AUTOLINE INDUSTRIES LTD.

25TH ANNUAL REPORT
2020-21

Determined to Deliver

AUTOLINE

VISION

D.R.I.V.E.

Dependable Reliable Innovative solutions to create Value for stakeholders through Effective empowerment

MISSION

People	→	*Empowering people to act like owners.*
Customer	→	*Exceeding Customer Expectations.*
Stakeholders	→	*Adding value for stakeholders.*
Workplace	→	*Functioning with energy and passion.*
Environment	→	*Driving quality, safety and environmental care .*
Effectiveness	→	*Emphasis Effectiveness through efficient actions.*

VALUES

Respect	→	*Treat everyone with dignity and respect.*
Integrity	→	*Say and do only what is right.*
Diversity	→	*Embrace the diverse perspectives.*
Growth	→	*Work towards growth as a way of life.*
Inclusion	→	*Maintain an open & inclusive environment in team Autoline.*
Quality	→	*Right the first time, on time, every time.*

Mr. Vilas Lande
Chairman Emeritus

BOARD OF DIRECTORS

Mr. Prakash Nimbalkar	:	Chairman (Independent Director)
Mr. Shivaji Akhade	:	Managing Director and Chief Executive Officer (CEO w.e.f. June 28, 2021)
Mr. Sudhir Mungase	:	Whole-Time Director
Mr. Umesh Chavan	:	Executive Director and Chief Executive Officer (Resigned w.e.f. December 31, 2020)
CA Vijay Thanawala	:	Independent Director
Mr. Sridhar Ramachandran	:	Nominee Director
Dr. Jayashree Fadnavis	:	Independent Director (Resigned w.e.f. November 10, 2020)
Ms. Rajashri Sai	:	Independent Director (w.e.f. February 1, 2021)

Statutory Auditors	*Internal Auditors*	*Chief Financial Officer*	*Company Secretary*
A. R Sulakhe & Co. Chartered Accountants, Pune	Moore Stephens Singhi Advisors LLP, Mumbai	Mr. Venugopal Rao Pendyala (w.e.f. August 1, 2020)	CS Ashish Gupta

REGISTERED OFFICE

Survey Nos. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District- Pune 410501
Tel: +91-2135-635865/6, Fax: +91-2135-635864/53
CIN- L34300PN1996PLC104510
E-mail: investorservices@autolineind.com
Website: www.autolineind.com

BANKERS / LENDERS

Bank of Baroda

TATA Motors Finance Solutions Limited

JM Financial Asset Reconstruction Company Limited

The Catholic Syrian Bank Ltd.

Axis Bank Ltd.

FACTORIES / UNITS

1) S. Nos. 291 to 295, 298, Nanekarwadi, Chakan, Taluka - Khed, Dist - Pune-410 501.
2) S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka - Khed, Dist - Pune - 410 501.
3) E-12-17 (7) & (8), MIDC, Bhosari, Pune - 411 026.
4) Plot Nos. 5, 6 and 8, Sector 11, II E, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand- 263 153.
5) Plot No. 186-A, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad, 580011, Karnataka.
6) Survey No. 53, 36/2, 36/3, situated at Moorthigana Dinna Village, Dasaripalli, Hosur Bagalur Road, Hosur Taluk, Tamil Nadu – 635109

SUBSIDIARIES / ASSOCIATES

1)	Autoline Industrial Parks Limited -	S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka - Khed, Dist. Pune - 410501.
2)	Autoline Design Software Limited -	First Floor, E-12-17 (8), MIDC, Bhosari, Pune - 411026.
3)	Koderat Investments Limited -	Griva Digeni 115, Trident Centre, 3101, Limassol, Cyprus

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road,
Near Ganesh Mandir, Pune- 411001,
Phone: (020) - 26161629, 26160084
Fax: 020 26163503
E-mail: pune@linkintime.co.in
Website: www.linkintime.co.in

KEY MANAGEMENT TEAM

Mr. Shivaji Akhade	:	Managing Director & CEO
Mr. Sudhir Mungase	:	Whole-Time Director
Mr. Venugopal Rao Pendyala	:	Chief Financial Officer
Mr. Mukund Shah	:	President (Operations & Marketing)
Mr. Mayank Sharma	:	Chief Operating Officer
CS Ashish Gupta	:	Company Secretary
Mr. Rahul Chorghe	:	Head- Human Resources
Mr. Satish Satpute	:	Head – Tool Room & Development
Mr. Faiyaz Kashi	:	Head – Marketing
Mr. Ramesh Chavan	:	Head - IT
Mr. Shalil Akre	:	Head- Design (ADSL)
Mr. Yogesh Ghodekar	:	Plant Head- Bhosari E-12 Unit
Mr. Manoj Bhaiswar	:	Plant Head- Chakan Unit 1
Mr. Abhay Baride	:	Plant Head- Chakan Unit 2
Mr. S. Gowri Shankar	:	Plant Head- Hosur
Mr. Sanjeev Walia	:	Plant Head- UKD

FINANCIAL HIGHLIGHTS OF LAST FIVE YEARS (CONSOLIDATED)

(₹ in Lakhs)

PARTICULARS	2020-21	2019-20	2018-19	2017-18	2016-17
OPERATING RESULTS					
Sales and Other Income	28641	31878	45458	40489	39378
Profit before Depreciation, Interest & Tax	1053	(1008)	989	686	966
Less: Depreciation	2043	2095	2123	2226	2347
Finance Cost	3197	3133	3752	3686	3675
Profit before Tax (PBT)	(4187)	(6603)	(488)	(5226)	(8447)
Profit after Tax (PAT)	(4187)	(6603)	(495)	(5237)	(7197)
ASSSETS					
Non-Current Assets	20212	22627	24348	26097	27201
Current Assets	22438	20534	28285	23630	23481
Total	**42650**	**43161**	**52633**	**49727**	**50682**
EQUITY & LIABILITIES					
Share Capital	3096	2703	2703	2100	1603
Other Equity	(911)	1425	8038	4855	5796
Non-Controlling Interest	6237	6211	6228	6225	5957
Total Shareholder's Fund	**8422**	**10339**	**16969**	**13180**	**13356**
Non-Current Liabilities	6677	5058	8897	15864	16124
Current Liabilities	27551	27764	26767	20682	21202
Total Liabilities	**34228**	**32822**	**35664**	**36547**	**37326**
Total Equity & Liabilities	**42650**	**43161**	**52633**	**49727**	**50682**
OTHERS					
Face Value of Share (₹)	10	10	10	10	10
Number of Issued Shares	30963164	27027585	27027585	21000188	16031054
Earnings Per Share (EPS)	(14.48)	(24.43)	(2.32)	(29.05)	(50.31)

CONTENTS

		Page Nos.
1.	Notice	5
2.	Directors' Report including Management Discussion and Analysis	19
3.	Corporate Governance Report	45
4.	Standalone Financials	
	• Independent Auditors' Report	64
	• Balance Sheet	73
	• Statement of Profit and Loss	74
	• Cash Flow Statement	75
	• Notes to Financial Statements	77
5.	Consolidated Financials	
	• Independent Auditors' Report	123
	• Balance Sheet	129
	• Statement of Profit and Loss	130
	• Cash Flow Statement	131
	• Notes to Financial Statements	133

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of Autoline Industries Limited will be held on Wednesday, September 29, 2021 at 2:30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt the audited financial statements of the Company on a standalone and consolidated basis, for the financial year ended March 31, 2021, the reports of the Board of Directors and Auditors thereon.**
2. **To appoint a Director in place of Mr. Sudhir Mungase (DIN:00006754), who retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.**

SPECIAL BUSINESS

3. **To reappoint Mr. Shivaji Akhade (DIN:00006755) as a Managing Director and Chief Executive Officer and in this regard 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 Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and subject to the approval of Central Government, if required and other approvals and consents as may be required, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Shivaji Akhade (DIN: 00006755), as a Managing Director and Chief Executive Officer of the Company, for a period of 5 (five) years with effect from October 1, 2021, on the terms and conditions including remuneration as set out in the Statement annexed to this Notice convening Annual General Meeting with the authority to Board of Directors to alter and vary the terms and conditions of the said appointment including designation and / or remuneration as it may deem fit and as may be acceptable to Mr. Shivaji Akhade (DIN: 00006755), subject to the applicable provisions and/or approvals, if any.;

   RESOLVED FURTHER THAT as per the proviso to Section II (A) of Part II of Schedule V, the limits specified in Schedule V, Part II, section II (A) of the Act, be doubled and the Remuneration as set out in the Statement annexed to this Notice be approved for the period of 3 (three) years effective from October 1, 2021 and in case the Company incurs a loss or its profits are inadequate, the said remuneration be paid till the time it is within the limit specified in the Section II of Part II of Schedule V of the Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

   RESOLVED FURTHER THAT wherein any financial year, during the currency of his appointment, if the Company has adequate profits, the Board of Directors of the Company, be and is hereby authorized to increase the remuneration over and above the remuneration as set out in the Statement annexed to this Notice but within the overall entitlement as prescribed in the Section 197 of the Act by way of salary, perquisites, commission and any other allowances to Mr. Shivaji Akhade subject to the provisions of Section 197 of the Act, and other applicable provisions/approvals, if any.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be deem fit or required and to delegate all or any of its powers herein conferred to any committee of Board or Directors to give effect to this resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respect."

4. **To reappoint Mr. Sudhir Mungase (DIN: 00006754) as a Whole-time Director and in this regard 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 Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and subject to the approval of Central Government, if required and other approvals and consents as may be required, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sudhir Mungase (DIN: 00006754), as a Whole-time Director of the Company, for a period of 5 (five) years with effect from October 1, 2021, on the terms and conditions including remuneration as set out in the Statement annexed to this Notice convening Annual General Meeting with the authority to Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Sudhir Mungase (DIN: 00006754), subject to the applicable provisions and/or approvals, if any;

   RESOLVED FURTHER THAT as per the proviso to Section II (A) of Part II of Schedule V, the limits specified in Schedule V, Part II, section II (A) of the Act, be doubled and the Remuneration as set out in the Statement annexed to this Notice be approved for the period of 3 (three) years effective from October 1, 2021 and in case the Company incurs a loss or its profits are inadequate, the said remuneration be paid till the time it is within the limit specified in the Section II of Part II of Schedule V of the Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT wherein any financial year, during the currency of his appointment, if the Company has adequate profits, the Board of Directors of the Company, be and is hereby authorized to increase the remuneration over and above the remuneration as set out in the Statement annexed to this Notice but within the overall entitlement as prescribed in the Section 197 of the Act by way of salary, perquisites, commission and any other allowances to Mr. Sudhir Mungase, Whole-time Director subject to the provisions of Section 197 of the Act, and other applicable provisions/approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be deem fit or required and to delegate all or any of its powers herein conferred to any committee of Board or Directors to give effect to this resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respect."

5. **To confirm appointment of Ms. Rajashri Sai (DIN: 07112541) as an Independent Woman Director in the company and in this regard to consider and if thought fit, to pass the following resolution as an ordinary resolution:**

   "RESOLVED THAT Ms. Rajashri Sai (DIN: 07112541), who was appointed as an Additional Director of the Company w.e.f. February 1, 2021, pursuant to Sections 149, 152 read with Schedule IV and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (LODR) (as amended from time to time), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of three years ending on January 31, 2024.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors or any director/key managerial personnel of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respect."

By Order of the Board of Directors of
Autoline Industries Limited

Ashish Gupta
Company Secretary & Compliance Officer
Pune, August 13, 2021 Membership No. : A16368

Registered Office: Survey No. 313, 314, 320 to 323
Nanekarwadi, Chakan, Taluka- Khed, District- Pune 410501
CIN: L34300PN1996PLC104510
E-mail: investorservices@autolineind.com

NOTES

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 02/2021 dated January 13, 2021 read together with General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5,2020 and the rules made thereunder on account of the threat posed by 'COVID-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to Relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - COVID-19 pandemic (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 25th AGM of the Company is being held through VC/OAVM on Wednesday, September 29, 2021 at 2:30 p.m. (IST). The deemed venue for the AGM will be the Registered Office of the Company.
2. As per the provisions of clause 3.A.II of the General Circular No. 20/ 2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Members may please note that since the AGM is being held through VC/OAVM Modes, the route map of the Venue of the meeting is not annexed hereto.
5. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 25th AGM through VC/ OAVM facility. Corporate members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/ OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail to sunil.nanal@kanjcs.com. with a copy marked to evoting@nsdl.co.in
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the

Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars as stated above, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system for the AGM will be provided by NSDL.

7. Only registered members of the Company may attend and vote through VC/OAVM facility.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address investorservices@autolineind.com at least 7 days in advance before the start of AGM, i.e. by September 22, 2021 by 02:30 p.m. Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

10. Voting through electronic means:

Members may exercise their right either by (a) remote e-voting prior to the AGM as explained herein below or (b) e-voting during the AGM as explained below:

The instructions for members voting electronically are as under:

The remote e-voting period begins on Sunday, September 26, 2021 at 09:00 a.m. and ends on Tuesday, September 28, 2021 at 05:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **Cut-off Date** (Record Date) on Wednesday, September 22, 2021 may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The procedure to login and access remote e-voting as devised by depositories/depository participants is given below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system:

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
2. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sunil.nanal@kanjcs.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager NSDL at the designated e-mail ID: evoting@nsdl.co.in , pallavid@nsdl.co.in or at telephone number +91-22 2499 4545

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, 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 investorservices@autolineind.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 investorservices@autolineind.com.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

11. Dematerialize the Shares held in Physical mode:

As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, w.e.f. April 1, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings. We urge the members holding shares in physical form to opt for dematerialization. Members may please note that the trading of the Company's shares on BSE Limited and the National Stock Exchange of India Limited, is in compulsory demat mode.

12. Transfer to Investor Education and Protection Fund (the IEPF) :

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends as and when declared up to the financial year 2012-13, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Details of dividends so far transferred to the IEPF authority are available on the website of IEPF authority and can be accessed through the link www.iepf.gov.in.

Under Section 124(6) of the Companies Act, 2013 and Investor Education and protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended the Company has, during FY 2020-21 transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares so far transferred to the IEPF authority are available on the website of IEPF authority and can be accessed through the link www.iepf.gov.in.

As provided under these Rules, the members would be allowed to claim such unpaid dividends and the shares transfered to the Fund by following the required procedure. Shareholders are requested to get in touch with the compliance officer for further details on the subject.

13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/Registrar and Share Transfer Agent of the Company.

14. The relative Explanatory Statement pursuant to Section 102 of the Act in respect of the Special business set out above and Details of Directors retiring by rotation/ seeking appointment/ re-appointment at this meeting are provided in the Annexure -1 to this Notice.

15. Dispatch of Annual Report through Electronic Mode:

In compliance of the General Circular No. 20/2020, dated May 5, 2020 and No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") circular Nos. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the notice of this AGM along with the 25th Annual Report is being sent only by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. Members may also note that the Notice of the 25th Annual General Meeting along with 25th Annual Report will also be available on the Company's website- www.autolineind.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited. The Electronic copies of all the documents referred in the Notice shall be made available for inspection.

16. Members are requested to send all their documents and communications pertaining to shares to Link Intime India Pvt. Ltd., Share Transfer Agent of the Company ("**Link Intime**") at its address at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune- 411 001 (Maharashtra), India; Telephone No. (020)-26161629, 26160084; Fax No. (020)-26163503 for both physical and demat segment of Equity Shares. Please quote "Unit-Autoline Industries Limited" on all such correspondences. E-mail address of Link Intime is pune@linkintime.co.in.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Link Intime/ Company.

18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website- www.autolineind.com under the section 'Investor Relations'.

19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company, for consolidation in to a single folio.

20. Non-Resident Indian Members are requested to inform Link Intime immediately of:

a) Change in their residential status on return to India for permanent settlement.

b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC code and address of the bank with pin code number, if not furnished earlier.

21. 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 do 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.

22. Members desiring any information with regard to Accounts/ Annual Reports are requested to write to the Company Secretary at least 10 days before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Electronic copies of the relevant documents referred to in the AGM Notice and Explanatory Statement will be made available through email for inspection by Members, if so desired. Electronic copies of necessary statutory registers and auditors report/certificates will be available for inspection by the members at the time of AGM. Members who wish to inspect the relevant documents referred above and in the Notice can send an email to: investorservices@autolineind.com up to date of this AGM.

23. Members who have not registered their e-mail addresses so far, are requested to register/update their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

24. Mr. Sunil G. Nanal (FCS No. 5977), Partner M/s. KANJ & Co. LLP, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

25. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a director authorized by board in writing who shall countersign the same. The Chairman or a director authorized by Board shall declare the result of the voting forthwith but not later than 48 hours of conclusion of the meeting.

26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.autolineind.com and on the website of NSDL www.evoting.nsdl.com and communicated to the Stock Exchanges immediately after declaration. The result shall also be displayed on the Notice Board at the Registered Office of the Company.

EXPLANATORY STATEMENT

(Statement setting out material facts under Section 102 of the Companies Act, 2013)

ITEM NO. 3

The Members of the Company at their Twentieth Annual General Meeting ("AGM") held on September 24, 2016 had approved the appointment of Mr. Shivaji Akhade as Managing Director for five years till September 30, 2021 and also approved his annual remuneration of ₹ 60,00,000/- for three years till September 30, 2019. In the Twenty Third AGM held on September 28, 2019 the members of the Company approved his remuneration of ₹ 60,00,000/- per annum plus perquisites and allowances for remainder period of two years of his tenure as a Managing Director.

Mr. Akhade has been in office as a Director since inception of the Company. He has been instrumental in transforming the Company from a private limited to a Listed public Company. During his tenure, the Company has made considerable progress in all the spheres and acquired reputation in the Industry. He has contributed immensely in the growth of the Company and achieving the turnover of ₹ 627 millions from the dot. He is the instrumental to prop up the business performance of the Company while facing the tremendous challenges by the Company and particularly the auto sector during past few years. The senior management team is working extensively in the arenas of Business Development, Diversifications and Production Efficiency under his efficient leadership to turnaround the Company. The operations of the Company has started reflecting the positive results and in the Quarter ended on March 31, 2021, the Company has achieved a Net Profit of ₹ 178 Lakhs and for the first time in last six years, the EPS has become positive.

The Board of the Company in its meeting held on June 28, 2021, on account of resignation of Mr. Umesh Chavan from the post of Executive Director and Chief Executive Officer, appointed Mr. Shivaji Akhade, Managing Director of the Company as Managing Director and Chief Executive Officer of the Company effective from June 28, 2021 and designated as a Key Managerial Personnel.

Keeping in view that Mr. Shivaji Akhade has rich and varied experience in the industry and has been involved in the operations of the Company since inception it would be in the interest of the Company to appoint Mr. Shivaji Akhade as Managing Director and Chief Executive Officer of the Company.

The Nomination and Remuneration Committee (the Committee), at its meeting held on August 12, 2021 recommended to the Board for the appointment of Mr. Shivaji Akhade as a Managing Director and Chief Executive Officer for the period of five years from October 1, 2021 to September 30, 2026 and payment of remuneration for the period of three years starting from October 1, 2021 to September 30, 2024 as specified in Section II of Part II of Schedule V of the Act. While deciding remuneration the Committee considered financial position of the Company, trend in the industry, Mr. Shivaji Akhade's qualification, experience, past performance, etc., the Nomination and remuneration policy of the Company and recommended the Board to pay the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) per month to Mr. Shivaji Akhade. The Board, at its meeting held on August 13, 2021 approved the re-appointment of Mr. Shivaji Akhade as Managing Director & Chief Executive Officer w.e.f. October 1, 2021, inter alia, on the following terms:

i) Tenure: -

(a) Period of appointment: - October 1, 2021 to September 30, 2026.

(b) Period for which remuneration is being decided – For the period commencing from October 1, 2021 to September 30, 2024.

ii) Nature of duties:

Mr. Shivaji T. Akhade shall, subject to the supervision and control of the Board, be entrusted with substantial powers of managing the affairs of the Company and day to day management of the Company and represent the Company before the government offices, various stakeholders and outside parties and shall also perform such duties as, from time to time, be entrusted to him by the Board of Directors by passing a resolution and/ or entering into an agreement with him and the business activities of any one or more of its subsidiary and/or associate companies, including performing duties as requested by the Board of Directors from time to time, by serving on the Boards of such companies or by any other executive body or any committee of such a Company.

iii) A. Remuneration: within the limits specified in Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

1. Salary : ₹ 60 Lakhs per annum
2. Bonus: as per the rules of the Company
3. Perquisites and allowances :
   a. Mediclaim policy : For self and dependents as per the rules of the Company.
   b. Personal accident insurance : As per the rules of the Company.
   c. Directors & Officers Liability Insurance - As per the rules of the Company.
   d. Insurance - Overseas Travelling insurance- As per the rules of the Company.
   e. Leave travel concession / allowance : For self and family as per the rules of the Company as decided by the Board of Directors from time to time.
   f. Company car and telephone : Use of the Company's car, chauffeur and telephone as per the rules of the Company.
4. Other benefits
   a. Earned / privilege leave: As per the rules of the Company.
   b. Company's contribution to Provident Fund and superannuation fund : As per the rules of the Company.
   c. Gratuity : As per the rules of the Company.
   d. Encashment of leave : As per the rules of the Company.

B. Minimum Remuneration: Notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2021, during the tenure of Mr. Shivaji Akhade (DIN: 00006755) as Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Shivaji Akhade (DIN: 00006755) the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

iv) The terms and conditions of appointment of Mr. Shivaji Akhade also include clauses pertaining to adherence with the Company's Code of Conduct, including no conflict of interest with the Company and maintenance of confidentiality.

v) The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit and remuneration may be revised by the Board, after recommendation by Nomination and Remuneration Committee, within the maximum amount payable to Mr. Shivaji T. Akhade, in accordance with the provisions of the Companies Act, 2013 or any amendments made hereafter in this regard and subject to such approvals as may be required.

vi) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or its Committees thereof.

The provisions of Section 197 read with Schedule V of the Act (as amended) specify that where the Company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting for payment of remuneration to managerial personnel. Accordingly, the Company has applied for the approval from secured creditors and debenture holders whose repayment have been defaulted for payment of the remuneration to Mr. Shivaji Akhade for a period of three years with effect from October 1, 2021 till September 30, 2024.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Information as required under Schedule V Part II Section II (B) (iv) of the Companies Act, 2013 and other details are given below at Item no. 4.

The Board commends passing the said resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Shivaji Akhade and Mr. Sudhir Mungase are interested or concerned, financially or otherwise in the Resolution set out at item no. 3.

ITEM NO.4

The Members of the Company at their Twentieth Annual General Meeting ("AGM") held on September 24, 2016 had approved the appointment of Mr. Sudhir Mungase as a Whole Time Director for five years till September 30, 2021 and also approved his annual remuneration of ₹ 24,00,000/- for three years till September 30, 2019. In the Twenty third AGM held on September 28, 2019, the members approved the same remuneration for his remaining tenure as a Whole Time Director.

Mr. Sudhir Mungase has been in office as a Director since inception of the Company. During his tenure, the Company has made considerable progress in all the spheres and

acquired reputation in the business. He is closely handling the activities of land acquisition and development of Autoline Industrial Parks Limited ("AIPL"), a subsidiary of the Company and obtained various prime approvals from the government authority for land development. Under his leadership AIPL has acquired about 112 acres land at Mahalunge, Pune surrounded by the Auto cluster.

Keeping in view that Mr. Sudhir Mungase has rich and varied experience in the auto sector as well as real estate sector and has been involved in the operations of the Company since inception it would be in the interest of the Company to re-appoint Mr. Sudhir Mungase as a Whole-time Director of the Company.

The Nomination and Remuneration Committee (the Committee), at its meeting held on August 12, 2021 recommended to the Board the re-appointment of Mr. Sudhir Mungase as Whole-time Director for the period of five years starting from October 1, 2021 to September 30, 2026. While deciding remuneration the Committee considered financial position of the company, trend in the industry, Mr. Sudhir Mungase's qualification, experience, past performance, etc., the Nomination and Remuneration policy of the Company and recommended the Board to pay the remuneration of ₹ 2,00,000/- (Rupees Two Lakhs) per month to Mr. Sudhir Mungase. The Board, at its meeting held on August 13, 2021, approved the re-appointment of Mr. Sudhir Mungase as Whole-time Director w.e.f. October 1, 2021, inter alia, on the following terms:

i. Tenure : -

(a) Period of appointment: - October 1, 2021 to September 30, 2026.

(b) Period for which remuneration is being decided – For the period commencing from October 1, 2021 to September 30, 2024.

ii. Nature of duties:

Mr. Sudhir Mungase shall devote his whole time and attention to the business of the Company and shall also perform such duties as, from time to time, be entrusted to him by the Board of Directors by passing a resolution and/or entering into an agreement with him and the business activities of any one or more of its subsidiary and/or associate companies, including performing duties as requested by the Board of Directors from time to time, by serving on the Boards of such companies or by any other executive body or any committee of such a Company.

iii. A. Remuneration: within the limits specified in Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

1. Salary: ₹ 24 Lakhs per annum

2. Bonus: as per the rules of the Company

3. Perquisites and allowances :

i. Mediclaim policy : For self and dependents as per the rules of the Company.

ii. Personal accident insurance : As per the rules of the Company.

iii. Directors & Officers Liability Insurance - As per the rules of the Company.

iv. Insurance - Overseas Travelling insurance- As per the rules of the Company.

v. Leave travel concession / allowance : For self and family as per the rules of the Company as decided by the Board of Directors from time to time.

vi. Company car and telephone : Use of the Company's car, chauffeur and telephone as per the rules of the Company.

4. Other benefits

a) Earned / privilege leave: As per the rules of the Company.

b) Company's contribution to Provident Fund and superannuation fund : As per the rules of the Company.

c) Gratuity : As per the rules of the Company.

d) Encashment of leave : As per the rules of the Company.

B. Minimum Remuneration: Notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2021, during the tenure of Mr. Sudhir Mungase (DIN: 00006754) as an Whole-time Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Sudhir Mungase (DIN: 00006754) the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

iv. The terms and conditions of appointment of Mr. Sudhir Mungase (DIN: 00006754) also include clauses pertaining to adherence with the Company's Code of Conduct, including no conflict of interest with the Company and maintenance of confidentiality.

v. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit and remuneration may be revised by the Board, after recommendation by Nomination and Remuneration Committee, within the maximum amount payable to Mr. Sudhir Mungase, in accordance with the provisions of the Companies Act, 2013 or any amendments made hereafter in this regard and subject to such approvals as may be required.

vi. No sitting fees shall be paid to Mr. Sudhir Mungase for attending the meetings of the Board of Directors or its Committees thereof.

The provisions of Section 197 read with Schedule V of the Act (as amended) specify that where the Company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting for payment of remuneration to managerial personnel. Accordingly, the Company has applied for the approval

from secured creditors and debenture holders whose repayment have been defaulted for payment of the remuneration to Mr. Sudhir Mungase for a period of three years with effect from October 1, 2021 till September 30, 2024.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The Board commend passing of the said resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Sudhir Mungase and Mr. Shivaji Akhade are interested or concerned, financially or otherwise in the Resolution set out at item no. 4.

