net gain on Sales</b>	<b>471.5</b>
Other Expenses Incurred*	(645.5)
<b>Net Loss recognized as Exceptional Item (B)</b>	<b>(174.00)</b>
<b>Total Exceptional Gain during the year (A+B)</b>	<b>5,998.42</b>

#### \* Expenses Incurred

Particulars	Amount
Freight Expenses	430.00
Employees termination Cost due to Halol Closure	200.00
Other Misc. Expenses	16.54
<b>Total Other Expenses</b>	<b>646.54</b>

#### Note 49:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

#### Note 50: Other Statutory information

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.

## Notes to financial statement

(All figures in INR Lakhs, unless otherwise stated)

- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- g. The Company does not any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- h. The company does not have any investments through more than two layers of investment companies as per section 2(87) (d) and section 186 of Companies Act, 2013.

Note 51: Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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As per our report of even date attached

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

**Abhishek**  
Partner  
Membership No: 062343  
ICAI UDIN: 22062343AHTAAX9948

Place: Pune  
Date: April 25, 2022

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

**Pradeep Bhargava**  
Chairman  
DIN: 00525234

**Yogesh Jaju**  
Chief Financial Officer

Place: Pune  
Date: April 25, 2022

**Deepak Rastogi**  
Director  
DIN: 02317869

**Jitendraa Dikkshit**      **Prasad Zinjurde**  
Chief Executive Officer      Company Secretary



**ASAL  
AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED**

CIN: L28932PN1990PLC016314

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

Tel: 91 20 66085000 Fax: 91 20 6608 5034

E-mail: cs@autostampings.com Website: www.autostampings.com

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014- Form No. MGT -11]  
32nd Annual General Meeting – 09th day of June 2022

Name of the Member(s)		E-mail id	
Registered address		Folio no. / *Client ID	
		*DP ID	

\* Applicable for Investors holding shares in electronic form.

I/ We being the member(s) of ..... shares of the above named Company, hereby appoint:

1. Name: ..... Email ID: .....

Address : .....  
.....

2. Name: ..... Email ID: .....

Address : .....  
.....

3. Name: ..... Email ID: .....

Address : .....  
.....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Thursday, the 09th day of June 2022 at 11.00 a.m. at Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution number	Resolution	Vote (Optional see Note 2)		
		For	Against	Abstain
Ordinary business				
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Mr. Arvind Goel (DIN: 02300813) who retires by rotation and, being eligible, offers himself for re-appointment.			
3	To Re-appoint Statutory Auditors of the Company			
Special business				
4	Re-appointment of Mr. Jitendraa Dikkshit Manager designated as Chief Executive Officer			
5	Revision in remuneration of Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer and payment of Incentives			
6	To approve Related Party transactions of the Company with Tata Autocomp Systems Limited (Tata AutoComp)			
7	To approve Related Party transactions of the Company with Tata Gotion Green Energy Solutions Private Limited (Tata Gotion)			
8	To approve Related Party transactions of the Company with Tata Motors Passenger Vehicles Limited (TMPVL)			

Signed this..... day of .....2022.

.....  
Signature of the Member

.....  
Signature of the Member

# ASAL

Thirty-Second Annual Report 2021-22

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## **Automotive Stampings and Assemblies Limited**

### Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of Annual General Meeting (on or before June 07, 2022 at 11:00 a.m. IST).
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.
3. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

**ASAL  
AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED**

CIN: L28932PN1990PLC016314

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

Pune: 411004, Maharashtra

Tel: 91 20 66085000 Fax: 91 20 6608 5034

E-mail: cs@autostampings.com Website: www.autostampings.com

**ATTENDANCE SLIP**

(To be presented at the entrance)

Sr. No.....

Folio No. / DP ID & Client ID	
Name and address of the first named Member / proxy / Authorized Representative	
Name of Joint Holder(s), if any	
No. of Shares held	

I/we certify that I/we am/are Member(s)/proxy for the Member(s) of the Company.

I/we hereby record my/our presence at the THIRTY SECOND ANNUAL GENERAL MEETING of the Company on Monday, the Thursday, the 09th Day of June 2022 at 11.00 a.m. at Moolgaokar Auditorium, Ground Floor, A Wing, MCCA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016.