Information as required under Schedule V Part II Section II (B) (iv) for Item nos. 3 & 4 are as under:

Sr. No.	Particulars	Information	
I.	General Information		
1	Nature of Industry	Automobile Industry (Auto ancillary)	
2	Date of commencement of commercial production	Immediately after the incorporation as Private Limited Company on December 16, 1996.	
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 the audited annual accounts as on March 31, 2021: (Standalone) **Particulars** — **₹ (in Crores)** Revenue from Operations — 284.14 Profit after Tax — (35.61)	
5	Foreign investments or collaborations, if any.	Foreign Investments in the Company as on March 31, 2021 are as under: 1. Foreign Companies – holding 2388894 equity shares, 7.72% of the total paid up capital of the Company. 2. Foreign Nationals – holding 10763 equity shares, 0.03% of the total paid up capital of the Company. 3. NRIs - holding 1805312 equity shares, 5.83% of the total paid up capital of the Company.	
II.	Information about the appointee:	Mr. Shivaji Akhade	Mr. Sudhir Mungase
1	Background details	Mr. Shivaji Akhade, aged 55 years, is a commerce graduate having 29 years long and varied experience in trading as well as manufacturing. He is Co-founder and one of the Promoters of the Company and working as Managing Director of the Company. He was appointed first time on December 16, 1996 in the company and re-appointed as Managing Director w.e.f. October 1, 2016.	Mr. Sudhir Mungase aged 46 years having 24 years of experience, is Co-founder and one of the Promoters of the Company and working as Whole-time Director of the Company. He was appointed first time on December 16, 1996 in the company and re-appointed as Whole-Time Director w.e.f. October 1, 2016. He is undergraduate by qualification.
2	Past remuneration	₹ 60,00,000/- per annum plus perquisites	₹ 24,00,000/- per annum plus perquisites
3	Recognition or awards	'Pimpri Chinchwad Udyog Bhushan Puraskar' from Annasaheb Magar Foundation, Pune.	Nil

Sr. No.	Particulars	Information	
4	Job profile and his suitability	Mr. Akhade has been providing the vision and the direction to the Company since its inception. He is the instrumental to prop up the business performance of the Company while facing the tremendous challenges by the Company and particularly the auto sector during past 6 years. Professionals have been recruited from the Automobile Industry for working in the various functional areas. The senior management team is working extensively in the arenas of Business Development, Diversification, Production Efficiency under his efficient leadership to turnaround the Company. Mr. Akhade is fully conversant with the technicalities of the production and other processes as a result of his expertise in the early days of the Company, when he himself looked after all the functions.	Mr. Sudhir Mungase is the Whole-time Director. Associated with manufacturing and maintenance operations in the Company since inception. He has acquired expertise in Sheet Metal and Allied Operations. He is closely handling the activities of land acquisition and development of Autoline Industrial Parks Limited ("AIPL") a subsidiary of the Company and obtained various prime approvals from the government authority for land development. He oversees the production and maintenance functions of the Company.
5	Remuneration proposed	₹ 60,00,000/- per annum. In addition to above remuneration, the Board of Directors is authorized to pay additional remuneration by way of salary, perquisite, commission and any other allowances within an overall ceiling limit as may prescribed under the Companies Act, 2013. There is no increase in the remuneration as to the past remuneration.	₹ 24,00,000/- per annum. In addition to above remuneration, the Board of Directors is authorized to pay additional remuneration by way of salary, perquisite, commission and any other allowances within an overall ceiling limit as may prescribed under the Companies Act, 2013. There is no increase in the remuneration as to the past remuneration.
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 and its subsidiary companies, the profile of the Director, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar level counterparts in other companies.	Taking into consideration the size of the company and its subsidiary companies, the profile of the Director, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar level counterparts in other companies.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Promoter, Shareholder and holding 3474981 equity shares, 11.22 % of total paid up capital of the Company as on March 31, 2021. Relationship with Managerial personnel- Mr. Shivaji Akhade is brother-in- law of Mr. Sudhir Mungase.	Promoter, Shareholder and holding 2948431 equity shares, 9.52% of total paid up capital of the Company as on March 31, 2021. Relationship with Managerial personnel- Mr. Sudhir Mungase is brother-in-law of Mr. Shivaji Akhade.
III.	Other information:		
1	Reasons of loss or inadequate profits	The Company is predominantly in Automotive Sector and the products which are being produced by the company are exclusively for industrial use and as such there is no independent consumer market of its final products. Further, the overall economy and automotive sector is drastically hit by the Covid-19 pandemic, resultantly, the Auto sector has witnessed economic slowdown due to disruption of the cash flows. The plants of the Company were closed for considerable amount of time due to Nationwide lockdown declared in March, 2020 and subsequent containment measures till June 2021.	

Sr. No.	Particulars	Information
2	Steps taken or proposed to be taken for improvement	In order to improve profitability on sustainable basis, the Company has taken and/or is taking/considering following major steps: a) Cost saving and improving substantial operational efficiency by consolidating existing manufacturing facilities. b) Improving financial positions of the company through debt restructuring and other corporate actions. c) Diversifying the customer base. d) Business arrangement or re-organization such as diversification from Automotive to Non-Automotive sectors, set up of joint venture, takeover, merger etc. e) Disposal of investment and surplus assets generated as a result of consolidation of plants f) Focus on international market through greater geographical penetration, as overall margins in exports are better than domestic market.
3	Expected increase in productivity and profits in measurable terms	Considering the steps taken by the company and proposed to be taken and opening of domestic and international markets post lifting lockdown, lower inflation & interest rates, growth in other manufacturing & service sectors, the Company is hopeful to overcome the losses and turnaround to its earlier days. The Company is projecting twofold growth in the turnover for FY 2021-22 as compared to the turnover of previous financial year and this will lead to increase the profitability. .

ITEM NO. 5.

The Board of Directors in its meeting held on January 30, 2021, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Rajashri Sai as an Additional Director (Non-Executive, Independent) of the Company with effect from February 1, 2021. The appointment of Ms. Rajashri Sai enables the Company to comply with the provisions of Section 149 (1) of the Act and Regulation 17 of SEBI (LODR) Regulations, 2015 which require to have at least one Woman Director in the Company.

Ms. Rajashri Sai is the founder of Impactree Data Technologies and Zuppa Geonavigation. Impactree is a technology company that works at aligning the vision of Social Enterprises and enabling scale up of grass roots initiatives by working in with social data among last mile communities. By involving communities in the collection and ownership of data Impactree helps build programmes through a bottoms up approach to scale.

She is also a founding member of Zuppa - an electronic embedded hardware company in the area of self driving vehicles, IOT devices and drones. As a part of the core team Rajashri has been part of the inception and scale of Zuppa overseeing partnership, investor relations, finance, legal and strategy. Zuppa has raised Series A and is currently exploring strategic investments for Series B round of funding.

As partnership advisor to Swayam Shikshan Prayog, she has forged multiple level partnerships for the organization with Banks, Technology partners and Governments, which was crucial to creating a robust last mile entrepreneurship ecosystem for rural women entrepreneurs, under the "wPOWER" implemented by SSP with the support of USAID.

Ms. Rajashri Sai has done an executive post graduate programme from IIM Kozhikode and law graduation from Mumbai University and she is a member of the Institute of Company Secretaries of India.

Ms. Rajashri Sai has been accorded many achievements during a very short span of time such as, in 2018 Ms. Rajashri Sai was selected as one of the leading women entrepreneurs transforming India by the US State department under the International visitor's leadership programme -2018.

She was selected to be the only Asian women entrepreneur to address the US Chamber of commerce on creating last mile rural networks at their Women's day celebration in 2018.

She was selected by United Nations to address a session at the Headquarters in New York on creating last mile rural network of women entrepreneurs - on the occasion of the International Commission on Women.

The Board is of the opinion that Ms. Rajashri Sai fulfills the conditions specified in the Act and the Rules framed thereunder and other applicable rules and regulations for appointment as an Independent Director and that she is independent of the management. In terms of Section 161 (1) of the Companies Act, 2013, Ms. Rajashri Sai holds office up to the date of this Annual General Meeting. Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, Ms. Rajashri Sai has given necessary declaration to the Board that she meets the criteria for independence as provided u/s. 149(6) of the Act. The appointment of Ms. Rajashri Sai is now being placed before the Members for their approval. Ms. Rajashri Sai is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as a Director The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing her candidature to the office of the directorship of the Company.

Details of proposed Independent Director are provided in the "Annexure-1" to the Notice pursuant to the provisions of (i) LODR and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. A copy of draft letter of appointment of Ms. Rajashri

Sai setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Ms. Rajashri Sai is interested in the resolution set out at Item No. 5 of the Notice with regard to her appointment. None of the other Directors and/or Key Managerial Personnel of the Company and / or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the SEBI Listing Regulations. The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board of Directors of
Autoline Industries Limited

Ashish Gupta
Company Secretary & Compliance Officer
Pune, August 13, 2021 Membership No. : A16368

Registered Office: Survey No. 313, 314, 320 to 323
Nanekarwadi, Chakan, Taluka- Khed, District- Pune 410501
CIN: L34300PN1996PLC104510
E-mail: investorservices@autolineind.com

Annexure-1

Name of Directors	Mr. Shivaji Akhade	Mr. Sudhir Mungase	Ms. Rajashri Sai
Date of Birth & Age	January 7, 1966 55 Years	April 1, 1975 46 Years	December 30, 1988 32 years
Qualification	B. Com	Undergraduate	• Executive Post Graduate Programme – IIM – Kozhikode (2018-2020) • Member of Institute of Company Secretaries of India • Bachelors in Law – Mumbai University • Bachelors in Economics (Gold Medalist) – Madras University.
Expertise in specific Functional Areas & Experience	• Manages overall Company operations • Supports marketing activities and provides guidance to the professionals who manage the marketing function. • Providing the vision and the direction to the company since inception. • Fully conversant with the technicalities of the production process.	• Associated with manufacturing operations and maintenance activities of the company for the past 16 years • Acquired experience in Sheet Metal Press Operations. • Looks after the production and maintenance under the direct supervision and guidance of the Managing Director. • Monitoring overall activities of Special Township project of Autoline Industrial Parks Limited a subsidiary of the Company.	• Professional experience as a Lawyer and member of the Institute of Company Secretary of India, • Experience of overseeing partnership, investor relations, finance and legal and strategy • Unique experience in the development sector of both the profit and not profit organizations and successfully scale programmes in rural india across sectors such as entrepreneurship, skills development and capacity building of youth, clean energy and education in a transparent manner.
Terms & Conditions of Appointment / Reappointment	As mentioned in Resolution No. 3 and in Item No. 3 of Explanatory Statement of this Notice.	As mentioned in Resolution No. 4 and in Item No. 4 of Explanatory Statement of this Notice.	As mentioned in Resolution No. 5 and in Item No. 5 of Explanatory Statement of this Notice.
Last drawn Remuneration	₹ 5,00,000/- per month	₹ 2,00,000/- per month	Not Applicable
Details of Remuneration sought to be paid	Details are given in Item No. 3 of Explanatory statement of this Notice.	Details are given in Item No. 4 of Explanatory statement of this Notice.	Not Applicable
Date of First appointment on Board	December 16, 1996	December 16, 1996	February 1, 2021
Shareholding (either by them/ beneficial) in the Company	3474981 (11.22%)	2948431 (9.52%)	Nil
Relationship with other Directors, Manager or KMP	Mr. Shivaji Akhade is brother –in- law of Mr. Sudhir Mungase	Mr. Sudhir Mungase is brother -in-law of Mr. Shivaji Akhade	She is not related with any other Directors, Manager or KMP.

Note: Other details such as number of meetings of the Board attended during the financial year 2020-21 by Directors and their other directorships and membership/chairmanship of committees of other boards are given in Corporate Governance Report which forms part of this Annual Report.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present 25th Directors' Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL RESULTS

The financial highlights for the year under review compared to the previous financial year are given below:

(₹ In Lakhs except EPS data)

Particulars	Standalone		Consolidated	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue from operations	28414.44	31623.65	28469.48	31627.21
Earnings before Interest, Financial Charges, Depreciation, Tax & Amortization – (EBIDTA)	1123.97	(949.58)	1026.36	(1008.27)
Less: Finance Cost	3186.13	3124.04	3196.98	3132.79
Less: Depreciation & amortization expenses	2043.42	2095.14	2043.42	2095.14
Add: Exceptional items	544.46	(367.53)	26.52	(367.53)
Profit Before Tax	(3561.12)	(6536.29)	(4187.52)	(6603.73)
Tax Expense	0.00	0.00	0.00	0.00
Profit After Tax (PAT)	(3561.12)	(6536.29)	(4187.52)	(6603.73)
Other Comprehensive Income	(14.60)	(8.13)	(9.57)	(10.30)
Profit Attributable to group	(3575.72)	(6544.41)	(4197.09)	(6614.03)
Earnings per Share (Basic) (in ₹)	(12.32)	(24.18)	(14.48)	(24.43)
Earnings per Share (Diluted) (in ₹)	(12.32)	(24.18)	(14.48)	(24.43)

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to general reserve on account of incurrence of loss during the year under review.

DIVIDEND

In view of loss incurred during the year, the Board of Directors do not recommend dividend for the financial year 2020-21. No dividend was declared in the previous year.

STATE OF THE COMPANY'S AFFAIRS AND BUSINESS OVERVIEW

During the year under review, revenue from operations (on standalone basis) excluding other income dropped by 10% to ₹ 28414 Lakhs as compared to previous year primarily the outbreak of Covid-19 pandemic caused economic and social disruptions and impacted the demand of the products adversely. However, on account of various cost reduction measures initiated by the Company including optimization of Raw materials and manpower cost and with the support of its customers the Company managed to register positive EBITDA of 3.3% as compared to negative EBITDA in the previous year. The Company could manage to contain the loss during the year under review to ₹ 4106 Lakhs (before exceptional items) as against the previous year's loss of ₹ 6169 lakhs.

The start of Financial Year 2020-21 witnessed the Novel Corona Virus (Covid-19) outbreak which initially disrupted China and then spread throughout the world, making it as a Health Emergency. Several countries announced lockdowns, resulting in an economic collapse. Virus outbreak disrupted manufacturing supply chains and sharply curtailed energy and commodity demand. The market strain is being seen in ways that did not even manifest during the global financial crisis of 2008. The entire macroeconomic parameters have changed, and it poses challenges in predicting the impact across nations. The outbreak of Covid-19 in India started in the month of March, 2020 and the GOI swiftly declared unprecedented nationwide lockdown to contain the Virus and build medical infrastructure. Indeed, FY 2020-21 was one of the toughest year the Automobile Industry have ever witnessed. The liquidity position of OEM's and Auto manufacturers was already stretched due to the investments made for transition from BS-IV to BS-VI, subdued demand post NBFC crisis in 2019 coupled with lack of a clarity on policy for electric vehicles and slow-down in key export markets; and the Covid-19 impact added to the misery to the entire sector.

With a view to keep everyone safe, your Company complied with the orders of the Government on lockdown resulting in halting production at all the manufacturing units. This led to a 10% decrease in standalone revenue from operations during the year under review. However, the auto-sector witnessed growth in the last quarter which your company took full advantage of resulting in improved performance in Quarter 4 of the year under review compared to Q4 of FY 2019-20 and the Company achieved a positive EBITDA of 8.6% in quarter 4. The Company registered a net profit of ₹ 178 Lakhs in Quarter 4 of FY 2020-21 on account of exceptional gain of ₹ 544 Lakhs booked on the sale of its two properties situated at Pune.

Your Company undertook various initiatives such as consolidation of manufacturing facilities, augmenting funds to manage liquidity requirements, debt reduction, expand customer base and cost rationalization measures to tide over the sectorial downturn and achieve growth in the coming years. The efforts made in those directions during the year under review and till the date of signing of this report are briefed as under;

CONVERSION OF DEBT INTO EQUITY AND NEW CREDIT FACILITY

Your Company successfully converted secured loan of ₹ 10 Crores belonging to JM Financial Asset Reconstruction Company Limited ("JMFARC") into equity shares of the Company by allotting 27,02,702 equity shares at a price of ₹ 37/- each on November 10, 2020. Further to the Restructuring scheme sanctioned by JMFARC, the Company has issued and allotted 21,42,857 Optionally Convertible Debentures ("OCD") carrying 9% interest to JMFARC on November 10, 2020 by converting its secured loan upto ₹ 15,00,00,000 (Rupees Fifteen Crores only) and fixed conversion price of ₹ 70/- for each converted equity shares if option is exercised by JMFARC. The Company, by this process, has substantially reduced the debt burden owed to JMFARC and implemented debt restructuring scheme to strengthen the cash flow for working capital requirements.

Consequent to the conversion of debt into Equity, the paid-up share capital of the Company stands increased from ₹ 28,26,04,620 comprising of 2,82,60,462 Equity Shares of ₹ 10/- each to ₹ 30,96,31,640 comprising of 3,09,63,164 Equity Shares of ₹ 10/- each, fully paid up, resulting in overall improvement in the Net Worth of your Company.

As reported in Annual report 2019-20, the Company had secured fresh term loan of ₹ 30 Crores from Tata Motors Finance Solutions Limited ("TMFSL") to support the liquidity shortfall in the wake of the disruption caused by the Pandemic and TMFSL has disbursed the fund to the Company on September 23, 2020 and utilized for the working capital and general corporate purposes as identified by the Board.

TECHNOLOGY TIE-UPS & NEW VENTURES

Your company is utilizing its own capabilities and existing capacities to manufacture E-Cycles with the support of Autoline Design Software Limited (ADSL), a wholly owned subsidiary in design and development. As informed in the 24th Annual Report, the Company had entered into an agreement with Kinetic Green and Power Solutions Limited ("Kinetic") for joint development and nationwide marketing of E-cycles. This arrangement with Kinetic has been terminated as the Company found a better alternative for nationwide marketing and selling the E-cycles and other range of E-products under the Electric Mobility Segment of Autoline Industries Limited. The Company is also in discussion with OEMs and other partners for marketing, selling and distribution of such Products through their retail channels including dealers and distributors across India.

**In picture is the "E-speed" E-cycle model, fully designed, developed and manufactured by Autoline Design Software Limited in association with Autoline Industries Limited at its E-12-17(7), Bhosari, Pune manufacturing facility.*

With a view to diversify into non-auto business your Company has newly set up a Joint venture in the form of Limited Liability Partnership (LLP) named Autoline Locomotive Parts LLP to supply the products intended to the railway project/work including railway infrastructure. The partner to the JV is currently executing business with Indian railways and other parties for railway components. This will facilitate the Company to venture into highly potential business with Indian Railways and other private players by utilizing existing infrastructure and thereby to reduce over-dependency on auto sector. The JV will commence its business activities in the year 2021-22.

CONSOLIDATION OF FACILITIES

The Company has disposed-off its two properties as given below during the year 2020-21 and reduced number of locations to 6 to operate more efficiently and economically. Your Company has been working on consolidation of business and monetization of surplus assets during the last few years with a view to harmonize production, reduce costs and to improve efficiency.

Accordingly, the Company disposed- off its property situated at Gat No. 613, Mahalunge, Pune admeasuring about 11387 sq. mtr. land area during the year under review and the manufacturing facility situated on said property has been consolidated to its Chakan Unit- I in Pune. Further, the vacant land admeasuring 658 sq. mtr. situated at Gat No. 712, Kudalwadi, Pune along with construction thereon has been sold. The Company repaid the outstanding debt of Axis Bank Ltd. by utilizing part of the sale proceeds. Consequently, the Company's total debt exposure has been reduced.

RAISING OF FUNDS THROUGH PREFERENTIAL ALLOTMENT

The outbreak of pandemic caused many challenges for the economy and the people in general during the year 2020-21, the Automobile sector is one of the major affected sector in terms of demand and liquidity. Your company's revenue declined by 10% against the previous year which resulted difficulties in servicing the loan facilities while managing operational cash flow. To address these challenges the Board of Directors at its meeting held on March 16, 2021 approved raising of equity funds to the tune of ₹ 32.50 Crores by way of issuance of 70,00,000 Equity Shares at a price of ₹ 40/-

each and 10,00,000 Warrants at a price of ₹ 45/- each. The Company has received its shareholders and other required approvals for issuance of aforesaid securities on preferential basis. The Board in its meeting held on June 2 and 3, 2021 allotted 70,00,000 equity shares at a price of ₹ 40/- each upon receipt of full subscription amount to the Promoters and Public Investors and allotted 10,00,000 Warrants to the Promoters at a price of ₹ 45/- each upon receipt of 25% upfront amount, the remaining 75% of the issue price of warrants shall be payable by the warrant holders on or before the exercise of the entitlement attached to warrants to subscribe for equity shares.

The funds raised through this Preferential Issue were utilized for repayment of loans, working capital requirements and other general corporate purposes. The issue of securities strengthens the net worth of the Company. Consequent to the issuance of new securities, the paid-up share capital of the Company stands increased from 30,96,31,640 comprising of 3,09,63,164 Equity Shares of ₹ 10/- each, to 37,96,31,640 comprising of 3,79,63,164 Equity Shares of ₹ 10/- each, fully paid.

DEBT REDUCTION AND CASH FLOWS

Your company's strive towards the reduction of financial indebtedness turned into a reality with a reduction of around ₹ 30 Crores in the previous 12 months. The debt is reduced by conversion of loan of ₹ 10 Crores of JMFARC, repayment of entire outstanding credit facilities of Axis Bank Ltd. by disposing of surplus assets and repayment of part outstanding amount of term loan availed from Bank of Baroda by utilizing proceeds raised through preferential issue of equity shares. Further the Company also converted term loan of ₹ 15 Crores of JMFARC into Optionally Convertible Debentures on November 10, 2020, and the conversion is due before 18 months from the allotment date. Once the conversion right is exercised by JMFARC the debt upto ₹ 15 Cr. will get further reduced.

BUSINESS STRATEGIES

The Indian Auto Components Industry continues to face adverse headwinds to maintain volumes and margins. While the sector was recovering from the first Covid-19 wave in FY 2020-21, the second wave of the Virus also disrupted the first quarter of FY 2021-22. Manufacturing facilities were closed for certain amount of time due to the restrictions imposed by the State Government. Your Company was no exception and has been impacted severely during the year under review. Your company is adopting following strategies to overcome the adverse performance:

Product diversification, is used by businesses to help them expand into markets. Underutilization of capacity and shortage of working capital are the prime constraints in achieving the turnaround of the Company. The Company is constantly working with the OEM's and other non-auto players for new business by demonstrating its capabilities such as available infrastructure, in-house design and tooling center, experience work force and more than 20 years strong market presence. The management is confident to add more business from long associated customers and join hands with new customers.

Customer diversification, is a key component of the growth strategy and to reduce the over dependency only on few major customers and accordingly, the management is striving hard with their business development initiatives. To achieve the customer diversification, the Company invests funds time to time to fulfil the needs of capex requirements and adds the machines and ancillary equipment for business development and cost reduction. With the support of planned investment in Laser cutting Machine, your Company is targeting customers in highly potential sectors such as Indian Railways, Defense, Off Road vehicle manufactures, agriculture equipment manufacturer etc. We expect the results of these initiatives from FY 2022-23 as the year under review and the current year faced headwinds.

Debt reduction and improving liquidity, the Company is working to reduce its debts by unlocking values from non-core assets and restructuring the debts of the lenders. During the year under review, your Company has reduced the debt substantially and continue its strive to reduce debt further. The Company is continuously exploring the means to support its fund requirements and operations. The preferential allotment of shares and warrants helped to augment fresh funds in the Company. Further, the Company is focusing on consolidation, divesting non-core assets and reducing finance costs; thereby increasing the cash flows and eliminating the crunch.

Unlocking the wealth of Subsidiary Companies, Autoline Industrial Parks Ltd., a subsidiary of your Company had entered into an Agreement with Poddar Habitat Pvt. Ltd. a Mumbai based developer to develop the residential project on its land admeasuring around 104 acres, however the transaction could not proceed and the said agreement has been cancelled by both the parties mutually on December 21, 2020.

The Company is exploring other potential options to monetize the aforesaid land being surrounded by Auto cluster, engineering and other industries, the Company is in discussion with developers/investors for development of Logistics Park/warehousing project on the land parcel of approx. 100 acres. Your Board is confident that monetization of land would be one of the key resources to turnaround the Company and making the Company debt free.

Expecting a huge business growth in engineering and design service sector, your Company is working to unlock the growth of its wholly owned subsidiary Autoline Design Software Ltd. engaged in the business of design and development.

Further details on opportunity, challenges, risks and concern etc. are given in Management Discussion and Analysis Report, forming part of the Director's Report.

MANAGEMENT DISCUSSION & ANALYSIS:

As stipulated under the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis forms an integral part of this Report

World Economy Overview

The world economy has witnessed a historically deep recession in the year 2020. The pandemic is expected to dampen potential growth in many economies, especially

those that suffered most from extended outbreaks of COVID-19. Subsequent to the second waves of Pandemic, the impact of the virus and associated lockdown measures on economic activity appears to be diminishing in most countries. The global economy is indicating the sign of recovery and the global forecast has been upgraded as a result of the diminishing economic impact of subsequent waves of COVID-19, faster-than-expected pace of vaccination in many advanced economies, and additional fiscal relief/sector wise relief in the developed economies and emerging market. The global economy is projected to grow 5.6 percent in 2021 and 4.7 percent in 2022 (World Bank Report). Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. The 0.5 percentage-point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly across the group.

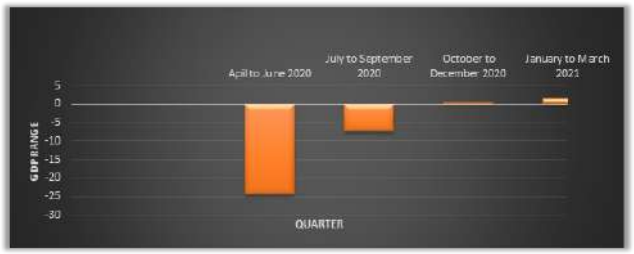
However, given the unprecedented nature of the pandemic, prospects for the global economy are uncertain, and several growth outcomes are possible. New variants of COVID-19 could extend the duration of the pandemic, and a sudden rise in interest rates or an increase in corporate defaults could trigger financial stress, resulting in weaker-than-expected activity. Conversely, global growth including emerging market and developing economies could be more robust if the virus is controlled more quickly or if spillovers from rapid growth in major economies catalyze a sustained, broad-based global rebound. Among advanced economies, the United States and Korea are expected to surpass its pre-COVID GDP level this year, while many others in the group will return to their pre-COVID levels only in 2022. Similarly, among emerging market and developing economies, China had already returned to pre-COVID GDP, whereas many others are not expected to do so until well into 2023. Most commodity prices rebounded in the second half of FY 2020-21. However, the pickup in oil prices lagged the broader recovery in commodity prices due to the prolonged impact of the pandemic on global oil demand. Oil demand fell 9% last year, the steepest one-year decline on record because of pandemic-control measures and the associated plunge in global demand, which was partly offset by historically large production cuts among OPEC+ (Organization of the Petroleum Exporting Countries), as well as Russia and other non-OPEC oil exporters.

The year 2020 was dominated by the COVID-19 pandemic and the ensuing global economic downturn, the most severe one since the Global Financial Crisis. The lockdowns and social distancing norms brought the already slowing global economy to a standstill. In view of this, Governments and central banks across the world deployed a range of policy tools to support their economies such as lowering key policy rates, quantitative easing measures, loan guarantees, cash transfers and fiscal stimulus measures to minimize the economic impact of Pandemic.

Indian Economy Overview

The economic impact of the pandemic and recovery rate is worse in Emerging Market and Developing Economies than in Advanced Economies. Along with the direct health impact including lockdowns as in advanced countries, the developing economies have lost major sources of foreign exchange/earnings and obstacle in vaccination drive, increased number of Covid-19 cases in second wave, limited fiscal support besides confronting with existential societal and economic challenges made the recovery slower in emerging market and developing economies. In many emerging market and developing economies, growth forecasts have been downgraded and output is projected to remain well below pre-pandemic trends, weighed down by the effects of the pandemic.

India's GDP growth crashed by 24.4% in April-June 2020, which was the worst quarterly slump ever. July-September 2020 also posted a negative GDP growth of 7.3%. Then things slowly began to look up. For October-December 2020, GDP growth swung into the positive zone tiny at 0.4% versus same quarter in the previous year, but positive nevertheless. In the January-March quarter of 2020-21 GDP grew 1.6% signaling a sharp recovery. For the full year, however, it contracted 7.3%, lower than the estimated 8% earlier.



India's GDP growth chart

The 7.3% contraction was the sharpest in nearly four-decades as the Covid-induced lockdown hurt the economy. The recovery in the second half of 2020-21 was sharp. In fact, India was among the few leading global economies that witnessed positive year-on-year growth in the six months of October'20 -March'21. The recovery of foreign direct investment (FDI) flows to Emerging Market and Developing Economies is largely attributable to investors' optimism about prospects in China and India which includes a few large foreign acquisitions in India.

Overall Outlook and Recovery

The Covid-19 pandemic has significantly weakened the country's growth prospects for the year and exposed the challenges associated with a high public-debt burden. The Government's, both the Center as well as the State, had initiated several measures to contain the impact of the pandemic on the poor, industry and economy as a whole. Financial Stimulus of ₹ 20,000 Crores was announced by the Center with a view to grant interim relief. State Governments also brought in free meals and hospitalization covers for the needy.

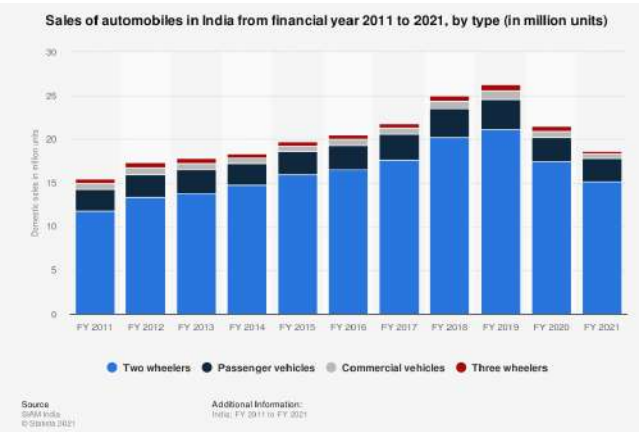
Following the severe pandemic and devastating impact on the entire economy, the International Monetary Fund, on July

27, 2021, cut India's gross domestic product (GDP) growth forecast to 9.5 percent for fiscal year 2021-22, from the previous forecast of 12.5 percent, citing the hit on economic activity and demand due to the deadly 'second wave' of the COVID-19 pandemic. The Reserve Bank of the Country now estimates GDP growth at 9.5% for 2021-22, lowering it from its earlier estimate of 10.5%.

Speaking about the positive things, India has three vaccines in the market, with some more in the pipeline. India takes pride in having the world's largest vaccination programme, and over 54 crore people have already taken the COVID-19 vaccines till the mid of August 2021. Considering all the vaccinations being done, the fiscal support extended by the government and various other measures being implemented to boost the economy, it is sure that the Indian economy will recover in fast pace than projected and the normalcy will restore soon.

Indian Auto and Auto Component Industry

India's automobile industry is the world's fourth largest. India was the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach between ₹ 16.16- 18.18 trillion (US$ 251.4-282.8 billion) by 2026. Indian automobile industry (Includes automobiles and auto components) received Foreign Direct Investment (FDI) worth US$ 25.39 billion between April 2000 and December 2020.



The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 6% over FY16 to FY20 to reach US$ 49.3 billion in FY20. The industry is expected to reach US$ 200 billion by FY26. Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry account for 2.3% of India's Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

Post first wave, economic activity started gaining momentum as shops and showrooms opened and Auto Industry reflected a notable increase in sales as consumers sought to travel in four wheelers rather a public transport, the second wave of Covid-19 outbreak further aggravated the market.

Segment-wise automobile production trends in 2020-21:

Category	2020-21	2019-20	% Growth
Passenger vehicles	2711457	2773519	-2.24
Commercial vehicles	568559	717593	-20.77
Three-Wheelers	216197	637065	-66.06
Two-Wheelers	15119387	17416432	-13.19
Quadricycles	-12	942	-101.27
Grand total	18615588	21545551	

** Source: SIAM report on Automobile Industry for FY 2020-21*

The industry produced a total 18,615,588 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in April-March 2021 as against 21,545,551 in April-March 2020, registering a de-growth of (-) 13.60 percent over the same period last year.

Domestic Sales

The sale of Passenger Vehicles declined by (-) 2.24 percent in April-March 2021 over the same period last year. Within the Passenger Vehicles, the sales of Passenger Cars and Vans declined by (-) 9.06, percent and (-) 17.62 percent respectively while sales of Utility Vehicles increased by 12.13 percent in April-March 2021 over the same period last year.

The overall Commercial Vehicles segment registered a de-growth of (-) 20.77 percent in April- March 2021 as compared to the same period last year. Within the Commercial Vehicles, Medium & Heavy Commercial Vehicles (M&HCVs) and Light Commercial Vehicles (LCVs) declined by (-) 28.40 percent and (-) 17.30 percent respectively in April-March 2021 over the same period last year.

Sale of Three Wheelers declined by (-) 66.06 percent in April-March 2021 over the same period last year. Within the Three Wheelers, Passenger Carrier and Goods Carrier declined by (-).74.49 percent and (-) 26.38 percent respectively in April-March 2021 over April-March 2020.

Two Wheelers sales registered a de-growth of (-) 13.19 percent in April-March 2021 over April-March 2020. Within the Two Wheelers segment, Scooters, Motorcycles and Mopeds declined by (-) 19.51 percent, (-) 10.65 percent and (-) 3.07 percent respectively in April-March 2021 over April-March 2020.

Government Initiatives and achievements:

In order to boost demand in the automobile sector, who has been going through a slump during the year under review, several relief measures have been introduced or are being worked upon.

Some of the recent initiatives taken by the Government of India to boost demand in the automobile sector are –

- **Voluntary Vehicle Scrappage Policy-** Finance Minister through the Budget 2021 introduced the economy to a new voluntary scrapping policy for old commercial and passenger vehicles. This policy is announced to keep a check and eye on an old vehicle to keep their Air pollutions level under control. Vehicle holders would have

to undergo a fitness test. One would only be allowed to drive after their Vehicle is declared fit for Driving. If Vehicle is declared unfit, owners would have to phase out their Vehicles. As per data available with the Federation of Automobile Dealer Association (FADA), around 37 lakhs commercial and 52 lakhs private vehicles are eligible for voluntary scrapping considering 1990 as a base year. If this policy is executed mannerly then it will gradually and systematically phase out old unfit vehicles and will eventually generate demand for new vehicles, resulting in a boost of the Auto Mobile Industry. Further due to this policy around 99% of recovery (metal waste) can be done with regular scrapping. It will bring down cost of raw material by approx 40%. It will make components less expensive and increase our competitiveness in international market.

- **Electric Vehicles Promotion Policy**: The Government approved the Faster Adoption and Manufacturing of Electric Vehicles (FAME-II scheme) with a fund requirement of ₹10,000 Crores (US$ 1.39 billion) for FY 2020-22. The Government is pushing to incentivize the purchase of electric vehicles in India and offering various benefits/concession to the buyers such as reduce rate of GST, tax benefits of ₹ 1.5 lakhs and many others are in pipeline.

  Several states including Maharashtra have notified state EV policies to complement FAME India Scheme and address state-specific needs. Maharashtra was one of the first states in the country to design and notify an EV policy. Maharashtra's EV policy was released in February 2018. The Policy provided fiscal and non-fiscal incentives to accelerate the adoption and manufacturing of EVs in the State.

  The slow uptake of EVs and the changing policy, technology, and market landscape have created a need for the Government of Maharashtra (GoM) to revisit and update its EV Policy, in order to accelerate EV sales and stimulate manufacturing in the state. Hence, the Government of Maharashtra has launched recently "Maharashtra EV Policy -2021" which aims at making Maharashtra the top producer of BEVs in India.

  The objective of the Maharashtra EV Policy are as follows –

  i. To accelerate adoption of BEVs in the state so that they contribute to 10% of new vehicle registrations by 2025;

  ii. In the five targeted urban agglomerations in the state, achieve 25% electrification of public transport and last-mile delivery vehicles by 2025;

  iii. Convert 15% of Maharashtra State Road Transport Corporation's (MSRTC) existing bus fleet to electric;

  iv. Formulation of various incentive plans for electric vehicles and associated infrastructure;

  v. From April 2022, all new government vehicles will be fully electric.

  Under the policy, the base incentive for electric vehicles is now similar to that of two-wheelers – Rs 5,000 per kWh of battery capacity. The maximum incentive for two-wheelers, three-wheelers, and four-wheelers are capped at Rs 10,000, Rs 30,000, and Rs 1.5 lakh, respectively. Additionally, customers can also avail early bird discount of up to one lakh on the purchase of an electric car or SUV before 31 December, 2021. The demand incentives for two-wheelers range from Rs 29,000 to Rs 44,000, three-wheelers between Rs 57,000 to Rs 92,000, while four-wheelers range between Rs 1.75 lakh to Rs 2.75 lakh.

- **Change in Basic Customs Duty Rates of Parts of Automobile Industry** - The rate of selected auto parts has been raised in the budget 2021 from 10% to 15% which will put the manufacturers who import these materials in a disadvantageous position, but on the contrary, it could promote to local Automobile components industries. On the other hand, custom duty on import of steel has been reduced to 7.5%. This will help the struggling MSME sector to bring down its cost.

- **Investments in Infrastructure Projects** - In the budget, 2021 allocation of 1.18 Lakhs crore has been announced for Ministry of Roadways transport and Highways. The government intends to carry out the building of highways of 8500 kms by March 2022. This step by the government will eventually generate demand for the commercial vehicle industry and construction equipment sales. It will also eventually result in better employment for a rural and wage-earning community in the country.

- **Acquisition of over 20,000 Buses-** It was announced in the budget that a new scheme will be launched at a whopping cost of ₹ 18,000 Crores to support the augmentation of public bus transport services. This will facilitate an introduction of various public-private partnership (PPP) models to enable private sector players to contribute in the financing, acquire, operate and maintain 20,000 buses. It will boost the automobile sector, provide substantial growth to the economy, create employment opportunities for youth in the automobile sector.

- **FAME** –In February 2019, the Government approved FAME-II scheme with a fund requirement of ₹ 10,000 crore (US$ 1.39 billion) for FY20-22. The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.

- The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

- Under National Automotive Testing and research and development (R&D) Infrastructure Project (NATRiP), various facilities including passive safety labs comprising

of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar and ARAI-Pune.

- To give a fresh thrust to E-mobility in public transport, Department of Heavy Industry announced the launch of public and shared mobility based on electric powertrain.
- The Government of India's Automotive Mission Plan (AMP) 2006-2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US$ 74 billion. Automotive Mission Plan (AMP) 2016-26 will help the automotive industry to grow and will benefit Indian economy in the following ways:
  - Contribution of auto industry in the country's GDP will rise to over 12%.
  - Around 65 million incremental number of direct and indirect jobs will be created.
  - End of life Policy will be implemented for old vehicles.
- In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of ₹ 57,042 crore (US$ 8.1 billion).
- In May 2021, the Government of India approved a PLI scheme for manufacturing advanced chemistry cell battery at an estimated outlay of ₹ 18,100 crore (US$ 247.3 million).
- In March 2021, the government announced to offer fresh incentives to companies making electric vehicles (EVs) as part of a broad auto sector scheme. The scheme is expected to attract US$ 14 billion of investment in the next five years.
- A cumulative investment of ₹ 12.5 trillion (US$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions. This is likely to boost the demand of auto components from local manufacturers.
- To give a fresh thrust to E-mobility in public transport, Department of Heavy Industry announced the launch of public and shared mobility based on electric powertrain.

Some of the recent investments made/planned in the Indian auto components sector is as follow:

- In January 2021, Suzuki Motor Corp. and Hyundai Motor Co. announced plans to explore ways to make India a key global hub for sourcing components and facilitate sharp rise in vehicle exports from the country.
- In January 2021, French battery system supplier Forsee Power committed to invest ₹ 82 crore (US$ 11.18 million) in phase 1 of the India project.
- In October 2020, Japan Bank for International Cooperation (JBIC) agreed to provide US$ 1 billion (₹ 7,400 crore) to SBI (State Bank of India) for funding the manufacturing and sales business of suppliers and dealers of Japanese automobile manufacturers as well as providing auto loans for the purchase of Japanese automobiles in India.
- In September 2020, off-highway tyre-maker Alliance Tire Group (ATG), owned by the Japanese major Yokohama Group, announced plans to set up its third plant in the country in Visakhapatnam, with an investment of US$ 165 million (₹ 1,240 crore). The proposed plant will add over 20,000 tonnes per annum (55 tonnes per day rubber weight) capacity to the 2.3-lakh-tonne annual production from two India plants and will be commissioned by the first quarter of 2023.
- In September 2020, Toyota Kirloskar Motors announced investments of ₹ 2,000+ (US$ 272.81 million) aimed towards electric components and technology.
- In February 2020, National Engineering Industries Ltd (NEIL) announced investment of ₹ 100 crore (US$ 14.31 million) over the next three years for producing needle roller bearing at its Jaipur facility.
- In January 2020, Tata AutoComp Systems entered a joint venture (JV) with Beijing-based Prestolite Electric to enter the electric vehicle (EV) components market.
- In October 2020, the government of Tamil Nadu signed 14 memorandum of understandings (MoU) worth ₹ 10,055 crore (US$ 1.4 billion) that will generate 69,712 jobs in the state.

ADVANTAGE INDIA :

BUSINESS OUTLOOK:

The further emergence of the pandemic and the pace of vaccination will be the most crucial factor driving the outlook. The baseline assumes that progress at vaccination will help to effectively contain COVID-19 in advanced economies by the end of the year, with most major Emerging Market and Developing Economies (EMDEs) also making substantial progress at reducing transmission. In many other EMDEs, vaccination campaigns will be ongoing throughout the forecast horizon.

Forecasts of the pace of the global recovery are subject to considerable uncertainty, especially given the volatile nature of the pandemic. On the downside, the pandemic could prove more persistent than expected, a wave of corporate bankruptcies or financial market stress could derail the recovery, and an unequal pickup in growth could exacerbate social unrest in various parts of the world. On the upside, more rapid vaccine production along with more equitable distribution could lead to faster-than-expected control of the pandemic; moreover, the current upturn in growth, currently concentrated in some major economies, could lead to sizable spillovers and trigger a broader and stronger global economic recovery.

Faster-than-expected vaccination drive is strengthening the growth outlook. Retail sales, industrial production, and construction have exceeded or are approaching pre-pandemic levels, while consumption of services remains weak. Despite a nascent rebound, employment remains well below pre-pandemic trends, and below levels at a similar time during the recovery that followed the global financial crisis. The eventual containment of the pandemic is expected to unlock sizable pent-up demand as households spend their excess savings.

The rapidly globalizing world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

As per the Reserve Bank of India's (RBI) estimates, India's real GDP growth is projected at 9.5% in FY22; this includes 18.5% increase in the first quarter of FY22; 7.9% growth in the second quarter of FY22; 7.2% rise in the third quarter of FY22 and 6.6% growth in the fourth quarter of FY22.

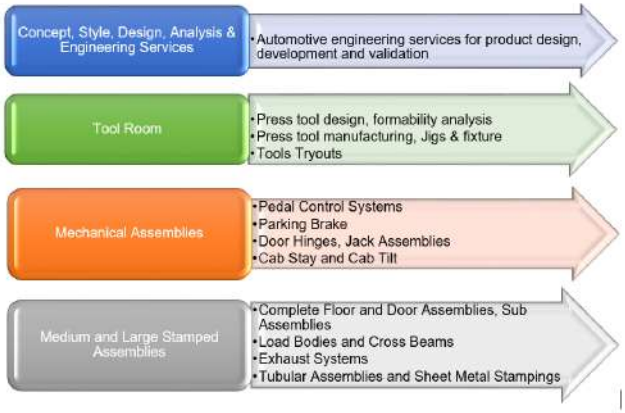
As per ACMA forecasts, automobile component export from India is expected to reach US$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at 4-5% by 2026. In December 2020, Power PSU JV EESL announced plan to install 500 electric vehicle (EV) charging stations in the country in fiscal 2020-21. The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalization of the sector as export potential could be increased by up to US$ 30 billion by 2021E.

References: Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), Economic Survey & Union Budget, Indian Brand Equity Foundation (IEBF), World Bank, Media Reports, Press Releases, Department of Heavy Industries, Department of Industrial Policy and Promotion (DIPP) etc.

Company Overview and growth plan

Autoline Industries Limited (herein referred as "Autoline" or "the Company") is a prominent Pune based leading auto components manufacturer and supplier to Original Equipment Manufacturers (OEMs) and other automobile companies with presence in both domestic and international markets. Autoline has 6 manufacturing facilities backed up with in-house design & engineering services and commercial tool room. The Company is catering to global OEM's supplying over 1500 products getting assembled into different passenger cars and commercial vehicles. The Company is engaged in manufacturing sheet metal components, assemblies and sub-assemblies, Foot Control Modules, parking brakes, hinges, cab stay and cab tilt, exhaust systems, tubular structures, fabrications, etc. for large OEMs in the Automobile Industry.

Following are the major business divisions of the Company:



Automobile sector mainly comprises of two wheelers, three wheelers, passenger wheelers and commercial wheelers. Your Company is serving to the passenger and commercial vehicles since from previous 25 years and now has forayed in the electric segment of two wheelers and three wheelers such as mopeds, motorcycle, scooters in two wheelers and passenger carriers & goods carriers in three wheelers to tap the fast growing EV business. The Company is catering EV segments of commercial and passenger vehicles of existing clients and as a result of focused approached receiving enquiries from EV major players. Moreover, the Company is also anticipating higher growth in stamping tool manufacturing business and overseeing the possibilities to develop the new business and expand existing business. Backed with the below strengths and strategies being adopted your Company is confident of achieving positive cash flows in the coming years.

- The Company is enjoying strong client base consists of Tata Motors, , Volkswagen, Ashok Leyland, Ford Motors, Fiat, Mahindra, Cummins, Tata Hitachi, Daimler etc. The efforts are being made to increase the client portfolio further in future.

- Well placed business growth strategies and on the strength of big presses and facilities "Autoline" is recognized as a preferred vendor by its major customer.
- As a plan of actions to venture into non-auto sector, the Company entered into a joint venture to commence business with railways and other players in rail segment with focus on big assemblies like side wall and underbody frame. Government of India has focused on investing in railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct

Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects. The entering into rail business will unlock lots of investment and growth opportunity for your company.

- Own products- Your Company is ready with E-Cycle range of products and also working on Electric Scooter which is at advance stage. The Company is building own Marketing, Sales & Distribution Network at PAN India and starting off with a digital campaign, which will be followed by other medium of marketing and selling the E-cycle such as through distributors, dealer and entering into transaction with OEMs.
- The Company regularly explores the avenues to expand its customer and product base and invests the funds for capex requirements. Recently the Board of your Company approved to purchase Laser Cutting Machine for new Business Development. This Machine is very useful for Autoline for getting entry into Indian Railways, Defense, Off Road vehicle manufactures, Agriculture equipment manufacturer etc. which demand heavy thickness fabricated Parts.
- The Company is able to serve the design and development requirement of customers through its wholly owned subsidiary Autoline Design Software Ltd. a design and development arm with tool room facility enable the Company to offer "Art to Part" facility to the customers. The Company holds an expansive portfolio of over 1500 products and also continuously upgrades its quality and performance.
- The Company focuses on skilled workforce and in-house skill development and it retains and recruits highly experienced, skilled and qualified engineers/manpower.
- To be a part of auto sector growth in the Southern States your Company is relocating its existing rented facility in Hosur, Tamil Nadu to a bigger premises in Hosur and arranging few of machines to new rented premises to grab the additional business from existing customer i.e. Ashok Leyland and targeting new customers with bigger facility. Based on the discussion and enquiries/RFQs received from the Customers the Company is expecting more than 50% increase in turnover of Hosur facility in the FY 2021-22.
- The Company recently set up 1200 ton Hydraulic Press Machine in its Chakan Unit- II to achieve economies of scale in production. The Company has well established infrastructure, machines and robotic welding facilities to the best of its competitors and owns second largest tool-room in the auto-hub of Pune. At present the Company operates through 6 manufacturing facilities spread across Pune, Karnataka, Uttarakhand and Chennai.

CONSOLIDATED FINANCIAL PERFORMANCE:

Outbreak of pandemic resulted sharp decline in economic activity and slump in vehicle sales during the year 2020-21 and adversely impacted the financial performance of India's auto component manufacturing industry and it resulted to the poor consolidated performance of the Company during the year under review.

- Revenue from operations decreased by 10%: ₹ 28469 Lakhs (Previous Year ₹ 31627 Lakhs).
- Operating EBIDTA (Earnings before Interest, Financial Charges, Depreciation, Tax & Amortization) before exceptional items: ₹ 1198 Lakhs (Previous Year Negative EBIDTA of ₹ 757 Lakhs).
- Net loss before exceptional items decreased by 32.43%: ₹ 4214 Lakhs (Previous year loss was ₹ 6236 Lakhs).

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, IF ANY (i.e. change of 25% or more as compared to the immediately previous financial year)

Pursuant to Schedule V read with the Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the significant changes in Key Financial Ratios (i.e. change of 25% or more as compared to the immediately previous financial year) with detailed reasons are provided as under:

- The Interest Coverage Ratio has been improved to -0.32x from -0.99x, due to increase in Earnings before Interest and Taxes (EBIT).
- The Debt Equity ratio (excluding current maturities of debt in FY 2020-21) has decelerated from 1.09x in FY 2019-20 to 1.69x largely on account of erosion of the net worth and increase in debt.
- During the year, the Operating Profit Margin noticed a slight improvement and stood at -3.27% as compared to -3.98% in FY 2019-20 due to increase in operational efficiency & optimization of raw material and manpower cost. The Net Profit Margin in FY 2020-21 was recorded at -14.71 % as compared to that of -20.88% in FY 2019-20; a steep improvement in net profit margin due to positive EBITDA.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a CSR Committee to monitor and maintain its CSR activities. Since the Company has been suffering losses in its previous few years and hence the provisions of Section 135 of the Companies Act, 2013 with respect to CSR activities are not applicable to the Company. However, the Company has taken various CSR Initiatives voluntarily such as tree plantation, donation of necessary things during cultural events, visit and helping to orphanages and needy ones etc.

RISKS AND MITIGATION STRATEGIES

- **Liquidity Risk**: The outbreak of Covid-19 pandemic caused disruption in the economic activity and lower the consumer sentiments which resulted sharp decline in Auto sales. The economy still struggling to achieve the growth at pre-pandemic level and inability to reduce the expenses proportionately causes the liquidity issue. The government and banking regulator are undertaking various measures to boost the economy and announced the fiscal support to the industry. The Company, vigilantly working towards attracting various sources of funds to support its operations and to reduce debt levels. These include equity infusion, conversion of debts, monetisation of non-core assets and consolidation of its manufacturing facilities to maintain its liquidity position.

- **Customer Concentration Risk**: To reduce the risk associated to single large customer and single segment the Company has been proactively looking for new clients and offering robust range of products with the support of state of art tools and design center. The Company is also striving to diversify its activity to non-auto sector and venturing into railway and other non-auto business.
- **Input cost rising risk**: Your Company is concentrating on optimization of raw material cost through various measures like through conversion cost reduction, supply chain efficiency improvement and material yield improvement. The Company passes through any increase in the price of raw materials, especially steel, so that there is a limited impact on its profitability.
- **Competition Risk**: The competition with existing as well as new players may decline the sales volume and/or impact on the profitability. The Company enjoys strong and long standing direct relations with many OEMs. It has continued its investment in newer products and better quality control in order to stay ahead of the value chain.
- **Market/economic risk**: Deceleration or stagnation in economy adversely impact Indian economy as well as the automobile markets. The year 2020 registered the negative global growth due to the outbreak of Covid-19 Pandemic. The COVID-19 pandemic is leading to disruption in supply chain management and manufacturing processes that is impacting business goals and profitability. Your Company is taking all possible necessary measures to minimise the impact of COVID-19 outbreak.
- Disruption in Supply chains and shortages in supply of Raw materials: Any adverse impact on the disruption in supply chains and shortages in supply of raw materials may adversely affect on the production as the Company relies on third party vendors to source raw materials and other materials.

ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY (EHS)

The Company believes in the "Safety First" and ensures that all its employees, right from shop floor to senior management, follow a strict safety discipline. Training and awareness programmes are conducted round the year to ensure that employees are updated with all latest knowledge in the market and sound skilled to handle the job with passion to exceed.

EHS management played a broad role in handling the first wave of Covid-19 pandemic whereby the Company insisted on Work from Home (WFH) modes, regular health checkup of employees, thermal screening and sanitization measures. This ensured to very less number of employees got infected by the virus.

The Company provides periodic mandatory training to operators and staff on fire-fighting, safety & mock drill. It also includes training of personnel in accident prevention, accident response, emergency preparedness, and use of protective clothing and equipment. The Company's EHS management involves creating organized efforts & procedures for identifying workplace potential hazards which in turn assists in reducing accidents and exposure to harmful situations and substances.

During the year under review, the company organized various training session for employees. Sessions on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 were organized in order to spread awareness to female employees.

POSH Awareness Training

In the second wave which arrived in the third quarter, the Company took a number of measures to ensure effective prevention of the Corona Virus infection by ensuring thermal checking of the employees at the entrance and exit gates, compulsory wearing of masks and sanitization measures. The Company followed all the orders issued by Central, State and Local Governments in this regard. Further the company also created awareness among employees for vaccination.

QUALITY

The Company's manufacturing facilities are highly automated wherever required. Also the safety protocols are being diligently enforced and quality standards are being strictly monitored. The Quality system upgradation is an ongoing process in the Company to bring and keep the same to the level of global standard. The Company achieves all the customers' quality requirements and Customer perceived Quality is produced at work station by adding "poka yoke" to avoid complaints. The Company has obtained QMS certification- IATF 16949 (developed by The International Automotive Task Force (IATF) members) during the year 2018-19. The Company has achieved the following certifications in the quality areas of TQM & QMS.

In addition of above the Company adopts various other quality control measures such as quality awareness, training & involvement of all Shop floor team members in order to achieve quality targets, regular and preventive maintenance of dies and other machines to produce good quality parts, periodic review of suppliers quality performance and escalation etc. Overall, the Company endeavors to constantly improve its product portfolio, the quality of the products and efficiency thereby attaining customer satisfaction and appreciation.

INTERNAL CONTROL SYSTEMS

Considering the size and nature of business the internal control system is adequately set up in the Company. The Company's policies and procedures are well-framed so that they include the design, implementation and maintenance of proper internal financial controls. Internal audits are conducted by external auditors and they audit all aspects of business based on audit programmes finalized by the Audit Committee and the reports of the audit being discussed quarterly by the Audit Committee in the presence of Auditors. The Company ensures the optimal utilization of resources and the accurate reporting of financial transactions and strict compliance with applicable laws and regulations. A detailed preparation and approval of the Board is exercised yearly on both Annual Budgets & Capital budgets for all its functions and subsequently the same is monitored by the committee.

The Company is implementing SAP B-1 ERP to replace the existing Microsoft Dynamics AX 2009. Earlier the Board had opted for TCS ion ERP however considering the benefits including effectiveness of SAP B1 ERP over the TCS ion ERP, the Board consented to implement SAP B-1 ERP. This new ERP system is best for the organization and the Company will have to invest only for hardware since it will work on cloud based server. It is cost effective and one of the best ERP system to strengthen the internal control system in the organization. The Company would be in a better position to increase the operational efficiency and cost effectiveness of overall operational controls with the help of new ERP and other continuous improvements.

HUMAN RESOURCES

Employees are acknowledged as most valuable asset and human resource management at Autoline has been a continuous process, where different methods are being constantly adopted and applied for achieving best performance. During the year under review the Company has taken various steps for the betterment of the employees and cohesive working atmosphere in the Company. Autoline provides training to its employees on a continuous basis for skill building, management skills, innovation, creativity and developing quality manpower. Autoline is driving Performance Management System (PMS) to build Performance oriented culture across the Organization.

Following are the glimpses of trainings imparted during the year under review:

For attaining the best potential the Company has formed and implemented various Human resource policies such as Policy on Death Benevolent Fund, Rewards and Recognition Policy, star award policy, attendance Policy etc. The Company also sponsors/organizes programme and activities for betterment of its employees such as Annual Health Check-up, Sports events, cultural events etc. in addition of availability of self-funded Mediclaim known as 'Autoline Employees Health Benefit Scheme', etc. The Company had an average number of 1867 employees during the year of 2020-21.

CAUTIONARY STATEMENT

The statements forming part of this Annual Report including Directors' Report and Management Discussion and Analysis report may contain certain forward looking statements within the meaning of the applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Management. The Company cannot guarantee that these statements, assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

SUBSIDIARIES AND THEIR PERFORMANCE:

i. **Autoline Industrial Parks Limited ("AIPL")**:

AIPL engaged in land acquisition and development activities and has the foreign investment. It owned and possessed 112.50 acres of land parcel at Mhalunge, Chakan, Pune and land area of 102.50 acres is approved for setting up of Township under the Integrated Township Project ("ITP") of Government of Maharashtra. AIPL has received Master Plan approval under the Integrated Township Project Regulations from Pune Metropolitan Regional Development Authority (PMRDA).