.....  
Member's / Proxy's Signature

.....  
Signature of Joint holder

**ELECTRONIC VOTING PARTICULARS**

EVSN (Electronic Voting Sequence Number)	*Sequence No. / PAN
220505003	

\*Only Members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the Sequence Number field.

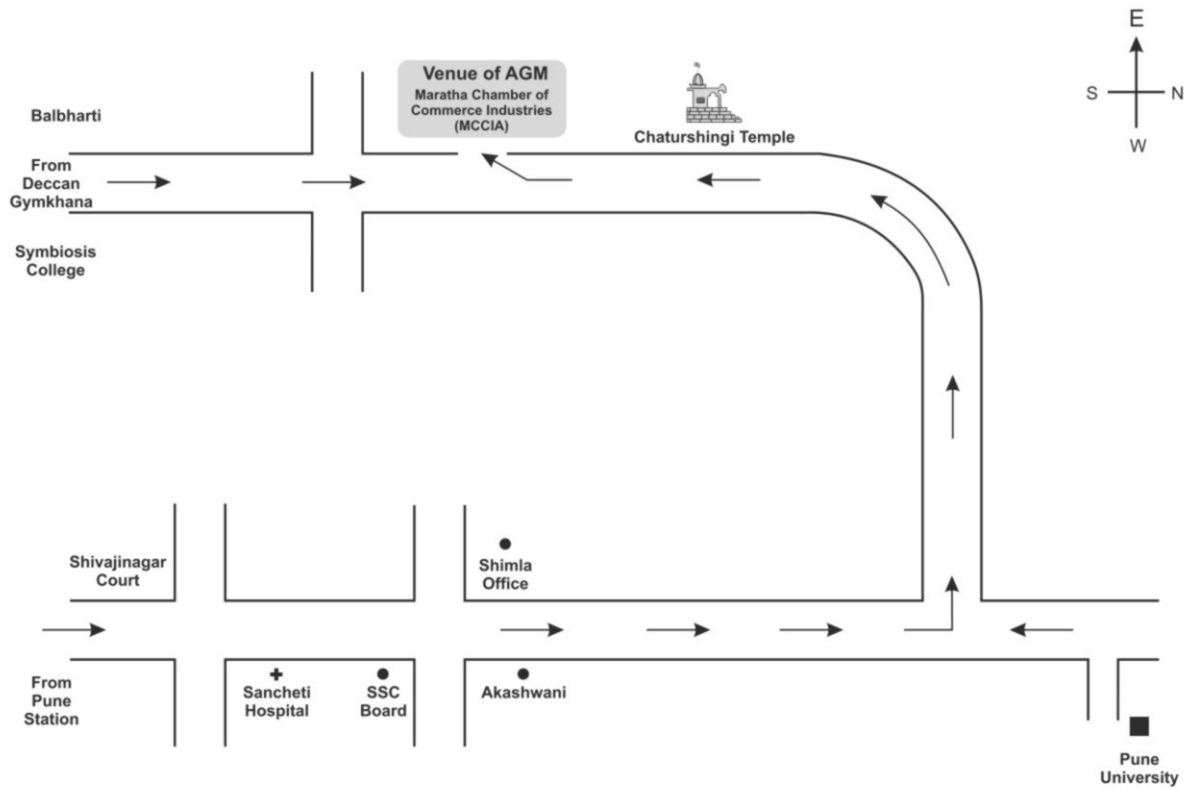
Notes:

1. Please read the instructions relating to e-voting printed under the Notes to the Notice of the 32nd Annual General Meeting to be held on Thursday, 09th Day of June 2022 at 11.00 a.m.
2. Members/Proxies are requested to bring the attendance slips with them when they come to the Meeting and hand them over at the entrance after affixing their signature on them. Joint Members may obtain additional Attendance Slips at the entrance.
3. The remote e-Voting period starts from Monday, June 06, 2022 (9.00 AM IST) and ends on Wednesday, June 08, 2022 (5.00 PM IST). The voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.

### Route Map to the AGM Venue

**Venue & Landmark:**

Moolgaokar Auditorium,  
Ground Floor, A Wing, MCCIA Trade Tower,  
International Convention Centre,  
Senapati Bapat Road, Pune 411 016.



Distance from Pune Station: 6.6 km