During the period under review, AIPL has not contributed to the performance of the Company since there is no other activity in AIPL except to monetize/develop the land which is under consideration. In order to develop or monetize the township approved land, AIPL had entered into an Agreement with Poddar Habitat Pvt. Ltd. a Mumbai based developer (Subsidiary of Poddar Housing and Development Ltd.) on September 24, 2018 to develop the residential project on land. However, due to Sluggish economy and slowdown in the entire Real Estate Sector the execution of above proposed transaction was on hold. The said agreement was cancelled mutually on December 21, 2020 and said proposed transaction has been terminated. Further, the Company is in discussion with other Developer/ investors to monetize the land including development of a commercial project on the land.

ii. **Autoline Design Software Limited (ADSL):**

ADSL is a wholly owned subsidiary of the Company and provides Engineering and Designing Software

Services and Business Solutions to the Customers. ADSL is a multifaceted and end-to-end Engineering Solutions Company and able to provide one stop complete solution to its valued customers, enabling a quick & fast response to customer from design concept to rapid prototype manufacturing. ADSL is aggressively working to develop new customers as well as products by offering off-shore and onsite engineering services.

There is enormous potential in the engineering and design segment as it is applied not only to automotive industry but the railway, defence, white goods and consumer electronics, industrial and process engineering and many others. ADSL has well trained and highly educated and long experienced engineers to serve the requirements of customers. With the technical assistance and design support of ADSL, your Company succeeded to launch E-cycles in the market. Your Company is working to set up the distribution and selling of e-cycles from its own sources and also in process of making arrangement with better nationwide marketing and selling of E-cycles and other products under the "Electric Mobility Range" of Autoline Industries Limited.

ADSL is also performing testing and validation activities and orders are being awarded by Ashok Leyland, Tata Motors, Autoline etc. and exploring business with other OEMs for testing and validation services. ADSL is also in discussion with various prospective customers for E-vehicles, GPS system, auto break etc.

ADSL provides engineering design, tooling services to the Company for efficiently accomplish the work orders well in time and during the year under review almost ₹ 71.86 Lakhs business is performed for the Company and it gives comfort of in-house availability of engineering design capabilities to the customers of the Company and in that manner it is directly contributing in the performance of the Company.

iii. Koderat Investments Limited, Cyprus – (Koderat):

Your company acquired 100% stake in Koderat Investments Limited in September, 2008 ("Koderat"), a Company incorporated and existing under the laws of Cyprus; acting as a Special Purpose Vehicle (SPV). Further "Koderat" invested funds in "SZ Design Srl" and "Zagato Srl" Italian limited liability companies, Milan and acquired 49% equity share capital of said Italian companies. These companies were into the business of developing, designing and providing engineering services.

The net worth of SZ Design Srl has been eroded due to various write offs. SZ Design Srl has been declared bankrupt by the Tribunal of Milan on January 2, 2015 and judiciary receiver has been appointed by the Bankruptcy Tribunal. Net assets value of Zagato Srl has turned into negative due to incurring of losses in previous years and it declared voluntarily in liquidation. Your Company is examining these both matters carefully and impact of thereof is yet to be ascertained. Koderat is a Special Purpose Vehicle ("SPV") and due to above mentioned reasons, it has not contributed directly to the performance of the Company during the year under review.

SUBSIDIARIES' PERFORMANCE

A Report on the performance and financial position of each of the subsidiaries of the Company pursuant to Rule 8 (1) read with Rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is annexed as "Annexure -A" and forms a part of this Annual Report.

EXTRACT OF ANNUAL RETURN

In accordance with the provisions of Section 92 (3) of the Companies Act, 2013, copy of the Annual Return in the prescribed form is available on the Company's website and can be accessed at weblink: https://www.autolineind.com/25th-agm/

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company is duly constituted with adequate mix and composition of executive, non-executive and independent directors in accordance with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Directors who were appointed or resigned during the year

Mr. Krishan Kant Rathi (DIN: 00040094), who was appointed on April 12, 2019 as a Nominee Director representing IndiaNivesh Renaissance Fund ("the Investor") resigned on July 30, 2020. The Board places appreciation for the services rendered by Mr. Krishan Kant Rathi during his tenure as a Nominee Director on the Board of the Company. The Investor nominated Mr. Sridhar Ramachandran (DIN:07706213) as a Nominee Director and the Board has appointed him as a Nominee Director with effect from July 30, 2020 on the Board of the Company not liable to retire by rotation by virtue of the Investment Agreement entered with the Investor.

During the year under review, Mr. Umesh Chavan (DIN:06908966) resigned from the position of Executive Director & Chief Executive officer due to personal reason effective from December 31, 2020. The Board places appreciation for the services rendered by Mr. Umesh Chavan during his long association with the Company as an Executive Director & CEO on the Board of the Company.

Dr. Jayashree Fadnavis (DIN: 01690087), Independent Director resigned due to pre occupation effective from November 10, 2020. The Board places appreciation for the services rendered by Dr. Jayashree Fadnavis during her tenure as an Independent Woman Director on the Board of the Company.

The Board of the Company at its meeting held on January 30, 2021 appointed Ms. Rajashri Sai (DIN: 07112541) as an Independent Woman Director effective from February 1, 2021 to fulfill the requirement of Woman Director. As per Board opinion Ms. Rajashri Sai possess requisite integrity, expertise and experience (including proficiency) to perform her job as an Independent Director on the Board.

The Board of the Company at its meeting held on June 28, 2021, appointed Mr. Shivaji Akhade, Managing Director of the Company as Managing Director and Chief Executive Officer of the Company effective from June 28, 2021 and designated him as a Key managerial Personnel. The tenure of Mr. Shivaji Akhade as a Managing Director & CEO, (DIN: 00006755) and Mr. Sudhir Mungase as a Whole Time

Director (DIN: 00006754) are ending on September 30, 2021 and their reappointments for further period of 5 years are being placed at the 25th Annual General Meeting of the members of the Company for their approvals.

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association, Mr. Sudhir Mungase (DIN: 00006754), Whole Time Director, is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, he has offered himself for re-appointment at the upcoming Annual General Meeting.

Key Managerial Personnel

CA Gokul Naik resigned from the post of Chief Financial Officer of the Company on July 31, 2020 and the Board of Directors appointed Mr. Venugopal Pendyala, as the Chief Financial Officer effective from August 1, 2020.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

i) In the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;

ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021 and of the loss of the Company for that period;

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) The Directors have prepared the annual accounts on a going concern basis.

v) The directors have laid down internal financial controls to be followed by the Company and such controls are adequate and are operating effectively.

vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively, which are being further strengthened.

NUMBER OF BOARD MEETINGS

The Board of Directors duly met Seven (7) times in the year under review. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 time to time.

INDEPENDENT DIRECTORS

Mr. Prakash Nimbalkar (DIN: 00109947), Mr. Vijay Thanawala (DIN: 00001974) and Ms. Rajashri Sai (DIN: 07112541) are the Independent Directors on the Board of the Company and have remained independent throughout the year as contemplated in section 149(6) of the Companies Act, 2013. Dr. Jayashree Fadnavis, Independent Woman Director resigned on November 10, 2020. Post resignation of Dr. Jayashree Fadnavis, the Board of the Company appointed Ms. Rajashri Sai (DIN: 07112541) as Independent Woman Director effective from February 1, 2021.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("Act") and Clause 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and that they are not debarred from holding the office of director by virtue of any SEBI order. Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Company familiarizes the Independent Directors through various Programmes with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programmes are put on the Company's website and can be accessed at the link http://www.autolineind.com/code-of-conduct-policies

PERFORMANCE EVALUATION

Pursuant to Section 178 (2) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board who were evaluated on various parameters such as level of engagement, contribution and independence of judgment as per the criteria formulated by Nomination & Remuneration Committee; thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated. The performance was evaluated on the basis of 1-5 scores (Min: 1, Max: 5) each on the basis above parameters.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Annual evaluation of the performance of the Board and its committees such as Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee were carried out. The Directors expressed their satisfaction with the evaluation process.

NOMINATION & REMUNERATION COMMITTEE AND COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Your Company has duly established a Nomination and Remuneration Committee. The Committee has presented to the Board the policy with respect to appointment of directors including criteria for determining qualifications, positive attributes, independence of directors, remuneration for the directors, key managerial personnel and other senior employees etc. and thereafter the Board approved the same.

In compliance with Section 178(4) of the Companies Act, 2013 and the rules made thereunder, the salient features of the Nomination and Remuneration Policy of the Company and its web link is given as under.

The Nomination and Remuneration Policy of the company is framed in compliance with the requirements of the Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligation

and Disclosure Requirement) Regulations, 2015. The Policy extensively provides for the identification of the persons who are qualified to become Directors of the Board and those who may be appointed in the Senior Management in accordance with the criteria laid down and recommend to the Board their appointment. The policy also provides that the Nomination and Remuneration Committee shall ensure that the level and composition of remuneration is reasonable and is sufficient to attract, retain and motivate Directors and the employees of senior management.

The Policy provides that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short term and long-term performance objective. Policy also has unique feature of providing Directors, Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

The complete policy is available at http://www.autolineind.com/code-of-conduct-policies/

The Non-executive Directors have no pecuniary relationship or transactions with the Company. Further the Company makes no payments to the Non-executive Directors other than sitting fees which is in accordance with the provisions of the Companies Act, 2013 and the Rules made there under.

RISK MANAGEMENT POLICY

Your Directors have formed a Risk Management Committee chaired by Mr. Prakash Nimbalkar (DIN: 00109947). A Risk Management Policy is also in place. The Management has put in place adequate and effective system and resources for the purposes of risk management.

At present your company has not identified any element of risk which may threaten the existence of your company except the general, economic and business risks as given under the para "Risks and Mitigation Strategies" in Management Discussion and Analysis Report which forms part of this Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors / Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its Subsidiaries. Based on the report of internal audit function /Internal Auditors, the Board has advised the functional heads / process owners undertake corrective action and thereby strengthen the controls.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted CSR Committee and composition of CSR Committee is given in the Corporate Governance Report of the Company. On account of resignation of Mr. Umesh Chavan, erstwhile Executive Director & CEO and member of the CSR Committee; the board has reconstituted the committee and inducted Mr. Sudhir Mungase as a member of the Corporate Social Responsibility Committee.

The Company has incurred losses in previous few financial years and hence the provisions of Section 135 of the Companies Act, 2013 with respect to CSR activities are not applicable to your Company. Although the Company has not carried out CSR activities in accordance with section 135 of the Companies Act, 2013 however your company have been undertaking CSR initiatives voluntarily such as tree planation, visit and helping to orphanages and needy ones etc.

AUDIT COMMITTEE

Your Company has established an Audit Committee whose composition and other details are mentioned in the Corporate Governance report.

The Audit Committee, on a regular basis, gives its recommendation to the Board. The Board gives due consideration to those recommendations. However, there have been no instances of recommendations given by the Audit Committee not being accepted by the Board during the year under review.

AUDITORS

STATUTORY AUDITORS

A.R. Sulakhe & Co. Chartered Accountants (FRN 110540W) who are the statutory auditors of the Company held office, in accordance with the provisions of the Companies Act, 2013 up to twenty third Annual General Meeting of the Company. The members of the Company at their 23rd Annual General Meeting held on September 28, 2019 approved the appointment of A.R. Sulakhe & Co. Chartered Accountants (FRN 110540W) for a second term of 3 (three) consecutive years to hold office till the conclusion of the twenty sixth Annual General Meeting.

Auditors' Report:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There is no qualifications, reservations or adverse remarks made by the Statutory Auditors in his Report.

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, M/s. KANJ & Co. LLP, Company Secretaries, Pune, a firm of Practicing Company Secretaries, was engaged by your Board for the purposes of Secretarial Audit for the year ended March 31, 2021.

Secretarial Audit Report in terms of Section 204 (1) is enclosed as "Annexure B".

The Secretarial Auditors in their Secretarial Audit Report have observed that:

(A) THE COMPANIES ACT, 2013

i. *The Company was required to transfer unpaid dividend to the tune of ₹ 84,483/- for the year 2012-13 to the Investor Education and Protection Fund (IEPF). However, the Company has transferred the unpaid dividend beyond the stipulated time period as prescribed by the law.*

Comments by the Board of Directors: The Company had transferred the unpaid dividend of ₹ 84,483/- for FY

2012-13 to the Investor Education and Protection Fund (IEPF) within due date. However due to some technical issues the said amount credited to the dividend account of the Company. The company again transferred the said amount to IEPF, this process resulted 10 days delay to transfer the unpaid dividend to IEPF.

ii. *Pursuant to Section 117 of the Act, 2013, read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has not filed Form MGT-14 with the Registrar in the following matters:*

i. Appointment of CFO in the board meeting held on 30.07.2020.

ii. Approval of Board's Report in the board meeting held on 12.09.2020

Comments by the Board of Directors: There was an unintentional delay for filing the above stated forms. The Company is in process to regularize the said filings.

(B) FOREIGN *EXCHANGE MANAGEMENT ACT, 1999*

The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments Limited, Cyprus for the financial years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20. Thus, to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000.

Comments by the Board of Directors: Koderat Investment Limited is acting as special purpose vehicle and acquired 49% stake of "SZ Design SRL" and "Zagato SRL" Italian Limited Liability companies and these companies are into liquidation/ bankruptcy stage and the audited accounts of these companies for the relevant period were not released and made available to us and therefore the Audit of Accounts for Koderat Investment Limited for the financial years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 is yet not completed and Annual Performance Report has not filed. The Company will file the same immediately after receipt of Audited Accounts of Koderat Investment Limited.

(C) THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

i. *Non-compliance of Regulation 30 of LODR read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9 September 2015:*

Mr. Krishankant Rathi resigned as Nominee Director with effect from July 30, 2020. The disclosure made by the Company did not contain the reason for resignation and date of cessation.

Comments by the Board of Directors: The resignation was due to the replacement of nomination by the Investor with effect from the date of joining of the new nominee director on July 30, 2020. The fact of change in nomination was disclosed in the Outcome of the Board meeting made on July 30, 2020.

ii. *Regulation 30 of LODR read with BSE Circular LIST/COMP/14/2018-19 dated June 20, 2018 and NSE Circular NSE/CML/2018/24 dated June 20, 2018:*

a. *Appointment of Mr. Sridhar Ramachandran as a Nominee Director with effect from conclusion of Board meeting dated July 30, 2020.*

The Company while intimating his appointment did not specifically affirm that Mr. Ramachandran is not debarred from holding the office of director by virtue of any SEBI order and therefore to that extent the disclosure made by the Company seems inadequate.

b. *Appointment of Ms. Rajashri Sai as an Independent Director with effect from February 1, 2021.*

The Company while intimating her appointment did not specifically affirm that Ms. Rajashri Sai is not debarred from holding the office of director by virtue of any SEBI order and therefore to that extent the disclosure made by the Company seems inadequate.

However, the Company has made this inadequate disclosure good to NSE by making additional submissions on 1st February, 2021 and to BSE by making additional submissions on 2nd February 2021.

Comments by the Board of Directors: With respect to the affirmation in the disclosure that the person is not debarred from holding the office of Director by virtue of any SEBI order, the Company referred SEBI's letter to the exchanges and BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018; which provide that the Listed Company shall ensure w.r.t. appointment of restrained persons as a director is not debarred from holding the office by virtue of any SEBI Order or any other authority. Since both the above Directors were not the restrained persons by virtue of any SEBI order and any other authority the Company has not included said affirmation in the disclosure. Moreover, the Company, while obtaining consent to act as Director in Form DIR-2, has taken affirmation cum declaration from the respective directors that the said appointee director is not debarred from holding the office of director by virtue of any SEBI Order or any other authority.

INTERNAL AUDITORS

Moore Stephens Singhi Advisors LLP, Mumbai, was appointed as the internal auditors of the Company since from previous financial year. The Internal Auditors have carried an in-depth audit and analyzed the areas like Procurement to Pay, HR and Payroll, Inventory Management, Related Party Transactions etc. They have provided solutions and remedial measures to improve overall efficiency and efficacy in the related areas.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a vigil mechanism in the form of Whistle Blower Policy (WBP) to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

LOANS, GUARANTEES AND INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DEPOSITS

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 under chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

RELATED PARTY TRANSACTIONS

All related party transactions that entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their associates /relatives which may have a potential conflict with the interest of the Company at large.

The Related Party Transactions were approved by the Audit Committee and also by the Board, wherever necessary. The Audit Committee has granted omnibus approval for related party transactions that were repetitive in nature by following the requirements as laid down in the Companies Act and Rules made thereunder and Clause 23 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A quarterly statement of Related Party Transactions is being placed before the Audit Committee for review and noting.

The Company has not entered into any transactions with related parties during the year under review which require reporting in Form –AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The policy on Related Party Transactions and the Policy on Determination of Material Subsidiaries as approved by the Board is also uploaded on your Company's website.

MATERIAL CHANGES AND COMMITMENTS OCCURRED DURING APRIL 1, 2021 TILL THE DATE OF THIS REPORT WHICH WOULD AFFECT THE FINANCIAL POSITION OF YOUR COMPANY.

On account of the Severe Second Wave of the COVID-19 pandemic, the Company temporarily suspended the operations for a few days on account of containment measures levied by the State Government. The first wave of COVID-19 had impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities, retail outlets of dealers etc. The Second wave, more severe, saw disruptions in supply of manpower, transportation limitations and operational difficulties due to weak cash flows. The Company has performed a detailed assessment of its liquidity position and the recoverability of the assets as at the Balance Sheet date and has concluded that based on current indicators of future economic conditions, the carrying value of the assets will be recovered. Management believes that it has fully considered all the possible impact of known events in the preparation of the standalone financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

OTHER MATTERS

i. No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

ii. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) of the Company and its associates are covered under this policy.

   During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

iii. The Company has not issued Equity Shares with differential rights as to Dividend, Voting or Otherwise.

iv. The Company has not issued shares (including Sweat Equity Shares) to Employees of the Company under any Scheme.

v. There has not been any change in the nature of business of the Company during the year under review.

vi. A disclosure, as to whether maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained – The business of the company does not fall under any of the sector mentioned in The Companies (Cost Records and Audit) Rules, 2014 read with the Section 148 of the Companies Act, 2013. Hence maintenance of cost record is not applicable to the company

vii. There is no application made or any proceeding pending under Insolvency and Bankruptcy Code against the Company during the year under review.

viii. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. – Not applicable.

CORPORATE GOVERNANCE

As per the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 a separate section on corporate governance practices followed by your Company, together with a certificate from the Practising Company Secretaries confirming compliance forms an integral part of this Annual Report.

In terms of the SEBI Regulations, the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been uploaded on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable and forms part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION, 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 herewith as "Annexure-D".

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under:

Sr. No.	Particulars	
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21	**Name of the Director** / **Ratio** Mr. Shivaji Akhade (DIN: 00006755) / 25.51:1 Mr. Sudhir Mungase (DIN: 00006754) / 10.20:1
(ii)	Percentage increase in remuneration of each director, CEO, CFO and CS in the financial year 2020-21.	**Name of the Director & KMPs** / **% Increase** Mr. Shivaji T Akhade / Nil Mr. Sudhir Mungase / Nil Mr. Umesh Chavan (ED & CEO)* / Nil Mr. Gokul Naik (CFO)** / Nil Mr. Venugopal Pendyala (CFO)** / Nil Mr. Ashish Gupta (CS) / 14%
(iii)	Percentage increase in the median remuneration of employees in the financial year 2020-21	16%
(iv)	Number of permanent employees on the rolls of Company (average number);	740
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. (Managerial personnel includes KMPs)	Average 15% increment was given to employees except Key managerial personnel and due to financial constraints no annual increments was given to executive directors during the year 2020-21. Percentage increase (16%) in the median remuneration of employees in the financial year 2020-21 is due to increment as well as reduction in the number of workers of low pay scale.
(vi)	Affirmation	The Board affirms that the remuneration paid to the Directors and other employees is as per the remuneration policy of the Company.

*Mr. Umesh Chavan resigned w.e.f. December 31, 2020

*Mr. Gokul Naik resigned w.e.f. July 31, 2020 and Mr. Venugopal Pendyala appointed as CFO w.e.f. August 1, 2020

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A statement containing particulars of tp ten employees in terms of remuneration drawn as required under Section 197 (12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Mangerial Personnel) Rules, 2014 is given in an annexure forming part of this Report. In terms of Section 136 of the Act, the Annual Report and Financial Statements are being sent to the Members excluding the aforesaid annexure. The said annexure is avalable for inspection at the Registered Office of the Company during business hours. Any member interested in obtaining said annexure may write email to investorservices@autolineind.com.

The name of every employee whose remuneration aggregated to ₹ 1.02 Crores per annum or ₹ 8.50 lakhs per month during FY 2020-21: NIL

SHAREHOLDING OF DIRECTORS AS ON MARCH 31, 2021

Sr. No.	Name of the Director	DIN	No. of Equity Shares	Percentage Holding
1	Mr. Prakash Nimbalkar	00109947	6700	0.02
2	Mr. Shivaji Akhade	00006755	3474981	11.22
3	Mr. Sudhir Mungase	00006754	2948431	9.52
4	Mr. Sridhar Ramachandran	07706213	2000	0.01
5	CA Vijay Thanawala	00001974	2525	0.01
6	Ms. Rajashri Sai	07112541	NIL	NIL

During the year, Mr. Umesh Chavan, Executive Director and CEO and Mrs. Jayashree Fadnavis, Independent Director resigned effective from December 31, 2020 and November 10, 2020 respectively. They were not holding any shares of the Company as on the date of resignation.

INTER SE RELATIONSHIP BETWEEN DIRECTORS

Mr. Sudhir Mungase (Whole-time Director) and Mr. Shivaji Akhade (Managing Director) are related to each other that Mr. Sudhir Mungase is brother-in-law of Mr. Shivaji Akhade except to this there is no inter se relationships between the Directors.

ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation for the assistance and co-operation received from the various Central and State Government Departments, Customers, Vendors and Lenders specifically Bank of Baroda, J M Financial Asset Reconstruction Company Limited, Tata Motors Finance Solutions Limited The Catholic Syrian Bank Ltd., Axis Bank Ltd., NKGSB Co-op. Bank Ltd. for their continued help and support during a very challenging times of the Company. The directors also gratefully acknowledge the support given by and trust entrusted by all shareholders of the Company and directors also wish to place on record their deep sense of appreciation for unstinted commitment and committed services by all the employees of the Company.

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

Pune, August 13, 2021

Annexure – A

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint ventures

Part "A": Subsidiaries

1	Sl. No.	1	2	3
2	Name of the subsidiary	**Autoline Design Software Limited**	**Autoline Industrial Parks Limited**	**Koderat Investments Limited**
3	The date since when the subsidiary was acquired	14/04/2007	31/08/2007	04/09/2008
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2020-21	2020-21	2020-21
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	EURO (Exchange Rate ₹ 86.09) As on March 31, 2021
6	Share capital	35537420	786668820	1000
7	Reserves & surplus	(13496862)	373805273	(239175)
8	Total Assets	102123116	1227563005	4571629
9	Total Liabilities	102123116	1227563005	4571629
10	Investments	70080000	Nil	Nil
11	Turnover	7042763	Nil	Nil
12	Profit before tax	(7977498)	(54759232)	1024
13	Provision for tax (Deferred Tax Asset)	Nil	Nil	Nil
14	Profit after tax	(7977498)	(54759232)	1024
15	Proposed Dividend	Nil	Nil	Nil
16	% of shareholding	100	44.74	100

Names of subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Nil

Part – "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures: Nil

Names of Associates and Joint Ventures which are yet to commence operations: Nil

Names of Associates and Joint Ventures which have been liquidated or soldduring the year : Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Shivaji Akhade
Managing Director & CEO
DIN: 00006755

Sudhir Mungase
Wholetime Director
DIN: 00006754

Venugopal Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

Pune, June 28, 2021

Annexure – B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Autoline Industries Limited

Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan

Taluka Khed, District - Pune, 410501

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Autoline Industries Limited (hereinafter called the company) bearing CIN: L34300PN1996PLC104510. Secretarial Audit was conducted in a manner that provided us as reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Autoline Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment ~~and External Commercial Borrowings;~~

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable)

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable)

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable)

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) and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable)

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

j. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable).

vi. Since the Company is engaged in manufacture of Auto components and accessories thereof, there are no specific laws applicable to such sector.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

THE COMPANIES ACT, 2013

i. *The Company was required to transfer unpaid dividend to the tune of ₹ 84,483/- for the year 2012-13 to the Investor Education and Protection Fund (IEPF). However, the Company has transferred the unpaid dividend beyond the stipulated time period as prescribed by the law.*

ii. *Pursuant to Section 117 of the Act, 2013, read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules,2014, the Company has not filed Form MGT-14 with the Registrar in the following matters:*

iii. Appointment of CFO in the board meeting held on 30.07.2020.

iv. *Approval of Board's Report in the board meeting held on 12.09.2020.*

FOREIGN *EXCHANGE MANAGEMENT ACT, 1999*

The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments Limited, Cyprus for the financial years 2015-16, 2016-17, 2017-18 and 2018-19. Thus, to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000.

THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

i. *Non-compliance of Regulation 30 of LODR read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9 September 2015:*

Mr. Krishankant Rathi resigned as Nominee Director with effect from July 30, 2020. The disclosure made by the Company did not contain the reason for resignation and date of cessation.

ii. *Regulation 30 of LODR read with BSE Circular LIST/COMP/14/2018-19 dated June 20, 2018 and NSE Circular NSE/CML/2018/24 dated June 20, 2018:*

a. *Appointment of Mr. Sridhar Ramachandran as a Nominee Director with effect from conclusion of Board meeting dated July 30, 2020.*

The Company while intimating his appointment did not specifically affirm that Mr. Ramachandran is not debarred from holding the office of director by virtue of any SEBI order and therefore to that extent the disclosure made by the Company seems inadequate.

b. *Appointment of Ms. Rajashri Sai as an Independent Director with effect from February 1, 2021.*

The Company while intimating her appointment did not specifically affirm that Ms. Rajashri Sai is not debarred from holding the office of director by virtue of any SEBI order and therefore to that extent the disclosure made by the Company seems inadequate.

However, the Company has made this inadequate disclosure good to NSE by making additional submissions on 1st February, 2021 and to BSE by making additional submissions on 2nd February 2021.

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

We further report that the systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines *need further improvement considering the size and operations of the Company.*

We further report that during the audit period, the Company has:

1. Preferential issue:

a. Issue and allotment of 27,02,702 (Twenty-Seven Lacs Two Thousand Seven Hundred and Two) equity shares of face value of INR 10/- each fully paid-up, on a preferential basis to JM Financial Asset Reconstruction Company Limited by converting the secured loan of not exceeding INR 10,00,00,000 (Rupees Ten Crores only) at a price of INR 37/- each (including premium of INR 27/- each)

b. Issue and allotment of 21,42,857 (Twenty-One Lakhs Forty-Two Thousand Eight Hundred Fifty-Seven only) 9% Optionally Convertible Debentures (OCDs) to JM Financial Asset Reconstruction Company Limited by converting its secured loan of not exceeding INR 15,00,00,000 (Rupees Fifteen Crores only) at a price of INR 70/- each (including premium of INR 70/- each)

For KANJ & Co. LLP
Company Secretaries

Sunil Nanal
Designated Partner
M. No: 5977
CP. No: 2809
UDIN: F005977C000523384

Date: 27.06.2021
Place: Pune

To,

The Members,

Autoline Industries Limited

Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan

Taluka-Khed, District - Pune, 410501

Our report of even date provided in Form MR-3 to Autoline Industries Limited (the Company) for the year ended on 31st March, 2021 is to be read along with this letter.

1. Maintenance of Secretarial records and complying with the provisions of the various laws as applicable including the laws specifically applicable to the company is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records and legal compliances based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records and the records of legal compliances. The verification was done on test basis to ensure that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We are not required to verify the correctness and appropriateness of financial records and books of accounts of the company as it is part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, secretarial standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KANJ & Co. LLP
Company Secretaries

Sunil Nanal
Designated Partner
M. No: 5977
CP. No: 2809
UDIN: F005977C000523384

Date: 27.06.2021
Place: Pune

Annexure – C

SECRETARIAL AUDIT REPORT OF THE MATERIAL UNLISTED SUBSIDIARY

(*Pursuant to Regulation 24 A of the SEBI Listing Obligations & Disclosure Requirements) Regulations, 2015)*

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Autoline Industrial Parks Limited

Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan

Taluka Khed, District - Pune, 410501

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Autoline Industrial Parks Limited (hereinafter called the Company) bearing CIN - U45209PN2007PLC130639. Secretarial Audit was conducted in a manner that provided us as reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Autoline Industrial Park Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has generally, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not Applicable);

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not Applicable);

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;

xi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Not Applicable):-

v. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable)

a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable)

b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable)

c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)

e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable)

f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable) and

g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable)

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

i Secretarial Standards issued by The Institute of Company Secretaries of India.

ii The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; (Not Applicable)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except that:-*

1. *Pursuant to Section 39 of the Act, 2013, read with Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules,2014, the Company has not filed Form PAS-3 with the Registrar in the matter of allotment of 7,02,195 equity shares on rights basis on 19th January 2021.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that the Director Identification Number ("DIN") of Mr. Pravinchandra Batavia has been 'disabled' by the Ministry of Corporate Affairs and to that extent, the Company has not complied with the provisions of Section 152 (3) of the Companies Act, 2013.

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

I further report that the systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines are adequate considering the size and operations of the company.

We further report that during the audit period there were no specific events / actions having measure bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For KANJ & CO. LLP
Company Secretaries

Sunil G Nanal
Partner
FCS No. 5977
CP No. 2809

Place: **Pune**
Date: **27.06.2021**
UDIN: **F005977C000523395**

To,

The Members,

Autoline Industrial Parks Limited

Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan

Taluka Khed, District - Pune, 410501

Our report of even date provided in Form MR-3 to Autoline Industrial Parks Limited (the company) for the year ended on 31st March, 2021 is to be read along with this letter.

1. Maintenance of Secretarial records and complying with the provisions of the various laws as applicable including the laws specifically applicable to the company is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records and legal compliances based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records and the records of legal compliances. The verification was done on test basis to ensure that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We are not required to verify the correctness and appropriateness of financial records and books of accounts of the company as it is part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, secretarial standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For KANJ & CO. LLP
Company Secretaries

Sunil G Nanal
Partner
FCS No. 5977
CP No. 2809

Place: Pune
Date: 27.06.2021

Annexure – D

(A) CONSERVATION OF ENERGY –

(i) **The steps taken or impact on conservation of energy:**

Your Company is making continuous efforts towards optimum utilization of energy resources which have resulted in cost saving for the Company. Additionally some of the initiatives taken for optimum use of energy, by the Company are as under:

1. For natural light and ventilations, acrylic sheets and drum ventilators are installed in tool room.
2. The Company has replaced all the old light fixtures with Energy Efficient 400 Watt MER fittings at Assembly & Tooling areas. Due to the above, the Company has saved ₹ 22,654 /- in FY 2020-21.
3. VFD machines are installed in all Presses resulting in lower power consumption.
4. The company has installed automatic, energy efficient water pumps in all manufacturing facilities.
5. During the year under review, the Company by attaining unity in PF Factor, has saved ₹3,99,882/-. MSEDCL also provides discount for attaining the same. Also, this has resulted in saving of maintenance expenditure on Motors, Cables and other equipment's.
6. The Company has installed LED fixtures of 100 Watt in press shop, resulting into a savings of ₹ 2,41,643/- as compared to traditional lights.
7. In procurement of all its engineering tools, materials and machines, the Company procures such Tools & machines which have a high BEE (Bureau of Energy Efficiency) Energy Rating, generally 3, 4 & 5 Stars.
8. Curtains made up of plastic sheets are introduced for natural light as well as air Ventilation.

All employees are advised to use lights, fans, air conditioners, computer and its peripherals only when there is a need and strive to save Electricity by opening up windows and opt for natural light and ventilation.

Impact of above measures have resulted into reduction of energy consumption and has a consequent impact on the cost of production of goods. The Company has significantly reduced consumption of electricity by maintaining unity in PF factor.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

The Company is working to install the solar power unit as an alternative source of energy. Solar energy is cheaper than traditional source of energy and is clean with no environment and sound pollution. As a step towards alternate sources of energy, your Company has obtained quotations from renowned solar power producers and working on them. The proposals are being discussed for installation of solar power panel in its two units situated at Chakan.

The Company's Offices are structured such that natural lighting is used the maximum as compared to commercial source of electricity. Installation of transparent sheets at rooftop of factory to get natural light as well air ventilators provided at rooftop of factory for better ventilation.

(iii) The capital investment on energy conservation equipment's:

During the year under review the Company has not made investment on energy conservation equipment.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

During the period, your Company has made following efforts at its various plants:

1. The Board of your company has approved to procure 5 axis laser cutting machine for new business development and tool room. Many proto parts for R&D purpose are required for OEM these days. The set up of 5 axis laser cut machine at Autoline with existing heavy presses and massive tool room will attract lots of proto business to your Company.
2. To achieve the improvement in stroke the Company brought 50T fork lift to facilitate movement from machine to machine and supply of RM and WIP to presses.
3. Your Company has implemented Robotic Spot Weld with CNC turning fixture concept for new Programmes of Customers in production lines in order to optimise space, manpower and simultaneously meeting Customer Volumes.
4. Testing & Validation systems designed and developed are continued to be used for various types of Parking Brakes, which are manufactured in-house.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Improved quality and customer satisfaction.
2. Minimize operator/ workmen fatigue.
3. Minimal damages to the components.
4. Reduction in Costs due to abolishing of redundant processes.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported technology during the last three years and therefore below details are not applicable.

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology has been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place; and the reasons thereof;

(iv) **The expenditure incurred on Research and Development**

The Company has not incurred expenditure, capital or recurring, in Research and Development during the year under review. The product design and development activities are being carried out by the subsidiary Company in its regular course of business.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows (both on consolidated basis) is as under

(₹ in Lacs)

Particulars	2020-21	2019-20
Foreign Exchange earned in terms of Actual Inflows	329.99	457.81
Foreign Exchange outgo in terms of Actual outflows	315.77	208.36

For and on Behalf of the Board

Prakash Nimbalkar

CHAIRMAN

DIN: 00109947

Pune, August 13, 2021

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a system to ensure the conduct of business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land in letter and spirit and to fix the accountability and responsibility towards all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.. Good Corporate Governance is a key driver of sustainable corporate growth and creating long term value for stakeholders. Your Company believes that effective Corporate Governance mechanism not only helps in building of reputation and efficient risk management, but also help in maximizing the Shareholder Value. Your Company is fully committed to adopt the best practices in Corporate Governance and Disclosures and it is our constant endeavor to adhere to best management practices & highest standards of integrity to safeguard the interest of stakeholders.

The detailed report on complying with obligations of listed entity which has listed its specified securities as per Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") is set out as under.

2. BOARD OF DIRECTORS:

a. Composition of the Board of Directors:

Your Company's Board composition is in compliance with the requirements of Section 149 of the Companies Act, 2013 and the rules made thereunder along with Regulation 17 of the SEBI LODR Regulations.

Your Company's Board comprises of **Six** Directors as on March 31, 2021 having an optimum combination of executive and non-executive directors with one woman director. More than fifty per cent of the board of directors comprises of non-executive directors. Mr. Prakash Nimbalkar, Independent Director chairs the Board of the Company. The Board of Directors is composed of two Executive Directors viz. Mr. Shivaji Akhade (DIN: 00006755), Managing Director & Chief Executive Officer (designated as Chief Executive Officer from June 28, 2021) and Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director and three Non-executive Independent Directors namely CA Vijay Thanawala (DIN: 00001974), Mr. Prakash Nimbalkar (DIN: 00109947) and Ms. Rajashri Sai (DIN: 07112541) and one Nominee Director Mr. Sridhar Ramachandran (DIN: 07706213) representing the equity investor i.e. India Nivesh Renaissance Fund.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI LODR Regulations, across all the public limited Companies in which they are Directors. Number of directorships of Independent Directors and Other Directors are within the limit of Regulation 17A of SEBI LODR Regulations. The necessary disclosures regarding committee positions and directorships have been made by the Directors. The tenure of Independent Directors are in accordance with the Companies Act, 2013 and rules made thereunder in this regard from time to time.

b. Attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting during FY 2020-21:

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Mr. Prakash Nimbalkar	7	Yes
Mr. Shivaji Akhade	7	Yes
Mr. Sudhir Mungase	7	Yes
Mr. Umesh Chavan*	5	Yes
Mr. Sridhar Ramachandran	7	Yes
CA Vijay Thanawala	7	Yes
Dr. Jayashree Fadnavis**	3	Yes
Ms. Rajashri Sai***	1	No

**Mr. Umesh Chavan, erstwhile Executive Director & Chief Executive Officer resigned w.e.f December 31, 2020.*

***Dr. Jayashree Fadnavis, Independent Director resigned w.e.f. November 10, 2020.*

****Post resignation of Dr. Jayashree Fadnavis, the Board of the Company at its meeting held on January 30, 2021 appointed Ms. Rajashri Sai (DIN: 07112541) as an Independent Director w.e.f February 1, 2021.*

c. Number of other Board of Directors or Committees in which a director is a member or chairperson as on March 31, 2021 are as follows:

Name of the Director	No. of Directorships held *	No. of committee Memberships held**	No. of committee Chairmanship held**	Names of listed entities in which holds the directorship and category of directorship
Mr. Prakash Nimbalkar	1	1	1	-
Mr. Shivaji Akhade	2	2	0	-
Mr. Sudhir Mungase	2	0	0	-
Mr. Sridhar Ramachandran	1	0	0	-
CA Vijay Thanawala	1	1	2	-
Ms. Rajashri Sai	0	0	0	-

*This number excludes the directorships / committee memberships held in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

**In accordance with Regulation 26 (1) (b) of SEBI LODR Regulations, Memberships and Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies have been considered.

d. Number of meetings of the Board of Directors held and dates on which held:

The Company used the facility of video conferencing for the Board and Committee Meetings during the year permitted under Section 173(2) of the Act read together with Rule 3 of the Companies (Meeting of Board and its Powers) Rules, 2014, to maintain the social distancing norms and saving resources and cost to the Company as well as travelling time of directors. According to the relaxations granted by SEBI and MCA all the meetings of Board were held through video conferencing. During the financial year 2020-21, **Seven (7)** Board meetings were held, on July 30, 2020, August 24, 2020, September 12, 2020, November 10, 2020, December 12, 2020, January 30, 2021 and March 16, 2021. The maximum time gap between any two sequential meetings was not more than 120 days. The quorum for all the Board meetings was more than three including at least one Independent director.

During the year, a separate meeting of Independent Directors was held on January 28, 2021 for reviewing and assessing the matters specified as per Section 149(8) read with Schedule IV of the Act and Regulation 25 (4) of SEBI LODR Regulations and Companies Act, 2013.

The Board of Directors periodically reviewed compliance reports pertaining to all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances. The Board of Directors were satisfied that plans are in place for orderly succession for appointment to the board of directors and senior management.

During the year under review, the information specified in Part- A of Schedule II of SEBI LODR Regulations was placed before the Board of Directors.

In advance of each meeting, all relevant information of various matters relating to the working of the Company, especially those that requires deliberations at the highest level is presented before the Board. Directors have separate and full access to senior management at all times. In addition to items which are required to be placed before the Board for its noting or approval, information is provided on various significant items. The relevant information is regularly made available to the Board.

To enable the Board, to discharge its responsibilities effectively, the members of the Board are given brief update at every Board meeting on the overall performance of the Company and on each of the Agenda items of Board meeting. The Draft minutes of each Board meeting were circulated to all the directors within 15 days from the date of conclusion of meeting for their comments.

e. Disclosure of relationships between the directors inter-se:

There is no inter se relationship between the Directors except that Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director of the Company is brother-in-law of Mr. Shivaji Akhade (DIN: 00006755), Managing Director of the Company.

f. Number of shares and Convertible instruments held by Non-executive Directors as on March 31, 2021:

Name of the Director	DIN	No. of Shares	Convertible Instruments
Mr. Prakash Nimbalkar	00109947	6700	0
CA Vijay Thanawala	00001974	2525	0
Mr. Sridhar Ramachandran	07706213	2000	0
Ms. Rajashri Sai	07112541	0	0

g. Web link for details of familiarisation programmes imparted to independent directors is disclosed:

The company has arranged familiarisation programmes for the independent director, details of which are available on the website of the company, the link for the same is http://www.autolineind.com/code-of-conduct-policies

h. Core Skill/Expertise/Competencies

In accordance with Regulation 34 (3) read with Para C of the Schedule V of the SEBI LODR Regulations, the Board of Directors have identified the Skills, Expertise & Competencies required in context of the company's business and the sector in which it operates to function effectively and those actually available with the board. Accordingly, the below table represents the Key Skills/ Expertise & Competencies considered desirable for the Board of the Company.

Sr. No.	Arenas of Desired Skills, Expertise & Competencies	Knowledge, Skills & Expertise desired
1	Knowledge of Automobile and Auto Ancillary Industry	A thorough understanding of the Global as well as Indian Automobile Industry and organizations dealing in designing, molding and sheet metal pressing.
2	Knowledge and understanding of FDI policy and JV- overseas and domestic	Sound knowledge and understanding of matters related to RBI policy with respect to FDI and overseas investment, JV transactions as one of the company's subsidiary is a JV with foreign investors and the Company has FDI and overseas exposure.
3	Finance & Taxation	Understanding of Financial Statements, transactions, internal financial controlling processes, financial management and taxation laws.
4	Corporate Laws and Governance	Understanding and knowledge of Corporate Laws and other applicable Legislations.
5	Audit & Risk Assessment	A thorough understanding of Audit and its related procedures, Risk Management and strategies related to the same.
6	Management Capabilities	Core competencies in reference to Management capabilities include Efficient Planning and Control of Production and Operations, Overall Managerial skills and leadership qualities.

A chart setting out the skills/expertise/competence of the board of directors as desired by the Company

Name of Director	Arenas of Desired Skills, Expertise & Competencies					
	Knowledge of Automobile and Auto Ancillary Industry	Knowledge and understanding of FDI policy and JV- overseas and domestic	Finance & Taxation	Corporate Laws and Governance	Audit & Risk Assessment	Management Capabilities
Mr. Shivaji Akhade	✓	✓	✓	✓	✓	✓
Mr. Sudhir Mungase	✓	✓	✓	✓	✓	✓
Mr. Prakash Nimbalkar	✓	✓	✓	✓	✓	✓
Mr. Vijay Thanawala	✓	✓	✓	✓	✓	✓
Mr. Sridhar Ramachandran	✓	✓	✓	✓	✓	✓
Ms. Rajashri Sai	✓	✓	✓	✓	✓	✓

i. Based on the disclosures received from all Independent directors and also in the opinion of the Board, the Board confirms that the independent directors fulfill the conditions specified in the SEBI LODR Regulations and Companies Act, 2013 and are independent of the management.

j. During the year under review, Dr. Jayashree Fadnavis, Independent Director resigned from the Board effective from November 10, 2020 before the expiry of her tenure due to her other professional commitments. She confirmed in her resignation letter that there are no other material reasons other than the reason of resignation on account of professional commitments.

3. Audit Committee:

a. Brief Description of terms of reference:

The Audit Committee of the Board of Directors of the Company provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. Its main aim is to monitor and to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely, and proper disclosures and transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Regulation 18 of SEBI LODR Regulations as well as in Section 177 of the Companies Act, 2013 which inter-alia includes:

1. Oversight of the Company'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 Company;

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 Companies Act, 2013

b) Changes, if any, in accounting policies and practices and reasons for the same.

c) Major accounting entries involving estimates based on the exercise of judgment by management

d) Significant adjustments made in the financial statements arising out of audit findings

e) Compliance with listing and other legal requirements relating to financial statements

f) Disclosure of any related party transactions

g) Qualifications 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. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, 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 CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. Composition, Name of Members and Chairperson:

The Audit committee has been reconstituted on May 24, 2014. The present Audit Committee comprises of three members, two are non-executive independent directors and one is executive director. The composition of which is as under:

i. CA Vijay Thanawala (Non-Executive Independent Director)

ii. Mr. Prakash Nimbalkar (Non-Executive Independent Director)

iii. Mr. Shivaji Akhade (Managing Director)

CA Vijay Thanawala is the Chairman of the Audit Committee. All members of the Audit Committee have ability to read and understand the financial statement and they are financially literate. CA Vijay Thanawala and Mr. Prakash Nimbalkar have accounting or related financial management expertise. CS Ashish Gupta, Company Secretary of the Company is acting as Secretary to the Committee. The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR Regulations.

c. Meetings and attendance during the year:

During the year under review, **Four (4)** Audit Committee meetings were held on July 29, 2020, September 11, 2020, November 9, 2020, and January 29, 2021.

Attendance at the Audit Committee meetings in the Financial Year 2020-21:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay Thanawala	4	4
Mr. Prakash Nimbalkar	4	4
Mr. Shivaji Akhade	4	4

4. Nomination and Remuneration Committee:

a. Brief description of terms of reference:

The terms of reference of the Nomination & Remuneration Committee are wide enough to cover the matters specified for Committee under Part D of the Schedule II of SEBI LODR Regulations and Section 178 of the Companies Act, 2013 and inter-alia includes:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

b. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

c. Formulation of criteria for evaluation of Independent Directors and the Board.

d. To evaluate performance of each director and performance of the Board as a whole.

e. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

f. To review and determine fixed component and performance linked incentives for Directors along with the performance criteria.

g. To determine policy on service contracts, notice period, severance fee for directors and senior management.

h. Devising a policy on Board diversity.

i. To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.

j. 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.

k. Recommend to the board, all remuneration, in whatever form, payable to senior management.]

l. To perform such other functions as may be necessary.

b. Composition, Name of Members and Chairperson:

The Company has constituted the Nomination & Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013.

The composition of Nomination & Remuneration Committee is as under

i. CA Vijay Thanawala (Non-Executive Independent Director)

ii. Mr. Prakash Nimbalkar (Non-Executive Independent Director)

iii. Mr. Sridhar Ramachandran (Non-Executive Director)

CA Vijay Thanawala has been appointed as the Chairman of the Committee w.e.f. May 24, 2014. The Committee was reconstituted on December 12, 2020. CS Ashish Gupta, Company Secretary of the Company, is acting as Secretary to the Committee. The Committee's composition meets with the requirements of the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c. Meeting and attendance during the year:

During the year under review, the Nomination and Remuneration Committee met Five **(5)** times during the year on July 29, 2020, July 30, 2020, November 9, 2020, January 29, 2021 and March 16, 2021.

Attendance at the Nomination & Remuneration Committee meetings for Financial Year 2020-21:

Name of the Director	No. of meetings held	No. of meetings attended
CA Vijay Thanawala	5	5
Mr. Prakash Nimbalkar	5	5
Dr. Jayashree Fadnavis*	3	2
Mr. Sridhar Ramachandran	2	1

**Dr. Jayashree Fadnavis, Independent Director resigned from the Board w.e.f. November 10, 2020. Post resignation of Dr. Jayashree Fadnavis, the Board of the Company at its meeting held on December 12, 2020 appointed Mr. Sridhar Ramachandran (DIN: 07112541) as a member of the Nomination & Remuneration Committee.*

d. **Performance evaluation criteria for independent directors (ID):** Performance evaluation of Independent Directors was done by entire Board of Directors which broadly consists of (a) performance of the directors; and (b) fulfillment of the independence criteria as specified in LODR and their independence from the management. The director who was subject to evaluation had not participated in the evaluation process. Performance evaluation criteria for independent directors are detailed as follows:

A. Evaluation based on professional conduct

1. Whether the Independent Directors upholds ethical standards of integrity and probity?
2. Whether ID acts objectively and constructively while exercising their duties?
3. Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company?
4. Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making?
5. Whether ID not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making?
6. Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person?
7. Whether ID refrains from any action that would lead to loss of his/her independence?
8. Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly?
9. Whether ID assists the Company in implementing the best corporate governance practices?

B. Evaluation based on Role and functions:

1. Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct?
2. Whether ID brings an objective view in the evaluation of the performance of Board and management?
3. Whether ID scrutinizes the performance of management in meeting agreed goals and objectives and monitor the reporting of performance?
4. Whether ID satisfies himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible?
5. Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders?
6. Whether IDs balances the conflicting interest of the stakeholders?
7. Whether ID during the Board/ Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management?
8. Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest?

C. Evaluation based on Duties:

1. Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company?
2. Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts?
3. Whether IDs strive to attend all meetings of the Board of Directors and of the Committees of which he/she is a member?
4. Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member?
5. Whether ID strives to attend the general meetings of the Company?
6. Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting?
7. Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board?

8. Whether ID gives sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure himself/herself that the same are in the interest of the Company?
9. Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use?
10. Whether ID reports concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct?
11. Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees?
12. Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law?

5. Stakeholders' Relationship Committee:

a. Brief description of terms of reference:

The Company constituted the Stakeholders' Relationship Committee headed by Mr. Prakash Nimbalkar, Independent Director of the Company. The Committee specifically looks into the various aspect of interest including mechanism of redressal of grievances of shareholders, debenture holders and other security holders. In addition, the Committee also looks into matters that can facilitate better investor services and relations.

The terms of reference of Stakeholders' Relationship Committee are wide enough to cover the matters specified for Committee under the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and inter alia includes:

1. To oversee and review all matters connected with the transfer of the Company's securities;
2. To consider and resolve the grievances of security holders of the Company with respect to transfer/transmission of shares, non-receipt of annual Report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc.
3. To review of measures taken for effective exercise of voting rights by shareholders
4. To provide guidance and make recommendations to improve service levels for the investors.
5. To 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
6. To review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
7. To perform such other functions as may be necessary.

b. Composition, Name of Members and Chairperson:

The Company constituted a Stakeholders Relationship Committee in its Board Meeting held on May 24, 2014 in accordance with section 178 of the Companies Act, 2013.

The Composition of Stakeholders Relationship Committee is as under:

i. Mr. Prakash Nimbalkar (Non-Executive Independent Director)
ii. CA Vijay Thanawala (Non-Executive Independent Director)
iii. Mr. Shivaji Akhade (Managing Director)

CS Ashish Gupta, Company Secretary of the Company, is acting as Secretary to the Committee.

During the year under review, the Stakeholders' Relationship Committee met **Four (4)** times on July 30, 2020, September 12, 2019, November 9, 2020 and January 30, 2021.

Attendance at the Stakeholders' Relationship Committee meeting during the Financial Year 2020-21:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	4	4
CA Vijay Thanawala	4	4
Mr. Shivaji Akhade	4	4
Dr. Jayashree Fadnavis*	3	3

**Dr. Jayashree Fadnavis, Independent Director resigned from the Board w.e.f. November 10, 2020.*

c. Name and Designation of the Compliance Officer:

CS Ashish Gupta, Company Secretary of the Company is the Compliance Officer of the Company.

d. **Number of shareholders' complaints received, number of complaints not solved to the satisfaction of Shareholders and number of pending complaints in FY 2020-21 are as below:**

Complaints received	0
Complaints not solved to the satisfaction of Shareholders	0
Pending complaints	0
Total	0

6. **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee comprises three members out of whom one is Independent Director viz. Mr. Prakash Nimbalkar (Chairman) and two are Executive Directors viz. Mr. Shivaji Akhade, Managing Director and Mr. Sudhir Mungase, Whole-time Director.

The Committee was reconstituted on January 30, 2021 and meets with the requirements of Section 135 of the Companies Act, 2013 during the financial year 2020-21.

The terms of reference of the Corporate Social Responsibility Committee are wide enough to cover the matters specified for Committee under Section 135 of the Companies Act, 2013 and inter-alia includes:

a. To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;

b. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;

c. To monitor the Corporate Social Responsibility Policy of the Company;

d. To review the performance of the Company in the area of Corporate Social Responsibility;

e. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Since there were no profits during previous three financial years, the Company did not incur expenditure on CSR activities, no meetings of the CSR Committee were held during the financial year 2020-21.

7. **Executive Committee:**

The Executive Committee of the Board of Directors was constituted w.e.f. September 1, 2009. Post resignation of Mr. Umesh Chavan, Executive Director & CEO, the Executive Committee was reconstituted on July 30, 2021 and consists of Mr. Prakash Nimbalkar, Mr. Shivaji Akhade, Mr. Sudhir Mungase and Mr. Sridhar Ramachandran. Mr. Prakash Nimbalkar is the Chairman of the Executive Committee.

Executive Committee of the Board has been delegated certain powers and duties by the Board of Directors to oversee certain functions including but not limited to the following functions broadly:

a) To borrow & avail various credit facilities, loans from banks, financial institutions etc. up to ₹ 400 Crores;

b) To invest the funds of the Company up to ₹ 400 Crores;

c) To grant loans or give guarantee or provide security in respect of loans up to ₹ 400 Crores;

d) To recommend Board to take various decisions on financial commitments, roles etc;

e) To discuss on the financials and long term planning, strategic planning relating to business and it affairs of the Company;

f) To monitor and control over all units and subsidiary companies operations;

g) Establishing control & supervision on all departments like Production, Sales, Purchase, HR IT, Accounts and finance etc;

h) Discussions and decisions on purchase/sale of capital assets etc.

i) Discussions relating to acquisitions/ sale of units/ undertakings, negotiation with parties etc.

j) Business Developments and decisions to be taken in this respect.

k) Any other matter which the Board may from time to time deem fit.

During the year under review, the Committee met **Seven (7)** times on July 17, 2020, August 17, 2020, September 21, 2020, October 21, 2020, December 12, 2020, January 14, 2021, and February 23, 2021.

Attendance at the Executive Committee meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	7	7
Mr. Shivaji Akhade	7	7
Mr. Sudhir Mungase	7	4
Mr. Sridhar Ramachandran	6	6
Mr. Umesh Chavan*	5	5

**Mr. Umesh Chavan, ED & CEO resigned from the Board w.e.f. December 31, 2020. Post his resignation the Board of the Company at its meeting held on July 30, 2020 appointed Mr. Sridhar Ramachandran (DIN: 07112541) as a member of the Executive Committee.*

8. Compensation Committee

The Committee has been constituted to administer and monitor Autoline ESOS Scheme 2008. The said Scheme is lapsed due to efflux of time on April 12, 2019. The Committee consists of three members out of which two are Independent Directors viz. Mr. Prakash Nimbalkar, CA. Vijay Thanawala and one Executive Director, Mr. Shivaji Akhade.

Mr. Prakash Nimbalkar is the Chairman of the Committee. No meeting of the Compensation Committee were held during the financial year 2020-21.

9. Risk Management Committee

The Company constituted Risk Management Committee on February 3, 2015 however the provisions related to the constitution and holding the meeting are not applicable to the Company since it does not fall in the list of top 1000 listed entities to whom the provision is applicable. The Committee is responsible to lay down procedures to inform Board members about risk assessment and mitigation procedures. The Committee consists of five members out of which three are director's viz. Mr. Prakash Nimbalkar, Mr. Shivaji Akhade, and Mr. Sudhir Mungase and one senior executive Mr. Venugopal Pendyala (Chief Financial Officer). Mr. Prakash Nimbalkar is the Chairman of the Committee.

The Committee has laid down procedures to inform the Board members about the risk assessment and mitigation procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. No meeting of Risk Management Committee was held during the financial year 2020-21.

10. Remuneration of Directors

a. **All Pecuniary relationship or transaction of the Non-Executive directors vis-à-vis the Company:**

During the year under review, none of the Non – Executive Directors of the Company had any pecuniary relationships and/or transactions with the Company except the shareholding as mentioned hereinabove.

b. Criteria of making payments to non-executive directors:

Non-Executive Directors of your Company receive sitting fees of ₹ 30,000/- for each meeting of Board and Executive Committee, ₹ 25,000/- for each meeting of Audit Committee and ₹ 15,000/- for each meeting of Nomination & Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee and any other committee meeting thereof attended by them. Apart from sitting fees non-executive directors do not receive any remuneration from the Company.

c. Disclosures with respect to remuneration:

The details of remuneration paid to Directors of the Company during the financial year 2020-21 are given below:

(₹ in Lakhs)

	Particulars	Mr. Shivaji Akhade	Mr. Sudhir Mungase	Mr. Umesh Chavan*
i)	**Gross Salary**	60.00	24.00	45.00
	(a) Salary	60.00	24.00	45.00
	(b) Bonus	0	0	0
	(c) Stock Options	0	0	0
	(d) Pension	0	0	0
ii)	Performance Linked incentives	0	0	0
	Total	**60.00**	**24.00**	**45.00**
iii)	Service Contracts	5 Years w.e.f. October 1, 2016. The resolution for re-appointment has been put forth in the 25th Annual General Meeting.	5 Years w.e.f. October 1, 2016. The resolution for re-appointment has been put forth in the 25th Annual General Meeting.	Resigned w.e.f. December 31, 2020
	Notice Period	6 months	6 months	NA
	Severance Fees	Nil	Nil	Nil
iv)	Stock option details	Nil	Nil	Nil

**Mr. Umesh Chavan, erstwhile Executive Director & Chief Executive Officer resigned w.e.f the closing hours of December 31, 2020. Hence, remuneration paid till December 31, 2020 has been taken into consideration*

Non-Executive directors did not receive any remuneration other than sitting fees which is disclosed in Form No. MGT-9 (Extract of Annual Return)

11. General Body Meetings

a. Details of Location, time, venue and special resolutions passed in the last three Annual General Meetings (AGMs) and Extra-ordinary General Meetings (EGMs) held in FY 2020-21 are given as under:

Financial Year, Day & date	Time	Venue	No. of Special Resolution(s) passed
2019-20, 24th AGM, , December 29, 2020	2:30 p.m.	Due to Covid-19 pandemic the 24th Annual General Meeting of the members of the Company was convened through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") in accordance with the relevant Circulars of MCA and SEBI. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the Proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.	-
2018-19, 23rd AGM, Saturday, September 28, 2019	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune - 410501	1. To re-appoint Mr. Prakash B. Nimbalkar (DIN: 00109947) as an Independent Director 2. To re-appoint Mr. Vijay k. Thanawala (DIN: 00001974) as an Independent Director 3. To re-appoint Mr. Umesh N. Chavan (DIN: 06908966) as an Executive Director & CEO 4. To approve the remuneration of Mr. Shivaji T Akhade (DIN:00006755), Managing Director of the Company 5. To approve the remuneration of Mr. Sudhir V Mungase (DIN:00006754), Whole-time Director of the Company 6. To alter the Articles of Association of the Company as per the provisions of the Companies Act, 2013 7. To approve the waiver of recovery of remuneration paid to Mr. Umesh Chavan, Executive Director & CEO (DIN: 06908966) for the period June 25, 2014 to June 24, 2017 8. To approve granting of Loans, providing any Security, giving any Guarantees in connection with any loans raised, by Autoline Industrial Parks Limited (AIPL), Subsidiary of Autoline Industries Limited (AIL)
2017-18, 22nd AGM, Friday, September 28, 2018	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune - 410501	1. To re-appoint Dr. Jayashree Fadnavis (DIN: 01690087) as an Independent Director. 2. To approve continuation of the current term of Mr. Prakash Nimbalkar (DIN: 00109947), Independent Director. 3. To approve the limits for the Loans and Investments by the Company in terms of the provisions of Section 186 of the Companies Act, 2013. 4. To approve sale, transfer or disposal of assets held by material subsidiary of the Company.

All resolutions as set out in the respective notices were duly passed by the shareholders.

b. Special Resolutions passed through Postal Ballot:

During the year 2020-21, the Company has passed the following resolution(s) on September 24, 2020 through postal ballot notice dated August 24, 2020 in relation to issue of Equity Shares and Optionally Convertible Debentures of the Company to JM Financial Asset Reconstruction Company Limited and to approve the terms of loan:

Sr. No.	Matter of the Special Resolutions	Percentage of Votes in Favor	Percentage of Votes in against
1	To approve issue of Equity Shares of the Company to JM Financial Asset Reconstruction Company Limited on preferential basis	99.98%	0.02%
2	To approve issue of Optionally Convertible Debentures to JM Financial Asset Reconstruction Company Limited on preferential basis	99.90%	0.10%
3	To approve the terms of Loan(s) and conversion of such Loan(s) into Equity Shares of the Company	99.98%	0.02%

Further, the Company has vide its Postal Ballot Notice dated March 16, 2021 passed the following special resolutions on April 21, 2021 in relation to Increase the Authorized Share Capital, the Preferential Allotment of 70,00,000 Equity Shares at ₹ 40/- each and 10,00,000 Warrants to the allottees as mentioned in Postal Ballot Notice dated March 16, 2021 :

Sr. No.	Matter of the Special Resolutions	Percentage of Votes in Favor	Percentage of Votes in against
1	To increase the Authorised Share Capital and consequent alteration of the Capital Clause in the Memorandum of Association of the Company	99.99%	0.01%
2	To offer, issue and allot Warrants on Preferential Basis to the Promoters	99.90%	0.10%
3	To offer, issue and allot Equity Shares of the Company on Preferential Basis	99.98%	0.02%

c. Special Resolution proposed to be conducted through postal Ballot:

At present there are no Special Resolutions proposed to be conducted through postal ballot

12. Means of Communication:

Financial results:

The Company normally publishes its quarterly and/or yearly financial results in the leading national newspaper namely The Financial Express. In addition the same are published in local language (Marathi) newspapers namely Daily Loksatta.

Website: The Company's website www.autolineind.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form. Business updates and official news releases are also available on the website of the company.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements (Standalone and Consolidated), Director's Report including Management's Discussion and Analysis (MD&A) Report, Auditor's Report and other important information is circulated to members and others entitled thereto and is also available on Company's website www.autolineind.com

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web- based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) concerned companies and online viewing by investors of actions taken on the complaint and its current status.

13. General Shareholders information:

Company Registration Details:

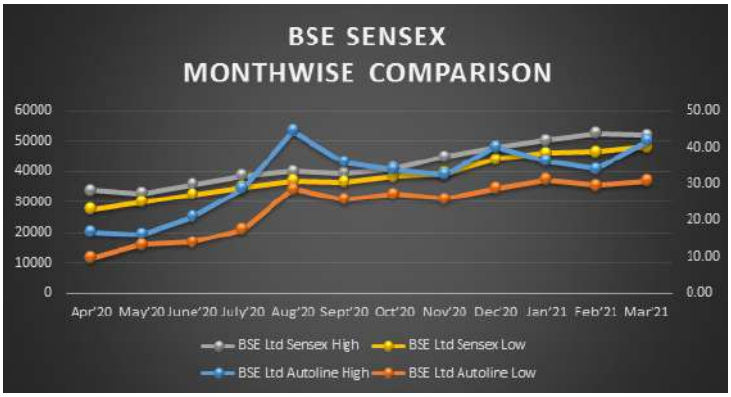
The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L34300PN1996PLC104510.**

Sr. No.	Particulars	Information
1.	**Annual general meeting**	
	Day, Date and Time	Wednesday, September 29, 2021 at 2:30 p.m.
	Venue	In terms of the General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular 22/2020 dated June 15, 2020, dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021 and No.02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020; the Annual General Meeting (AGM) is scheduled at the Registered Office through Video Conferencing or Other Audio Visual Means, without the physical presence of the members at a common venue. Necessary public notices, publications and other arrangements have been made pursuant to the MCA circulars.
2.	**Financial calendar**	
	Financial year	April 1, 2021 to March 31, 2022
	Financial reporting	
	First quarter results	August 13, 2021
	Quarterly / Half-yearly results	Second week of November, 2021 (Tentative)
	Third quarter results	Second week of February, 2022 (Tentative)
	Fourth quarter and Annual Audited results	Fourth week of May, 2022 (Tentative)
3.	**Dates of book closure**	N.A.
4.	**Dividend payment date**	N.A.
5.	**Listing on Stock Exchanges and confirmation about payment of annual listing fee**	BSE Limited (BSE) Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, India. Annual Listing Fees for FY 2021-22 was duly paid.
		National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, India. Annual Listing Fees for FY 2021-22 was duly paid.
6.	**Stock code - Scrip code**	BSE: 532797 NSE: AUTOIND
7.	**ISIN for Equity shares**	INE718H01014
8.	**Market price data and share price performance in comparison to broad based indices:**	Monthly high and low quotations of shares traded on Stock Exchanges for the period from April 1, 2020 to March 31, 2021 is given below:

Monthly high and low quotations of shares:

Month	BSE Ltd				National Stock Exchange of India Ltd			
	Autoline		Sensex		Autoline		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr'20	16.83	9.60	33887.25	27500.79	19.10	9.30	9889.05	8055.80
May'20	16.15	13.30	32845.48	29968.45	16.55	12.65	9598.85	8806.75
June'20	20.95	13.90	35706.55	32348.10	20.90	14.30	10553.15	9544.35
July'20	28.75	17.45	38617.03	34927.20	29.65	17.35	11341.40	10299.60
Aug'20	44.35	28.55	40010.17	36911.23	45.70	29.05	11794.25	10882.25
Sept'20	35.95	25.65	39359.51	36495.98	36.80	26.00	11618.10	10790.20
Oct'20	33.75	27.15	41048.05	38410.20	34.90	27.10	12025.45	11347.05
Nov'20	32.40	25.85	44825.37	39334.92	32.30	26.10	13145.85	11557.40
Dec'20	40.05	28.75	47896.97	44118.10	40.60	29.00	14024.85	12962.80
Jan'21	36.25	31.05	50184.01	46160.46	36.80	30.90	14753.55	13596.75
Feb'21	33.95	29.65	52516.76	46433.65	33.80	30.00	15431.75	13661.75
Mar'21	41.60	30.75	51821.84	48236.35	41.55	30.80	15336.30	14264.40

Share Price Performance in comparison to broad based indices - BSE Sensex and NSE Nifty as on March 31, 2021.



9. Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.

Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune- 411001,

Phone: (020) - 26161629, 26160084

Fax: 020 26163503

Email address: pune@linkintime.co.in

Web: www.linkintime.co.in

10. Share transfer system

The Company ensures all the activities in relation to both physical and electronic share transfer facility are maintained by **Link Intime India Pvt. Ltd.** The Company submits a half yearly compliance certificate ensuring above said compliance to the exchange as per Regulation 7(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 Transfers in physical form have to be lodged with **Link Intime India Pvt. Ltd.** at the above mentioned address. All shares received for transfer were registered and dispatched within fifteen (15) days of receipt, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is 10 days upon receipt of documents from Depository Participant. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with share transfer formalities under Regulation 40 (9) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and files copy of the same with Stock Exchanges.

11. Distribution of shareholding as on March 31, 2021.

No of equity shares held	No. of shareholders	% of shareholders	No of shares held	% of shareholding
1-500	13034	86.2322	1458697	4.7111
501-1000	1004	6.6424	825311	2.6655
1001-2000	510	3.3741	780264	2.5200
2001-3000	181	1.1975	469089	1.5150
3001-4000	87	0.5756	313944	1.0139
4001-5000	90	0.5954	424241	1.3701
5001-10000	119	0.7873	860635	2.7795
10001 and above	90	0.5955	25830983	83.4249
Total	**15115**	**100.0000**	**30963164**	**100.0000**

12. Shareholding as on March 31, 2021

Sr. No	Category	No. of shares held	% of holding
(A)	**Promoter & Promoter Group**		
1	**Indian**		
a	Individuals	8261258	26.68
b	Bodies Corporate	1000000	3.23
2	**Foreign**	**0**	**0**
	Total shareholding of promoter and promoter group	**9261258**	**29.91**
(B)	**Public**		
(I)	**Institution**		
a	Foreign Portfolio Investor	0	0
b	Financial Institutions/ Banks	2702702	8.73
c	Alternate Investment Funds	4794520	15.48
	Sub Total B (I)	**7497222**	**24.21**
(II)	**Non Institutions**		
a	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	4892352	15.80
b	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	3049761	9.85
c	NBFC's registered with RBI	0	0.00
d	IEPF	30283	0.10
c	Foreign Nationals	10763	0.03
d	Hindu Undivided Family	368505	1.19
e	Foreign Companies	123462	0.40
f	Non Resident Indians (Non Repat)	49394	0.15
g	Non Resident Indians (Repat)	1755918	5.67
h	Overseas Corporate Bodies	2265432	8.38
h	Clearing Member	57340	0.19
I	Bodies Corporate	1601474	4.12
	Sub Total B (II)	**6262571**	**20.23**
	Total Public shareholding B = B (I) + B (II)	**21701906**	**70.09**
(C)	**Shares held by Custodians against which depository receipts have been issued**	**0**	**0.00**
	TOTAL = (A) + (B) + (C)	**30963164**	**100.00**

13.	**Dematerialization of shares and liquidity**	As on March 31, 2021 total shares in Demat were 3,08,56,509 i.e. 99.66% of paid-up equity share capital of the Company. *SEBI effective from April 1, 2019, barred physical transfer of shares of listed companies and mandated transfer only through Demat. However, investors are not barred from holding shares in physical format.
14.	**Outstanding GDR/ warrants or convertible bonds, conversion dates and likely impact on equity:**	There are no outstanding GDR/warrants as on March 31, 2021. The Company, pursuant to the Special Resolution as set out in the Notice of Postal Ballot dated August 24, 2020, has issued and allotted 2142857, 9% Optionally Convertible Debentures ("Debentures") on November 10, 2020 to J M Financial Asset Reconstruction Company Ltd. of ₹ 70/- each by converting secured loan upto ₹ 150000000/- (Rupees Fifteen Crores). The allottee has the option to convert the Debentures into equal number of Equity Shares within a time frame of not exceeding 18 months from the date of allotment. The Company, pursuant to the Special Resolution as set out in the Notice of Postal Ballot dated March 16, 2021, has issued and allotted 1000000 Warrants on June 3, 2021 (500000 Warrants to Mr. Shivaji Akhade & 500000 Warrants to Mr. Sudhir Mungase at a price of ₹ 45/- each). The above stated 2 allottees have paid 25% of the issue price and the balance 75% of the Issue Price of Warrant shall be payable on or before the exercise of the entitlement attached to Warrants to subscribe for Equity Share(s) within 12 months from the date of allotment. Post receipt of the balance 75% consideration, the Share Warrants will be converted into Equity Shares having face value of ₹ 10/- each.

15.	**Commodity price risk or foreign exchange risk and hedging activities**	Nil
16.	**Plant/ unit locations:**	**Units in India** i. S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist.-Pune- 410 501 (Chakan-I unit) ii. S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Pune - 410 501 (Chakan-II Unit). iii. E-12-17 (7) & (8) , MIDC, Bhosari, Pune - 411 026 iv. Plot Nos. 5, 6, and 8 Sector 11, IIE,TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand - 263 153. v. Plot No. 186A of Belur Industrial Area, Dharwad vi. Survey No.53, 36/2, 36/3, situated at Moorthigana Dinna Village, Dasaripalli, Hosur Bagalur Road, Hosur Taluk, Tamil Nadu – 635109
17.	**Address for correspondence:**	Mr. Ashish Gupta Company Secretary Autoline Industries Limited Survey Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka- Khed, Dist- Pune: 410501, Tel: +91 2135- 635857; Fax: +91 2135- 635853/64 Email:ashish.gupta@autolineind.com Website: www.autolineind.com
18.	**Investor Grievance Cell**	Email: investorservices@autolineind.com

19. Other Disclosures

a) Disclosures on materially significant related party transactions

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the Board of directors and such policy is reviewed by board of directors at least once in three years and updated accordingly. All the Related Party Transactions were approved by the Audit Committee and also by the Board, wherever necessary. The Audit Committee has also granted omnibus approval for related party transactions that were repetitive in nature by following all the requirements as laid down in the Companies Act, Rules made thereunder and Clause 23 (3) of SEBI LODR Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their subsidiaries, associates /relatives which may have a potential conflict with the interest of the Company at large.

Transactions entered into by the Company with the related parties during the year were periodically placed before the Audit Committee for review. The register of Contracts containing transactions, in which directors are interested, was placed before the Board regularly. The Company discloses to the Stock exchanges all material transactions, if any, with related parties quarterly along with the compliance report on corporate governance. The Company also files related party transactions with the stock exchanges within 30 days from the date of publication of its standalone and consolidated financial results for the half year and also publish the same on website. Related party transactions are disclosed in the Notes to Accounts forming part of this Annual Report.

b) Statutory Compliance, Penalties and Strictures

The Company has complied with the various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital markets except to the observations made in the Secretarial Audit Report forming part of this Annual Report. No penalties or strictures have been imposed by them on the Company.

c) Vigil Mechanism

The Company has a well-established Vigil (Whistle Blower) Mechanism in the form of a Whistle Blower Policy for its Directors, employees and stakeholders to freely communicate their concerns about illegal and unethical practices, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Mechanism is providing adequate safeguards against victimization of persons who use such mechanism and there is provision for direct access to the chairperson of the Audit Committee in appropriate or cases. In case of repeated frivolous complaints being filed by a Director or an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand. The details of establishment of vigil mechanism is displayed on the website http://www.autolineind.com/code-of-conduct-policies

d) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all mandatory requirements and adopted non-mandatory requirements as mentioned in this Report, under SEBI LODR Regulation.

e) Web link where policy for determining 'material' subsidiaries disclosed:

The same is available at website http://www.autolineind.com/code-of-conduct-policies

f) Material Non-listed Indian Subsidiary Company

The Company is having one material Non-listed Indian Subsidiary Company viz. Autoline Industrial Parks Limited. The Company have appointed CA Vijay Thanawala, Independent Director of the Company on the Board of Autoline Industrial Parks Limited.

The Audit Committee of the Company reviewed the financial statements, in particular investment made by Autoline Industrial Parks Limited.

During the year, the minutes of the Board meetings of the Autoline Industrial Parks Limited were placed at the Board meeting of the Company. The management of the Autoline Industrial Parks Limited had periodically brought to the attention of the Board of the Company, a statement of all significant transactions and arrangements entered into by the Autoline Industrial Parks Limited.

The Company has formulated a policy for determining material subsidiaries and said policy is disclosed on http://www.autolineind.com/code-of-conduct-policies

g) Web link where policy on dealing with related party transactions

The Company policy on dealing with related party transactions is available on the website of the Company i.e. http://www.autolineind.com/code-of-conduct-policies

h) Disclosure of commodity price risks and commodity hedging activities

The Company did not identify any risk from commodity prices and commodity hedging activities.

i) Details of utilization of funds raised through preferential allotment or qualified institutions placement during the year as specified under Regulation 32 (7A) - The Company has entered into restructuring scheme with J M Financial Asset Reconstruction Company Ltd. ("the Lender"), one of the lenders of the Company to restructure its loan/credit facilities and as per the terms of restructuring scheme, the Company, pursuant to the shareholders' approval accorded by Postal Ballot on September 24, 2020 and other necessary approval, has issued and allotted 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) equity shares at a price of ₹ 37/- each and 21,42,857 (Twenty One Lakhs Forty Two Thousands Eight Hundred Fifty Seven only) 9% Optionally Convertible Debenture ("OCDs/Debentures") at a price of ₹ 70/- each on November 10, 2020 to JM Financial Asset Reconstruction Company Limited by converting debt. Further, the Company has received Listing & Trading approvals for the said Preferential Allotment of Equity shares.

Through the said preferential allotment an amount of loan upto INR 10,00,00,000 (Rupees Ten Crores Only) was adjusted against issue of 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) equity shares and an amount of loan upto INR 15,00,00,000 (Rupees Fifteen Crores) was adjusted against issue of 21,42,857 (Twenty One Lakhs Forty Two Thousands Eight Hundred Fifty Seven only) 9% Optionally Convertible Debenture on preferential basis to the lender. This has resulted in substantial reduction of loan availed from the Lender which strengthened the financial condition of the Company and thereby increase in net worth of the Company.

j) Certificate from Practicing Company Secretary: The Company has received a certificate from Mr. Sunil Nanal, Practicing Company Secretary to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report.

k) During the year, there are no instances where the Board had not accepted the recommendation of any committee of the board which is mandatorily required.

l) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

A.R. Sulakhe & Co. Chartered Accountants (FRN 110540W) are the statutory auditors of the Company. Total fees paid by the Company and its subsidiaries, on a consolidated basis to the auditors is given below:

Sr. No.	Name of the Company	Statutory Audit Fee	Other Fees	Reimbursement of expenses
1	Autoline Industries Limited	30,00,000	-	1,65,923
2	Autoline Industrial Parks Limited	1,00,000	-	-
3	Autoline Design Software Limited	1,13,000		-

m) Complaints pertaining to Sexual Harassment:

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

a. Number of complaints filed in the Company during the financial year 2020-21– Nil

b. Number of complaints disposed of during the financial year 2020-21 – Nil

c. Number of complaints pending in the Company at the end of the financial year 2020-21– Nil

n) The Company has not obtained credit rating during the year 2020-21 for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds whether in India or abroad since there are no such instruments, programme or any scheme is outstanding/underway.

o) Web link where the terms and conditions of appointment of independent directors are disclosed:

The terms and conditions of appointment of independent directors are incorporated in the letter of Appointment of Independent Director and be directly accessed at web link: http://www.autolineind.com/code-of-conduct-policies

Web link where composition of various committees of Board of Directors:

The composition of various committees of Board of Directors disclosed on http://www.autolineind.com/committees/

p) Code of Conduct

The Board of Directors at its meeting held on August 4, 2006 has adopted Code of Business Conduct and Ethics for Directors and Senior Management and the Board further at its meeting held on February 3, 2015 adopted the fresh Code of Conduct. The duties of Independent directors are suitably incorporated in the Code of Conduct. Senior management have to disclose all material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company. The said code has been communicated to the Directors and members of the senior management. Directors and senior Management have affirmed compliance with the code. A declaration to this effect signed by Managing Director is given in this Annual Report. The code has also been displayed on the Company's website - www.autolineind.com.

q) Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company had adopted a 'Code of Conduct for prevention of Insider Trading' ('the Code') with effect from April 1, 2007.

Later, with coming into effect of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company further adopted a Code of Fair Disclosure on May 14, 2015 and amended the 'Code of Conduct for prevention of Insider Trading' ('the Code') in its meeting held on May 27, 2015.

Further, as per the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has amended a Code of Fair Disclosure w. e. f. April 1, 2019.

Both the codes are applicable to all Directors, such designated persons, employees and others who are expected to have access to unpublished price sensitive information relating to the Company. For the purposes of monitoring adherence to the Regulations Mr. Ashish Gupta, Company Secretary is designated as Compliance Officer.

14. Non-Compliance of any requirement of Corporate Governance report: During the year under review, the Company has complied with all the requirement of Corporate Governance report.

15. Discretionary Requirements under Regulation 27(1) and Part E of Schedule II of SEBI (LODR) Regulations, 2015.

A. The Board: The Office of the Chairman of the Board is held by a Non-Executive Director at the Company's expense and the Chairman is also allowed reimbursement of expenses incurred in performance of his duties.

B. Shareholders' Rights: A half-yearly declaration of financial performance including summary of the significant events in last six-months, as on date, is not sent to each household of shareholders. However, the Company's quarterly & financial results are published in English and regional language newspapers having wide circulation in addition to dissemination the same in the websites of BSE, NSE and Company.

C. Modified Opinion in Audit Report: There is no modified opinion in Audit Report on the financial statements for the financial year 2020-21.

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

16. Disclosures regarding compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of the sub regulation (2) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015: During the year under review, Compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of the sub regulation (2) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 has been made and disclosure of the same has been submitted to the Stock Exchanges.

17. Disclosures with respect to Unclaimed Securities Suspense Account as specified in Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In compliance with erstwhile Clause 5A of the Listing Agreement, the Company has opened a demat account in the name of "Autoline Industries Limited-Unclaimed Securities Suspense Account" for the purpose of transferring the unclaimed shares. (Previously the account was maintained by R & T Agents, Link Intime India Pvt. Ltd.)

As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the said shares, the same shall be credited to the demat account or physical certificates shall be delivered to the respective shareholder after due verification.

Disclosure with respect to shares lying in suspense account:

Particulars	No. of shareholders	No of shares
Aggregate number of shareholders and the outstanding shares in the Demat Suspense Account lying as on April 1, 2020	9	249
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom the shares were transferred from the suspense account during the period	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	9	249

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

DECLARATION BY THE CEO UNDER SCHEDULE – V PART- D OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO CODE OF CONDUCT

In accordance with Schedule – V Part- D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that all the Directors and the senior management personnel of the company have affirmed compliance to their respective Code of Conduct as applicable to them for the financial year ending March 31, 2021.

For Autoline Industries Limited

Shivaji Akhade
Managing Director & CEO
DIN: 00006755

Pune, June 28 2021

CEO and CFO Certification

To

The Board of Directors

Autoline Industries Limited

We, Shivaji Akhade, Managing Director & CEO and Venugopal Pendyala, Chief Financial Officer, certify that:

A. We have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ending March 31, 2021 of the Company and to the best of our knowledge and belief;

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and:

1. we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
2. we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls and necessary steps have been taken to rectify these deficiencies.

D. We have disclosed to the Auditors and the Audit committee:

1. significant changes in internal control over financial reporting during the year;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
3. instances of significant fraud of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Autoline Industries Limited

Shivaji Akhade	**Venugopal Pendyala**
Managing Director & CEO	**Chief Financial Officer**
DIN: 00006755	

Pune, June 28, 2021

CERTIFICATE
REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
Autoline Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Autoline Industries Limited, for the year ended March 31, 2021 as stipulated in Regulations 17, 17A, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing regulations, 2015.

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.

FOR KANJ & CO. LLP
Company Secretaries

Sunil G Nanal
Designated Partner
FCS NO. 5977
CP NO. 2809
UDIN: F005977C000808999

Date: August 20, 2021
Place: Pune

CERTIFICATE BY PRACTISING COMPANY SECRETARY
[Pursuant to Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)]

To,
The Members of
Autoline Industries Limited
Pune

On the basis of examination of the declarations made by the Directors and other records of Autoline Industries Limited (hereinafter referred to as "the Company") having its Registered Office at S. No. 313, 314, 320 to 323, Nanekarwadi, Tal. Khed, Dist. Pune-410501, we certify that the 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 Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority, as per the requirements of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

FOR KANJ & CO. LLP
Company Secretaries

Sunil G Nanal
Designated Partner
FCS NO. 5977
CP NO. 2809
UDIN: F005977C000809637

Date: August 20, 2021
Place: Pune

INDEPENDENT AUDITORS' REPORT

To the Members of Autoline Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Financial Statements of Autoline Industries Limited which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss including Statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of 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 standalone 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 March 31, 2021, and its Loss, other comprehensive expenses, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Emphasis of the Matter

We draw attention to Note No.50 to the standalone financial statements which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. 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.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
(a) Going Concern As of 31 March 2021, the Company's total liabilities did not exceed its total assets, however company is continuously incurring losses, Note 3.5 to the financial statements explain how the directors of the Company have formed a judgement that the going concern basis is appropriate in preparing the financial statements. The directors of the Company made their assessment of going concern by preparing a cash flow forecast in which some key assumptions were applied. These key assumptions included forecasts of sales volumes, average selling prices, raw material costs and the availability of banking and other financing facilities as well as financial support from the Promoters. We identified going concern as a key audit matter because a significant degree of management judgement is involved in making this assessment and in forecasting the future cash flows of the Company which are inherently uncertain and because the management judgement and inherent uncertainties could have significant impact on the basis of preparation of the financial statements and could be subject to management bias.	**Our audit procedures included:** • Walking through the business planning process and assessing the design, implementation and operating effectiveness of management's key internal controls over the assessment of going concern, including the preparation of cash flow forecasts. • Evaluating the key assumptions in the cash flow forecasts (including future revenue, gross profit, operating expenses and capital expenditure) with reference to historical production information, current performance, internal investment and production plans, and market and other external available information; • Considering the accuracy and reliability of cash flow forecasts made by management in prior years by comparing them with the current year's results; • Assessing the availability of banking and other financing facilities and arrangements by inspecting underlying documentation, which included banking facility agreements signed before and after the reporting period end, and assessing the impact of any covenants and other restrictive terms therein • We also checked if any waivers were obtained from the financial institutions from which borrowings are made. Based on our procedures we noted that the key assumptions used in the forecasts were within a reasonable range of our expectations.

(b) Revenue Recognition	Our audit procedures to assess the recognition of revenue included the following:
The Company's revenue is derived from the sale of sheet metal stampings, welded assemblies and moulds for the automotive industry. The Company recognizes revenue when the control is transferred to the customer. The terms set out in the Company's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold.	• evaluating the design, implementation and operating effectiveness of key internal controls over the existence, accuracy and timing of revenue recognition; • performed substantive test of details over revenue recognized throughout the period by selecting a sample of transactions to ensure that the samples selected meet the revenue recognition criteria and are appropriately recorded;
We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Company.	• Tested sample transactions around the period end to ensure they were recorded in the correct period; and tested journal entries posted to revenue accounts focusing on unusual or irregular items, if any.
(c) Contingent Liabilities (Note No.40) **Evaluation of uncertain tax positions** The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Refer Note 40 to the standalone financial statements.	**Our audit procedures include the following substantive procedures:** • Obtained understanding of key uncertain tax positions; and • We - ➢ Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; ➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ➢ Assessed management's estimate of the possible outcome of the disputed cases.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's report including annexure to Board's report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India, in terms of section 143 (11) of the Companies Act, 2013, 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) As required by section 143 (3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit & Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
   d) In our opinion and to the best of our information and according to the explanation given to us, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as on year ended March 31, 2021
   e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

iii. The company was required to transfer unpaid dividend to the tune of ₹84, 483/- for the financial year 2012 - 2013 to the Investor Education and Protection Fund, however the company has transferred unpaid dividend beyond stipulated time period. There has been delay of 10 days in transferring amounts.

3. In our opinion, the managerial remuneration for the year ended 31 March 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented by us.

FOR A. R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: - 110540W

ANAND SULAKHE
PARTNER
M. NO. : 33451
UDIN: 21033451AAAABX9604

Date: June 28, 2021
Place: Pune

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements for the year ended March 31, 2021, we report that:

i. a) The company has maintained proper records showing full particulars, including quantitative details and situations of its fixed assets.

b) According to the information and explanation given to us, *except for tools and dies kept with the third parties*, the company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in phased manner over a period of three years in accordance with this programme, certain fixed assets were verified during the year, In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its business and no material discrepancies have been noticed on such physical verification.

c) According to the information and explanation given to us and on the basis of our examination of the records of the company, except for the following case, the title deeds were held in the name of the company.

(₹ In lakhs)

Sr. No.	Particulars	Whether Leasehold Or Freehold	Gross Block As On Balance Sheet Date	Net Block As On Balance sheet Date	Remarks
1.	Khasra no. 423, SIDCUL, Plot no. 5 Uttarakhand	Leasehold	22.86	22.86	Lease Deed is held in the name of M/s Nirmiti Auto components Pvt. Ltd. which was amalgamated with the company.

ii. The inventories have been physically verified by the management during the year except inventories lying with the third parties and goods in transit. In respect of inventories lying with the third parties, these have been substantially confirmed by them and with respect to goods in transit subsequent goods receipts have been verified by management. In our opinion, frequency of physical verification of inventory followed by the management was reasonable in relation to the size of the company and the nature of its business. The discrepancies noticed on physical verification of the inventories have been properly dealt with in the books of account.

iii. The company had granted loan to two companies covered in the register maintained under section 189 of the companies Act, 2013 amounting to ₹ 6,15,42,787/-

a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the parties listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.

b) Since loan is repayable on demand clause (b) and (c) are not commented by us.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investment and guarantee made.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. As per information and explanation given to us by the management, the Central Government has not prescribed maintenance of cost records as required under sub section (1) of Section 148 of the Companies Act, 2013.

vii. According to the records, the Company is regular in depositing undisputed statutory dues in respect of duty of customs, *however undisputed statutory dues including income tax, employees' state insurance, provident fund, , Goods & service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been delays in depositing the same.*

a) According to the information and explanations given to us and according to the books and records as produced before us and examined by us, *following undisputed statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.*

Sr. No.	Name of Statute	Nature of Dues	Amount (in Rs)	Period to which it relates	Whether paid before balance sheet signing
1	Goods and Service Tax Act	Goods and Service Tax	2,64,06,107/-	May 2019	No
2	Goods and Service Tax Act	Interest on delayed payment of goods and service tax	5,85,64,303/-	July 2017 to August 2020	No

Sr. No.	Name of Statute	Nature of Dues	Amount (in Rs)	Period to which it relates	Whether paid before balance sheet signing
3	Property Tax	Grampanchayat Tax	25,98,842/-	FY 2016-17 to FY 2020-21	No
4	Income Tax Act 1961	Tax deducted at source	26,71,164/-	June 20, July 20, Aug 20	Yes

b) According to the information and explanations given to us, and on the basis of our examination of books of accounts, there are no cases of dues of income tax, goods & service tax, sales tax, duty of customs, duty of excise, value added tax and cess as at 31st March 2021 which have not been deposited on account of disputes except for the following: -

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Tax Amount involved (Rs.)
The Maharashtra Value Added Tax Act, 2002	VAT	Maharashtra state Tribunal	F.Y. 2013-14	2,64,21,482/- *
The Maharashtra Value Added Tax Act, 2002	WCT	Maharashtra state Tribunal	F.Y. 2013-14	87,33,143/- *
The Maharashtra Value Added Tax Act, 2002	VAT	The Jt. Commissioner of States Taxes (Appeal)	F.Y. 2014-15	91,86,070/-
The Maharashtra Value Added Tax Act, 2002	VAT	Application for Rectification filed with Dy. Commissioner of State Tax	F.Y. 2015-16	4,87,45,127/-
Central Sales Tax Act, 1956	CST	Application for Rectification filed with Dy. Commissioner of States Tax	F.Y. 2015-16	34,66,415/-
The Uttarakhand Value Added Tax Act 2005	VAT / CST	The Jt. Commissioner of States Tax	F.Y. 2013 – 14	46,59,711/- *
Central Sales Tax Act, 1956	CST	Application for Rectification filed with Dy. Commissioner of state tax	F.Y. 2016-17	2,60,832/-
The Maharashtra Value Added Tax Act, 2002	VAT	Application for Rectification filed with Dy. Commissioner of state tax	F.Y. 2016-17	96,49,595/-

* Amounts paid under protest have been reduced from the amount of demand in arriving at the aforesaid disclosure.

viii. According to the information and explanations given to us, and based on documents and records verified by us in our opinion*, company has defaulted in repayments of loans to Banks and Financial Institutions. The details of default as on March 31, 2021 are as follows: -*

₹ In Lakhs

Sr. No.	*Particulars*	*Amount of Default as on 31.03.2021*		*Period of default*
A	***Banks***	*Principle*	*Interest*	
1	*Axis Bank Ltd*	*12.99*	*22.89*	*March 2021*
2	*The Catholic Syrian Bank Ltd*	*35.11*	*5.86*	*Feb & March 2021*
B	***Financial Institutions***			
1	*J M Financial A R C Pvt. Ltd.*	*-*	*111.17*	*March 2021*

ix. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised. During the year Company has not raised money by way of initial public offer/ further public offer (including debt instruments)

viii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported to us during the year.

ix. According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act for the year under consideration.

x. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

xi. According to the information and explanations given to us and based on our examinations of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xii. According to the information and explanations given to us and based on our examinations of the records of the company, the company has made preferential allotment of the shares during the year and has made compliance of provisions of sec 42 of the companies act 2013 and amount raised has been used for the purposes for which the fund were raised.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

xiv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR A. R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: - 110540W

ANAND SULAKHE
PARTNER
M. NO. : 33451
UDIN: 21033451AAAABX9604

Date: June 28, 2021
Place: Pune

Annexure B referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements

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

We have audited the internal financial controls over financial reporting of **AUTOLINE INDUSTRIES LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the "Institute of Chartered Accountants of India"(ICAI).These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, however, company is required to strengthen its financial controls for obtaining balance confirmations from trade receivables and payables based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"(ICAI).

FOR A. R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: - 110540W

ANAND SULAKHE
PARTNER
M. NO. : 33451
UDIN: 21033451AAAABX9604

Date: June 28, 2021
Place: Pune

BALANCE SHEET AS AT MARCH 31, 2021

	Particulars	Note No.	As at March 31, 2021 ₹	As at March 31, 2020 ₹
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	4	1,20,07,70,870	1,39,47,00,427
	(b) Capital work in progress	4	56,48,197	97,37,500
	(c) Other Intangible assets	4	5,51,198	24,17,435
	(d) Right of use Assets	4	5,35,77,015	5,73,27,721
	(e) Investment in subsidiaries	5	76,69,32,270	73,69,32,270
	(f) Financial Assets			
	(i) Investments	5a	10,00,000	10,00,000
	(ii) Other financial assets	6	1,25,85,852	1,28,61,704
	(g) Income tax assets (net)	7	3,22,02,431	10,35,19,618
	(h) Deferred tax assets (MAT Credit)	8	13,38,87,053	13,38,87,053
	(i) Other Non-current assets	9	11,52,64,888	10,41,89,698
	Total non-current assets		**2,32,24,19,775**	**2,55,65,73,426**
2	**Current assets**			
	(a) Inventories	10	40,59,64,280	41,59,53,974
	(b) Financial Assets			
	(i) Trade Receivables	11	41,55,73,781	24,03,52,334
	(ii) Cash and cash equivalents	12	6,26,604	80,93,656
	(iii) Bank balances other than (ii) above	13	6,08,63,230	4,09,09,552
	(iv) Loans and advances	14	4,81,34,352	1,45,56,850
	(v) Other Financial assets	15	10,36,17,200	56,07,200
	(c) Other current assets	16	2,72,99,101	3,42,33,040
	(d) Assets held for Sale	16a	-	6,21,35,984
	Total current assets		**1,06,20,78,547**	**82,18,42,590**
	Total Assets		**3,38,44,98,322**	**3,37,84,16,016**
	EQUITY AND LIABILITIES			
1	**Equity**			
	(a) Equity Share capital	17	30,96,31,640	27,02,75,850
	(b) Other Equity	18	(24,74,19,619)	(2,41,66,586)
	Total Equity		**6,22,12,021**	**24,61,09,264**
	Liabilities			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	19	65,31,83,483	48,88,24,093
	(ii) Lease liabilities	20	46,06,818	71,55,674
	(b) Provisions	21	75,03,201	72,23,737
	Total non-current liabilites		**66,52,93,502**	**50,32,03,504**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	22	70,42,08,400	58,02,58,019
	(ii) Trade payables			
	(a) total outstanding dues of micro and small enterprises	23	1,75,05,213	1,12,56,902
	(b) total outstanding dues of other than micro and small enterprises	23	58,01,95,036	56,00,31,278
	(iii) Other financial liabilities	24	93,27,88,974	1,15,54,07,909
	(iv) Lease liabilities	24	25,48,857	34,73,662
	(b) Other current liabilities	25	37,49,71,239	28,24,45,917
	(c) Provisions	26	4,47,75,080	3,62,29,561
	Total current liabilities		2,65,69,92,799	2,62,91,03,248
	Total Liabilities		**3,32,22,86,301**	**3,13,23,06,751**
	Total Equity & Liabilities		**3,38,44,98,322**	**3,37,84,16,016**

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
			₹	₹
1	Revenue from operations	27	2,84,14,44,221	3,16,23,65,428
2	Other income	28	1,92,20,265	2,40,54,909
3	**Total revenue (1+2)**		**2,86,06,64,486**	**3,18,64,20,337**
4	**Expenses**			
	(a) Cost of materials consumed	29.a	1,86,00,20,378	2,23,85,72,747
	(b) (Increase)/ Decrease in inventories of finished goods and work-in-progress	29.b	2,46,21,237	7,92,25,790
	(c) Employee benefits expenses	30	24,40,51,045	27,66,16,327
	(d) Finance costs	31	31,86,13,404	31,24,04,379
	(e) Depreciation and amortisation expenses	32	20,43,42,201	20,95,13,792
	(f) Other expenses	33	61,95,74,948	68,69,63,373
	Total expenses		**3,27,12,23,212**	**3,80,32,96,408**
5	**Profit / (Loss) before exceptional items and tax (3 - 4)**		(41,05,58,726)	(61,68,76,071)
6	Exceptional items	34	(5,44,45,772)	3,67,52,574
7	**Profit / (Loss) before tax (5 + 6)**		(35,61,12,954)	(65,36,28,645)
8	**Income Tax expense:**		-	-
9	**Profit / (Loss) for the year (7 - 8)**		(35,61,12,954)	(65,36,28,645)
10	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations-(loss)/ gains		(14,59,550)	(8,12,505)
	Income Tax relating to this item			
	Other Comprehensive Income for the year, net of tax		**(14,59,550)**	**(8,12,505)**
11	**Total Comprehensive Income / (Loss) for the period (9+10)**		**(35,75,72,504)**	**(65,44,41,150)**
12	**Earnings/(Loss) per share (Face value of ₹ 10/- each):**			
	(a) Basic		(12.32)	(24.18)
	(b) Diluted		(12.32)	(24.18)

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
		₹	₹
A.	**Cash Flow from Operating Activities**		
	Profit / (Loss) before tax	(35,61,12,954)	(65,36,28,645)
	Adjustment for :		
	Depreciation	20,43,42,201	20,95,13,792
	Employee Stock Options	-	(15,61,673)
	Interest Paid & Finance Cost	31,86,13,404	31,24,04,379
	Loss/(Profit) on Sale of Property, Plant & Equipment	(6,45,92,808)	(56,66,550)
	Impairment of Fixed Assets / Capital work-in-progress	97,37,500	14,22,148
	Dividend Income	-	(50,000)
	Interest Income on Deposits	(82,95,672)	(91,68,994)
	Interest Income on Advance to Subsidiaries	(35,04,381)	(21,48,846)
	Operating Profit before Working Capital Changes	**10,01,87,290**	**(14,88,84,389)**
	Adjustment for changes in operating assets		
	(Increase) / Decrease in Inventories	99,89,694	19,39,05,962
	(Increase) / Decrease in Trade Receivable	(17,52,21,447)	17,42,64,382
	(Increase) / Decrease in Loans and Advances Current	(3,91,942)	(2,60,194)
	(Increase) / Decrease in Other Financial Assets Current	9,90,000	4,52,000
	(Increase) / Decrease in Other Current Assets	69,33,939	1,03,13,853
	(Increase) / Decrease in Other Non Current Assets	(23,77,927)	(8,24,597)
	(Increase) / Decrease in Other Financial Assets Non-Current	2,75,852	(1,65,561)
	Adjustment for changes in operating liabilities		
	Increase / (Decrease) in Trade Payables	2,64,12,069	4,94,62,897
	Increase / (Decrease) in Other Financial Liabilities Current	1,04,53,101	(4,50,34,151)
	Increase / (Decrease) in Other Current Liabilities	9,37,25,323	(7,13,68,070)
	Increase / (Decrease) in Provision Current	70,85,969	72,17,607
	Increase / (Decrease) in Provision Non-Current	2,79,464	2,72,639
	Cash Generated from Operations	7,83,41,385	16,93,52,379
	Income tax refund received (net of payments)	7,13,17,187	6,02,451
	Net Cash from Operating Activities	14,96,58,572	16,99,54,830
B.	**Cash Flow from Investing Activities**		
	Acquisition of Property, plant and equipment	(81,41,909)	(1,50,39,368)
	Proceeds from Sale of Property, plant and equipment	3,10,75,000	1,01,42,373
	Acquisition of Capital work in progress (net)	(56,48,197)	-
	Acquisition of Right of use assets (net)	-	(1,33,34,361)
	Advance for Acquisition of Property, plant and equipment	(86,97,263)	-
	Advance agianst Property, plant and equipment	(12,00,000)	1,00,000
	Fixed Deposit with Banks	(1,99,53,678)	(22,51,747)
	Investments	(3,00,00,000)	-
	Dividend Income	-	50,000
	Interest Income on deposits	82,95,672	91,68,994
	Interest Income on advance to subsidiaries	35,04,381	21,48,846
	Net Cash from Investing Activities	(3,07,65,994)	(90,15,263)
C.	**Cash Flow from Financing Activities**		
	Proceeds from Short Term Borrowings (Net of repayment)	12,39,50,381	6,42,96,329
	Proceeds from Long Term Borrowings (Net of repayment)	8,37,33,138	(38,43,30,938)
	Advances taken / recovered from subsidiaries	3,58,80,493	1,88,42,949
	Advances given / repayment to subsidiaries	(6,90,66,053)	(2,02,74,801)
	Interest Paid & Finance Cost	(37,10,59,214)	(26,38,91,425)
	Payment of principal portion of lease liabilities	(34,73,661)	(29,74,778)
	Received as government subsidy	-	43,11,15,000
	Proceeds from Issue of Equity Shares	92,46,577	-
	Premium on Issue of Equity shares	5,82,53,438	-
	Equity component of compound financial instruments	61,75,271	-
	Net Cash from Financing Activities	(12,63,59,630)	(15,72,17,664)
	Net Increase / Decrease in Cash & Cash Equivalent	(74,67,052)	37,21,903
	Cash and cash equivalents at the beginning of the year	80,93,656	43,71,753
	Cash and cash equivalents at the end of the year	6,26,604	80,93,656
	Net Increase / Decrease in Cash & Cash Equivalent	(74,67,052)	37,21,903

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

Place : Pune
Date : June 28, 2021

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

STATEMENT OF CHANGES IN EQUITY

A. Equity share capital

Particulars	Amount
	₹
Balance as at April 01, 2019	27,02,75,850
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**27,02,75,850**
Balance as at April 01, 2020	27,02,75,850
Changes in equity share capital during the year	3,93,55,790
Balance as at March 31, 2021	**30,96,31,640**

B. Other Equity

Particulars	Reserves and Surplus						Money received against share warrants	Total
	Securities Premium Reserve	Revaluation Reserve	Employee Stock Options outstanding	General Reserve	Retained Earnings	Equity component of compound financial instruments		
	₹	₹	₹	₹	₹	₹	₹	₹
Balance as at April 01, 2019	2,18,30,80,959	90,59,437	15,61,673	12,02,27,654	(1,70,45,93,492)	-	2,25,00,006	63,18,36,237
Profit/(loss) for the year					(65,36,28,645)			(65,36,28,645)
Other comprehensive income for the year					(8,12,505)			(8,12,505)
Equity share premium received								-
Deferred Employee Compensation			(15,61,673)					(15,61,673)
Balance as at March 31, 2020	**2,18,30,80,959**	**90,59,437**	**-**	**12,02,27,654**	**(2,35,90,34,642)**	**-**	**2,25,00,006**	**(2,41,66,586)**
Balance as at April 01, 2020	**2,18,30,80,959**	**90,59,437**	**-**	**12,02,27,654**	**(2,35,90,34,642)**	**-**	**2,25,00,006**	**(2,41,66,586)**
Profit/(loss) for the year					(35,61,12,954)			(35,61,12,954)
Other comprehensive income for the year					(14,59,550)			(14,59,550)
Equity share premium received	15,06,44,205							15,06,44,205
Interest effect of OCD issued						61,75,271		61,75,271
Warrants converted in equity shares during the year							(2,25,00,006)	(2,25,00,006)
Balance as at March 31, 2021	**2,33,37,25,164**	**90,59,437**	**-**	**12,02,27,654**	**(2,71,66,07,146)**	**61,75,271**	**-**	**(24,74,19,619)**
Summary of significant accounting policies Note 2 - 3								
See accompanying notes to financial statements Note 4 - 51								

The notes referred to above form integral part of financial statement.

In terms of our report attached
For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director & CEO
DIN: 00006755

Sudhir Mungase
Whole Time Director
DIN: 00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

Notes to Standalone Financial Statements as at March 31, 2021

1 Company Overview

General Information:

Autoline Industries Limited ('The Company') is engaged in the business of manufacturing sheet metal stampings, welded assemblies and moulds for the automotive industry. The Company has nine plants in India and sells primarily in India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company's Registered office is at –Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal: Khed Dist. Pune - 410501, Maharashtra, India. The CIN of the Company is L34300PN1996PLC104510 The Board of Directors are authorised to issue these financial statements in its Board meeting dated June 28, 2021.

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

New and Amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 01, 2020:

- Amendment Ind AS 116, Leases – Accounting for rent concessions due to COVID – 19 pandemics.
- Amendment to Ind AS 103, Business Combinations – Amendment in the definition of the term businesses
- Ind AS 1, Presentation of Financial Statements – Amendment in the definition of the term 'materiality'.
- Ind AS 8, Accounting Policies, Changes in Accounting estimates and errors – Consequential Amendment due to amendment in Ind AS 1 above.
- Ind AS 10, Events after the reporting date – Amendment requiring disclosures to be made in case of a material non-adjusting event.
- Ind AS 34, Interim Financial Reporting - Consequential amendment due to amendment in Ind AS 10 above.
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets – Amendment clarifies accounting Treatment for restructuring plans consequent to the above amendment in Ind AS 103.
- Ind AS 109, Financial Instruments - Amendments to some certain hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
- Ind AS 107, Financial Instruments (Disclosures) – Disclosure requirements for companies applying exceptions in respect of IBOR as amended by Ind AS 109 above.

The Company decided to not avail the practical expedient for accounting of rent concessions due to COVID-19 and hence there is no impact of the amendment in Ind AS 116 on the books of account. All other amendments as listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

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 June 28, 2021.

(ii) Basis of preparation

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

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

(iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

2.2 Revenue recognition:

The company generates revenue principally from –

Sale of goods:

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. Revenue is recognized at that point in time. 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 recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized 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 recognized.

Sale of tools:

The tooling contracts entered by the Company with customers are regarded a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are the fixed price contracts which are required to be measured and recognized using the Percentage of Completion Method.

Sale of Services:

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

Other Income

Interest:

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income: Dividend income is recognized when the Company's right to receive is established by the reporting date.

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled in 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 respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its normal operating cycle.

2.4 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 gains 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 generally 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 gains and losses are presented in the statement of profit and loss on net basis within other income / other expenses.

2.5 Fair Value Measurement

The Company measures financial instruments at fair value on initial recognition.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summaries accounting policy for fair value.

2.6 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. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

Asset Useful Life

Building – Factory……30 Years

Building - Office…… 60 Years

Plant and Machinery.....15 Years(Single Shift basis)

Tools & Dies.....15 Years (Single Shift basis)

Electrical Fittings…….. 10 Years

Vehicles..... 8 Years

Computers……..3 Years

Software…….6 Years

Office Equipments.....5 Years

Furniture & Fittings.....10 Years

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.

2.7 Intangible asset:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. 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 financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from 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.

2.8 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.

2.9 Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized 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 capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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 recognized in profit or loss as other income / expenses.

2.10 Borrowing costs:

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.

2.11 Leases

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated.

Till March 31, 2019 as a lessee the Company classified leases that transfer substantially all the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal

to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the Company's statement of financial position. Payments made under operating leases were recognized in profit or loss over the term of the lease.

After adoption of Ind AS 116 with effect from April 01, 2019, Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

As a lessee

The Company recognizes a right-of-use 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 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 re-measurements of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the financial statements. (Refer Note 4)

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, 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 less any lease incentives receivable;
- Variable lease payments that depend on a rate, initially measured using the rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option and.
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

The lease liability is measured at amortized cost using the effective interest method. If the rate cannot be determined readily, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- Where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- Makes adjustments specific to the lease e.g. term, country, currency and security

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor under operating lease as a result of the adoption of Ind AS 116.

Short-term leases and leases of low-value assets

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

2.12 Inventories:

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases inward freight and other incidental expenses net of GST, wherever

applicable 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 FIFO basis. Goods in

transit is valued at cost incurred till date. 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.

Tools and Dies under process have been valued on percentage completion based on estimated cost of production and development of respective tools and dies.

Scrap is valued at net realizable value.

2.13 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 employee srender 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 and sick 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. Re-measurements 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 such as provident fund.

(a) Defined benefit plans such as gratuity

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. Re-measurementgains 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 such as provident fund.

Provident fund :

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as DefinedContribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(iv) Bonus:

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.14 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability orequity instrument of another entity.

Financial Assets

Initial recognition and 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. All the debt instruments held by the company are classified in "Amortized Cost" measurement category.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as follows:-

- Equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets:

A financial asset is derecognized 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 derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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 derecognized 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 recognized to the extent of continuing involvement in the financial asset.

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. 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initialrecognition as at fair value through profit or loss. This category also includes derivative financial instrumentsentered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized inthe statement of profit and loss.

Derecognition (liabilities)

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.When an existing financial liability is replaced by another from the same lender on substantially differentterms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

2.15 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.

2.16 Impairment:

Intangible assets with definite life and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is the higher of the assets fair value less cost of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash generating units (CGU) to which the asset belongs.

If such individual assets or CGU are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.17 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.

2.18 Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.19 Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.20 Share capital:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.21 Earnings per share:

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.22 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. 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 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 realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize 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 realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.23 Provisions:

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions for restructuring are recognized by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

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.

2.24 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2.25 Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs,

which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.26 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.

2.27 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.

3. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies who's financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work- **in**-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

  The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3.1 <u>Significant accounting judgments, estimates and assumptions:</u>

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.

<u>Significant Judgments:</u>

3.2 Contingent liabilities:

The Company has received various orders and notices from tax and other judicial authorities in respect of direct taxes and indirect taxes. 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.

3.3 Classification of Leasehold Land:

The company has entered into lease agreement for land at three of its facilities. The lease period is of around 85-95 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee.

Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

3.4 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.

3.5 Going Concern assumptions:

The Company has incurred significant losses (before exceptional item) of ₹4,105.58 lakhs for the financial year ended 31 March 2021 and the Company's current liabilities exceeds its current assets by ₹ 15,949.14 lakhs as at 31 March 2021.

The Company's management has carried out an assessment of the Company's financial performance and expects the Company to achieve significant improvements in its financial performance with effect from financial year ending 31 March 2021 to enable it to continue its operations and to meet its liabilities as and when they fall due.

Various initiatives undertaken by the Company in relation to cost synergies, revenue management opportunities, enhanced ancillary revenues, sale of land available with subsidiary company, rescheduling of loans will result in improvement in operating cash inflow in coming years. Further, continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows

On the basis of the above assessment and considering the financial and other support from promoter directors, the Directors of the Company are of the opinion that the preparation of the financial statements of the Company on a going concern basis is appropriate which contemplates realization of assets and settlement of liabilities in the normal course of business.

3.6 Segment Reporting:

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

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.

3.7 <u>Significant estimates and assumptions:</u>

Impairment of Property, plant and equipment: Key assumptions used:

The management has assessed current and forecasted financial performance of the Company and the current market value of the assets to determine whether carrying value of property, plant and equipment has suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

3.8 Claims payables & receivable to customers:

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Company has made accruals in respect of unsettled prices for some of its other material purchase contracts and bought out components. 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.

3.9 Defined benefit plan:

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is 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 (2012-14) 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.

3.10 Fair value measurement of unquoted financial instruments:

When 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 values is measured using valuation techniques including DCF method. The inputs to these models are taken from observable markets where possible, but where not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported value of financial instruments.

3.11 Impairment of financial assets:

The impairment provisions for financial assets 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.

3.12 Determination of lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The leases do not contain options which give a rise to a sole right to extend the lease.

3.13 Useful lives of property, plant and equipment, Investment property and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

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

Due to spread of COVID-19 pandemic and consequent mandatory lockdowns and restrictions in activities imposed by the Government, the Company's manufacturing plants and offices had to be closed down for a considerable period of time, during the year ended March 31, 2021. As a result of the lockdown, the manufacturing operations for the first two quarters were significantly impacted. Further, on the background of recent surge of COVID-19 cases in India, the Company is monitoring the situation closely. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realizable values of other assets. However, given the effect of these on the overall economic activity andin particular on the automotive industry, the impact assessment of COVID-19 on the above mentioned Financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

Note 4 : Property, plant and equipment and capital work-in-progress

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Carrying amounts of:		
Property, plant and equipment		
Freehold Land	2,81,42,727	2,99,29,082
Factory Building	51,43,49,919	54,45,08,581
Office Building	13,23,994	13,49,823
Plant and Machinery	44,11,90,811	56,32,15,497
Tools and Dies	20,56,88,179	24,26,54,564
Computer & IT Assets	12,88,204	6,33,585
Electrical Fittings	61,06,995	85,15,490
Furniture and fixture	8,83,520	12,47,973
Vehicle	12,26,618	17,56,655
Office Equipment	5,69,903	8,89,177
Total	**1,20,07,70,870**	**1,39,47,00,427**
Capital work-in-progress	56,48,197	97,37,500
Total	**56,48,197**	**97,37,500**
Other Intangible Assets		
R & D Process Development	-	5,50,714
Computer Software	5,51,198	18,66,721
Total	**5,51,198**	**24,17,435**
Right of Use Assets		
Leasehold Land	4,74,74,315	4,74,74,315
Right of Use Assets	61,02,700	98,53,406
Total	**5,35,77,015**	**5,73,27,721**

Note 4: Property, plant and equipment

Particulars	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount											
Cost as at April 01, 2020	5,30,27,433	92,29,91,539	15,49,000	1,68,80,64,402	75,99,95,760	1,98,88,908	11,45,38,217	2,10,59,871	2,05,62,902	1,36,05,726	3,61,52,83,758
Additions	-	-	-	41,07,995	26,31,100	11,63,312	2,15,000	-	-	24,500	81,41,907
Disposal	2,48,84,706	6,20,29,450	-	-	-	-	3,77,303	-	18,12,768	-	8,91,04,227
Cost as at Mar 31, 2021	2,81,42,727	86,09,62,089	15,49,000	1,69,21,72,398	76,26,26,860	2,10,52,220	11,43,75,914	2,10,59,871	1,87,50,134	1,36,30,226	3,53,43,21,439
Accumulated Depreciation											
As at April 01, 2020	-	33,94,45,325	1,99,177	1,12,48,48,903	51,73,41,196	1,92,55,323	10,60,22,727	1,98,11,898	1,88,06,247	1,27,16,549	2,15,84,47,345
Depreciation for the year	-	2,87,00,063	25,829	12,61,32,683	3,95,97,485	5,08,693	25,22,241	3,64,453	5,30,037	3,43,774	19,87,25,258
Disposal	-	2,15,33,218	-	-	-	-	2,76,049	-	18,12,768	-	2,36,22,035
As at Mar 31, 2021	-	34,66,12,170	2,25,006	1,25,09,81,586	55,69,38,681	1,97,64,016	10,82,68,919	2,01,76,351	1,75,23,516	1,30,60,323	2,33,35,50,568
Net Carrying amount											
As at Mar 31, 2021	2,81,42,727	51,43,49,919	13,23,994	44,11,90,811	20,56,88,179	12,88,204	61,06,995	8,83,520	12,26,618	5,69,903	1,20,07,70,870

Note 4: Property, plant and equipment

Particulars	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount											
Cost as at April 01, 2019	5,40,01,808	92,86,46,820	15,49,000	1,67,84,01,426	75,99,95,760	1,97,28,488	11,55,84,576	2,30,35,109	2,10,87,902	1,45,22,920	3,61,65,53,809
Additions	-	-	-	1,45,18,042	-	1,60,420	-	35,754	-	55,400	1,47,69,616
Disposal	9,74,375	56,55,281	-	48,55,066	-	-	10,46,359	20,10,992	5,25,000	9,72,594	1,60,39,667
Cost as at Mar 31, 2020	5,30,27,433	92,29,91,539	15,49,000	1,68,80,64,402	75,99,95,760	1,98,88,908	11,45,38,217	2,10,59,871	2,05,62,902	1,36,05,726	3,61,52,83,758
Accumulated Depreciation											
As at April 01, 2019	-	31,28,16,108	1,73,348	1,00,28,04,524	47,78,25,740	1,85,12,869	10,29,04,097	2,14,07,001	1,87,24,080	1,33,47,170	1,96,85,14,937
Depreciation for the year	-	2,87,83,050	25,829	12,54,79,427	3,95,15,456	7,42,454	41,64,989	4,13,761	6,07,167	3,41,973	20,00,74,106
Disposal	-	21,53,833	-	34,35,046	-	-	10,46,359	20,08,864	5,25,000	9,72,594	1,01,41,696
As at Mar 31, 2020	-	33,94,45,325	1,99,177	1,12,48,48,905	51,73,41,196	1,92,55,323	10,60,22,727	1,98,11,898	1,88,06,247	1,27,16,549	2,15,84,47,347
Net Carrying amount											
As at Mar 31, 2020	5,30,27,433	58,35,46,214	13,49,823	56,32,15,497	24,26,54,564	6,33,585	85,15,490	12,47,973	17,56,655	8,89,177	1,45,68,36,411

Note 1: Capital work-in-progress comprising construction of factory shed at plant and ERP system under development.

Note 2:- For Property, plant and equipment pledges as securities refer note 47

Note 3:- For contractual commitments towards acquisition of property plant and equipment's refer note 41

Note 4:- There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 85-95 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions and for other leasehold facility the renewal will be mutually.

Note 4: Intangible Assets

Particulars	Other Intangible assets					Right of Use Assets			
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	Total	Leasehold Land	Right of Use Assets	Total	CWIP
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount									
Cost as at April 01, 2020	19,41,34,394	6,47,89,775	3,99,00,000	20,500	29,88,44,669	4,77,44,067	1,36,04,113	6,13,48,180	97,37,500
Additions	-	-	-	-	-	-	-	-	56,48,197
Disposal/Transfer	-	-	-	-	-	-		-	97,37,500
Cost as at Mar 31, 2021	19,41,34,394	6,47,89,775	3,99,00,000	20,500	29,88,44,669	4,77,44,067	1,36,04,113	6,13,48,180	56,48,197
Accumulated Depreciation									
As at April 01, 2020	19,35,83,680	6,29,23,054	3,99,00,000	20,500	29,64,27,234	2,69,752	37,50,707	40,20,459	-
Depreciation for the year	5,50,714	13,15,523	-	-	18,66,237	-	37,50,706	37,50,706	-
Disposal/Transfer				-	-			-	-
As at Mar 31, 2021	19,41,34,394	6,42,38,577	3,99,00,000	20,500	29,82,93,471	2,69,752	75,01,413	77,71,165	-
Net Carrying amount									
As at Mar 31, 2021	-	5,51,198	-	-	5,51,198	4,74,74,315	61,02,700	5,35,77,015	56,48,197

Note 4: Intangible Assets

Particulars	Other Intangible assets					Right of Use Assets			
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	Total	Leasehold Land	Right of Use Assets	Total	CWIP
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount									
Cost as at April 01, 2019	19,41,34,394	6,68,32,908	3,99,00,000	20,500	30,08,87,802	4,77,44,067	-	4,77,44,067	97,37,500
Additions	-	-	-	-	-	-	1,36,04,113	1,36,04,113	-
Disposal/Transfer	-	20,43,133	-	-	20,43,133	-		-	-
Cost as at Mar 31, 2020	19,41,34,394	6,47,89,775	3,99,00,000	20,500	29,88,44,669	4,77,44,067	1,36,04,113	6,13,48,180	97,37,500
Accumulated Depreciation									
As at April 01, 2019	18,98,11,276	6,30,49,612	3,99,00,000	20,500	29,27,81,388	2,69,752	-	2,69,752	-
Depreciation for the year	37,72,404	19,16,575	-	-	56,88,979	-	37,50,707	37,50,707	-
Disposal/Transfer	-	20,43,133	-	-	20,43,133	-		-	-
As at Mar 31, 2020	19,35,83,680	6,29,23,054	3,99,00,000	20,500	29,64,27,234	2,69,752	37,50,707	40,20,459	-
Net Carrying amount									
As at Mar 31, 2020	5,50,714	18,66,721	-	-	24,17,435	4,74,74,315	98,53,406	5,73,27,721	97,37,500

Note 5 Investment in subsidiaries

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Investment in subsidiaries (At Cost)		
Autoline Design Software Limited. (refer note a)	5,09,18,160	5,09,18,160
3,553,736 equity shares of face value ₹10 as at March 31, 2021		
3,553,736 equity shares of face value ₹10 as at March 31, 2020		
Autoline Industrial Parks Limited.* (refer note b & c)	71,60,14,110	68,60,14,110
35,199,243 equity shares of face value ₹10 as at March 31, 2021		
34,599,243 equity shares of face value ₹10 as at March 31, 2020		
Koderat Investments Limited. (Cyprus)* (refer note c&d)	-	-
1,000 equity shares of face value Euro 1 as at March 31, 2021		
1,000 equity shares of face value Euro 1 as at March 31, 2020		
Total	**76,69,32,270**	**73,69,32,270**
Investment in Subsidiaries	76,69,32,270	73,69,32,270
Aggregate amount of quoted investment	-	-
Aggregate amount of Unquoted investment	76,69,32,270	73,69,32,270
Aggregate amount of impairment in the Value of investment	-	-

Note 5a. Investment others (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Investment in equity Shares:		
Investment at Fair Value through Profit & Loss		
Unquoted Equity Shares		
Rupee Co-operative Bank Ltd.	5,00,000	5,00,000
20,000 equity shares of face value ₹10		
Less : Provision for Diminution in Value of Investments	(5,00,000)	(5,00,000)
	-	-
NKGSB Co-operative Bank Ltd. 50,000	5,00,000	5,00,000
equity shares of face value ₹10 Vidya		
Sahakari Bank Ltd.	5,00,000	5,00,000
5,000 equity shares of face value ₹100		
Total	**10,00,000**	**10,00,000**
Aggregate amount of quoted investment	-	-
Aggregate amount of Unquoted investment	15,00,000	15,00,000
Aggregate amount of impairment in the Value of investment	5,00,000	5,00,000

a) Autoline Industrial Parks Limited.

The Company has adopted fair value at ₹62.25 crore according to valuation report obtained from indepedent chartered accountant as deemed cost at transition date i.e. April 01, 2016 as per Ind AS 109.

b) Investments at fair value through Profit & Loss reflect investment in unquoted equity shares. Refer note 35 for determination of their fair values.

c) The Company has invested in wholly owned subsidiary, Koderat Investments Ltd. (Cyprus). In turn the subsidiary utilized the same for investment in S.Z. Design SRL and Zagato SRL Milan Italy. S.Z. Design SRL and Zagato SRL Milan Italy have issued 49% of equity shares to Koderat Investments Ltd(Cyprus).

Further to Note-10 on page-77 in Notes to Accounts of the Annual Report 2010, Concordato Preventivo procedure under Italian Laws, originally scheduled on 20th September, 2011 was postponed to 20th October, 2011 and was finally held on 23rd February, 2013, however the tribunal / Italian courts had reserved the decision. Till date the Concordato Preventivo has not given any decision. The company has adopted fair value at ₹NIL as deemed cost at transition date i.e. April 01, 2016 as per Ind AS 109.

Note 6 Other financial assets non-current

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Security deposits	1,25,85,852	1,28,61,704
Total	**1,25,85,852**	**1,28,61,704**

Note 7 Income tax assets (net)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Advance income tax (net of provisions) - Unsecured, considered good	10,35,46,890	9,20,99,424
Less: Current Tax Payable for the year	-	-
Less: Refunds Received	8,26,55,356	93,22,985
Add: Taxes paid during the year	1,13,10,897	2,07,43,179
Total	**3,22,02,431**	**10,35,19,618**

Note 8 Deferred tax assets (MAT Credit)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Deferred tax assets (MAT Credit)	13,38,87,053	13,38,87,053
Total	**13,38,87,053**	**13,38,87,053**

The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recongnised in the Balance Sheet.

Financial Year	Amount (₹)	Amount (₹)
2009-10	63,73,995	63,73,995
2010-11	47,19,714	47,19,714
2011-12	4,77,18,986	4,77,18,986
2012-13	7,50,74,358	7,50,74,358

Note 9 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with Govt. Authorities	50,48,764	26,70,837
Industrial Promotion Subsidy Receivable (Refer Sub note 9.1)	9,98,38,861	9,98,38,861
Capital Advance	1,03,77,263	16,80,000
Total	**11,52,64,888**	**10,41,89,698**

Note 9.1

Industrial Promotion Subsidy is receivable from Government of Maharashtra under Package Scheme of Incentives for the years from FY 2009-10 to FY 2016-17. These are receivable after completion of assessment under Maharashtra Value Added Tax Act, 2002.

Note 10 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Raw materials (includes lying with third parties)	19,69,64,665	18,41,86,606
Work-in-progress (includes tools & dies)	15,82,65,128	18,50,70,579
Finished goods (includes goods in transit as at March 31, 2021 ₹25,19,150 and as at March 31, 2020 ₹50,86,916) Stores and spares and packing	4,47,45,079	4,25,60,865
	19,87,695	30,05,675
Scrap material	40,01,713	11,30,249
Total	**40,59,64,280**	**41,59,53,974**

Note: Inventories have been offered as securities against the working capital facilities provided by the banks. Refer note 47.

Note 11 Trade Receivables Current

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Unsecured		
Considered good	41,55,73,781	24,03,52,334
Doubtful	-	-
sub-total	**41,55,73,781**	**24,03,52,334**
Less: Allowances for Doubtful Debt (Expected Credit Loss)	-	-
Total	**41,55,73,781**	**24,03,52,334**
Includes of the above trade receivables of related parties	**Nil**	**Nil**

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

The Company's exposure to credit and loss allowances related to trade receivables are disclosed in note 36

Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring / discounting arrangement. Under these arrangements, the Company has transferred the relevant receivables to the financial institutions in exchange for cash (net of deductions) and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under these agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total Transferred receivables	21,87,48,319	1,33,27,358
Associated Secured Borrowing (Refer Note 22)	21,87,48,319	1,33,27,358

Note 12 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Cash on Hand	63,885	36,951
Balances with banks		
In current accounts	5,62,719	80,56,705
Total	**6,26,604**	**80,93,656**

Note 13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with banks		
Margin Money Deposits (restricted)	6,08,63,229	4,08,25,069
Unpaid dividend accounts (restricted)	1	84,483
Total	**6,08,63,230**	**4,09,09,552**

Note 14 Loans and advances (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Unsecured and Considered good		
Advances to employees	10,58,090	6,66,148
Loans to subsidiaries (Refer Note No. 39)	4,70,76,262	1,38,90,702
Total	**4,81,34,352**	**1,45,56,850**

Note 15 Other financial assets (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Security deposits	25,77,200	25,77,200
Advances recoverables	20,40,000	30,30,000
Receivable for sale of property, plant and equipment	9,90,00,000	-
Total	**10,36,17,200**	**56,07,200**

Note 16 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with government authorities	9,57,531	13,98,818
Advances for expenses	1,71,681	2,63,309
Prepayments	31,53,844	29,51,969
Advances to suppliers*	2,30,16,045	2,96,18,944
Total	**2,72,99,101**	**3,42,33,040**

* The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.

Note 16a : Assets Held for Sale

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Assets Held for Sale		
Land	-	2,30,98,351
Factory Building	-	3,90,37,633
Total	**-**	**6,21,35,984**

During the year 2019-2020, The Company has entered into Memorandum of Understanding with the prospective buyer for transfer of land and factory building situated at Survey No. 613 Mahalunge, Chakan, Pune-410501 and accordingly these assets were presented as "Assets classified as held for sale" as at March 31, 2020. During the financial year 2020 - 2021 company has effected sale of these assets.

Note 17 Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Authorised		
35,000,000 Equity shares of ₹10 each with voting rights	35,00,00,000	35,00,00,000
Issued, Subscribed and fully paid up		
(as at March 31, 2021: 30,963,164 Equity shares of ₹10 each)	30,96,31,640	27,02,75,850
(as at March 31, 2020: 27,027,585 Equity shares of ₹10 each)		
Total	**30,96,31,640**	**27,02,75,850**

a. Movement in authorised share capital

Particulars	Equity Share Capital	
	Number of shares	Amount ₹
As at April 01, 2019	3,50,00,000	35,00,00,000
Increase / (decrease) during the year	-	-
As at April 01, 2020	3,50,00,000	35,00,00,000
Increase / (decrease) during the year	-	-
As at April 01, 2021	3,50,00,000	35,00,00,000

b. Movement in Issued, Subscribed and fully paid up share capital

Particulars	Equity Share Capital	
	Number of shares	Amount ₹
As at April 01, 2019	2,70,27,585	27,02,75,850
Increase / (decrease) during the year	-	-
As at April 01, 2020	2,70,27,585	27,02,75,850
Increase / (decrease) during the year	39,35,579	3,93,55,790
As at April 01, 2021	3,09,63,164	30,96,31,640

c. Shares held by holding company and /or their subsidiaries

The Company being holding company, there are no shares held by any other holding company and their subsidiaries.

d. Aggregate number of bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

e. During the year following equity share were issued by the company

1. The Promoters have paid the balance 75% of warrant price on July 28, 2020 and exercised their right for conversion of 12,32,877 warrants into equal number of equity shares of the Company. Hence, the Board of Directors of the Company has allotted 12,32,877 equity shares of the face value of ₹10/-each fully paid at a premium of ₹ 63/-each

2. Conversion of principal loan outstanding of Rs10 crore payable to JM Financial Asset Reconstruction Company Limited in 27,02,702 no of equity shares of the company of face value ₹10 each at a premium of ₹27 each

f. Details of shares held by shareholders holding more than 5% of equity share of the company

Name of the Shareholder	As at March 31, 2021	
	Number of shares held	% holding
IndiaNivesh Renaissance Fund	47,94,520	15.48
Mr.Shivaji Tukaram Akhade	34,74,981	11.22
Mr.Sudhir Vitthal Mungase	29,48,431	9.52
JM Financial Asset Reconstruction Company Limited	27,02,702	8.73
Sharjah Cement and Industrial Development Company Ltd	22,65,432	7.32
Total	**1,61,86,066**	**52.27**

Name of the Shareholder	As at March 31, 2020	
	Number of shares held	% holding
IndiaNivesh Renaissance Fund	47,94,520	17.74
Mr. Shivaji Tukaram Akhade	30,64,022	11.34
Mr.Sudhir Vitthal Mungase	25,37,472	9.39
Sharjah Cement and Industrial Development Company Ltd	22,65,432	8.38
Total	**1,26,61,446**	**46.85**

g. 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 entitiled 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 distributions of all preferrential amounts. The distribution will be in proprtion to the number of equity shares held by the shareholders.

Note 18 Other Equity

A. Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Securities Premium Reserve	2,33,37,25,164	2,18,30,80,959
Revaluation Reserve	90,59,437	90,59,437
General Reserve	12,02,27,654	12,02,27,654
Equity component of compound financial instruments	61,75,271	-
Retained Earnings	(2,71,66,07,146)	(2,35,90,34,642)
Total Reserves and Surplus	**(24,74,19,619)**	**(4,66,66,592)**
B. Money received against share warrants	-	2,25,00,006
Total Other Equity	**(24,74,19,619)**	**(2,41,66,586)**

Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Securities Premium Reserve		
Balance at the beginning of the year	2,18,30,80,959	2,18,30,80,959
Add: premium received	15,06,44,205	-
Balance at the end of the year	2,33,37,25,164	2,18,30,80,959
Revaluation Reserve		
Balance as at the beginning and end of the year	90,59,437	90,59,437
Employee Stock Options outstanding		
Balance at the beginning of the year	-	15,61,673
Less: Deferred Employee Compensation	-	15,61,673
Balance at the end of the year	-	-
General Reserve		
Balance as at the beginning and end of the year	12,02,27,654	12,02,27,654
Equity component of compound financial instruments		
Balance as at the end of the year	61,75,271	-
Retained Earnings		
Balance as at the beginning of the year	(2,35,90,34,642)	(1,70,45,93,492)
Add: Profit / (Loss) for the year	(35,61,12,954)	(65,36,28,645)
Add: Items of other comprehensive income recognised directly in retained earnings (Remeasurement of post-employment benefit obligations- (loss)/ gain)	(14,59,550)	(8,12,505)
Balance as at the end of the year	(2,71,66,07,146)	(2,35,90,34,642)
Total	**(24,74,19,619)**	**(4,66,66,592)**

Nature and Purpose of Reserves:

a) Securities premium account:

Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013.

b) Revaluation Reserve:

Revaluation Reserve is used to record the revaluation amount which represents the current and probable future value of assets which is higher than the recorded historic cost of the same asset.

c) General Reserves:

Represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956 and transition adjustments on implementation of new accounting standards.

d) Employee stock option outstanding

It is used to recognise the value of equity- settled share based payments provided to employees, including key management personnel. It is a part of Shareholders equity.

Money received against share warrants*

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balance at the beginning of the year	2,25,00,006	2,25,00,006
Add: warrants issued during the year	-	-
Less: warrants converted in equity shares during the year	2,25,00,006	-
Balance at the end of the year	**-**	**2,25,00,006**

The Company had issued and allotted 12,32,877 convertible share warrants on preferential basis to the Promoters pursuant to the shareholders' approval obtained on November 16, 2018. The warrants were allotted in the month of December 2018 at a price of ₹ 73/- each ("warrant price") upon receipt of 25 % upfront amount ₹2.25 Crores which was outstanding as at March 31, 2020.

The outstanding amount on share warrants had to be paid in full on or before eighteen months from the date of allotment of warrants, in view of the Covid-19 pandemic and other economic conditions, the Company had applied and received extension from Securities and Exchange Board of India (SEBI) of time for payment of the outstanding warrants amount. SEBI had granted an extension for a period upto September 25, 2020 for the tenure of warrants.

The Promoters have paid the balance 75% of warrant price on July 28, 2020 and exercised their right for conversion of 12,32,877 warrants into equal number of equity shares of the Company. Hence, the Board of Directors of the Company has allotted 12,32,877 equity shares of the face value of ₹10/-each fully paid at a price of ₹ 73/- each on July 28, 2020

Note 19 Borrowings (non current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Secured		
Optionally Convertible Debentures (refer note below)	14,53,14,017	-
From Banks	2,51,75,229	21,52,61,907
From Financial Institutions	48,26,94,237	27,35,62,186
Total	**65,31,83,483**	**48,88,24,093**

Note 19.1 Optionally Convertible Debentures

a) 2142857 fully paid Secured Optional Convertible Debentures of Face Value of ₹70 each amounting to ₹ 1500.00 lakh issued by the Company during the year. The Debenture shall carry interest rate of 9% per annum and for a maximum period of 18 months from the date of allotment i.e. November 10, 2020 and thereafter will be either converted into Equity Shares or Redeemed.

b) Since the optionable convertible debentures have been allotted consequent to restructuring of the Company's debt, there is no active market available for the aforesaid financial instruments, therefore the Company has not re-measured Optional Convertible Debenture.

c) JM Financial Asset Restructuring Company Ltd. one of the Company's lender has restructured the debt of the Company on sustainable basis vide their sanction letter dated September 23, 2020 Based on the sanction received from JMFARC the debts of the Company have been reclassified.

d) The Optionally Convertible Debentures are will be secured in favour of Debenture Trustee by first pari passue charge on the borrowers immovable properties consisting of factory, land & buildings and fixed and movable plant and machineries and other fixed assets both present and future situated at S.No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Dist Pune.

Note 19.2 Debt Restructuring by JM Financial Asset Restructuring Company Ltd

In the earlier years, one of the Company's lender assigned their debts of to an JM Financial Asset Reconstruction Company. During the current financial year, restructuring plan was drawn and agreed by the Company and JMFARC. Pursuant to the same the restructuring was implemented as per which loans have been converted into term loans, debentures and equity shares.

a) The Company issued 2702702 equity shares of face value of ₹ 10 each at premium of ₹27/- each to JMFARC upon conversion of a loan of ₹1000.00 lakh.

b) The Company issued 2142857 fully paid Optionally Convertible Debentures at price of ₹70 each amounting to Rs.1500.00 lakh during the year. The Debenture shall carry interest rate of 9% per annum and for a maximum period of 18 months from the date of allotment i.e. November 10, 2020 and thereafter will be either converted into Equity Shares or Redeemed.

c) Remaining debt of ₹1900.00 Lakhs of the JMFARC has been restructured into term loan with mortarium period of 12 months and thereafter repayment in 10 quarterly installments beginning from December 2021. Interest rate is at 12% per annum with monthly rest

d) The Outstanding interest payable by the Company amounting to `601.80 lakhs have been converted into funded interest term loan facility and repayable in three quarterly installment beginning from June 2021

Note 19.3 Details of Repayment of term loan

Lender	Amount outstanding as at March 31, 2021	Amount outstanding as at March 31, 2020	Nature of Facility	Terms of repayment/ Maturity detail
	₹	₹		
Axis Bank Term Loan	1,90,49,477	3,68,33,911	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till November 2021 (Restructured)
Axis Bank Term Loan	2,66,56,366	4,99,89,700	Term Loan	
Bank of Baroda Term Loan	2,19,59,987	3,13,39,899	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till May 2022 (Restructured)
Bank of Baroda Term Loan	2,78,06,267	3,99,74,872	Term Loan	
Bank of Baroda WCTL	13,13,89,894	18,74,78,083	Term Loan	
Bank of Baroda FITL	3,57,85,055	5,17,00,315	Term Loan	
The Catholic Syrian Bank Term Loan	2,61,58,698	3,95,69,430	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till May 2022 (Restructured)
JM Financial ARC -Term Loan	-	5,22,52,639	Term Loan	During the year, JMFARC has restructured their debts into Equity, Optionally Convertible Debentures & Term Loans (refer note 19.2)
JM Financial ARC -Term Loan	-	3,23,88,001	Term Loan	
JM Financial ARC -Term Loan	-	6,04,57,598	Term Loan	
JM Financial ARC -FITL	-	7,18,35,435	Term Loan	
JM Financial ARC -WCTL	-	14,72,57,492	Term Loan	
JM Financial ARC -Term Loan	-	6,81,31,572	Term Loan	
JM Financial ARC-Restructured TL	19,00,00,036	-	Term Loan	Repayment in 10 quarterly installament commencing from Dec21 (Restructured)
JM Financial ARC-Restructured FITL	6,03,80,440	-	Term Loan	Repayment in 3 quarterly installament commencing from June21 (Restructured)
ICICI Bank Vehicle Loan	-	2,45,338	Term Loan	Repayment in 48 months from Sep,2016 to Aug,2020, EMI ₹52,442/-
Tata Motors Finance Solution Ltd	8,04,86,357	10,74,73,085	Term Loan	Repayment in 60 monthly installments starting from April 2017 to Sept 2022
Tata Motors Finance Solution Ltd	10,45,66,464	13,86,44,627	Term Loan	Repayment after 1 year moratorium in 60 monthly installments starting from April 2018 to Sept 2022

Lender	Amount outstanding as at March 31, 2021	Amount outstanding as at March 31, 2020	Nature of Facility	Terms of repayment/ Maturity detail
	₹	₹		
Tata Motors Finance Solution Ltd	5,66,88,033	7,54,15,629	Term Loan	Repayment in 60 monthly installments starting from April 2017 to Sept 2022
Tata Motors Finance Solution Ltd	-	5,05,936	Term Loan	Repayment in 36 monthly installment starting from Feb 2017 to Jan 2020.
Tata Motors Finance Solution Ltd	4,44,14,322	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	4,72,59,626	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	19,18,56,788	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.
Tata Capital Financial Services Ltd TL	-	54,54,300	Term Loan	Payable in Equal Monthly Installments starting from 15 July 2019 till 15 May 2020
Tata Capital Financial Services Ltd TL	-	2,90,90,800	Term Loan	Payable in Equal Monthly Installments starting from 05 Jan 20 till 05 Nov 2020
Sub-total	**1,06,44,57,811**	**1,22,60,38,664**		
Less : Current maturities of long term borrowings	(55,65,88,345)	(73,72,14,571)		
Total	**50,78,69,466**	**48,88,24,093**		

1. Bank of Baroda's Term loan are secured by First Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc. both present and future situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Second Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future situated at S.No. 313,314, 320 to 323, at Nanekarwadi, Chakan, Pune 410501. (called as Chakan Unit- II), Plot No.5 Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Plot No. E -12 (17)/(8), MIDC Bhosari, Pune 411026
2. Axis Bank Ltd.'s loans are secured by exclusive charge on all Fixed assets including land and building of the Company situated at Gat No. 613, Chakan Talegaon Road, Pune 410 501, Gat no. 712 , Kudalwadi, Chikhali, Pune 412114 and first charge on all fixed assets including land and building situated at Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and E12-17 (7) MIDC Bhosari, Pune 411026.
3. The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge pari passue on Land with factory building and by way of hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future, situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit-II) . Further it is secured by second Charge by way of mortgage of factory land & building, office building of the Company situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, SIDCUL, Rudrapur, Uttarakhand.
4. Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Land & Building, Plant & Machinery of the Company situated at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune & Plot No 5, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand restricted to ₹12 Crores. Further secured first ranking pari passu charge valued at ₹75 Crores comprising of ₹38.20 Crs of Land and Building and ₹36.80 Crs of plant and machinery (at WDV) situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit- II) with The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s. exclusive charge on non agriculture land admeasuring 01 Hectares 35 Ares or there abouts out of Gat No.1612 totally admeasuring about 2 Hectare 32 Acers situated at Village Chikhali, Tal. Haveli, Dist Pune within the limits of Pimpri Chinchwad Municipal Corporation owned by the promotors. Further they are secured by second charge on land, Building, Plant & Machinery both present and future situated at Gat no. 712 , Kudalwadi , Chikali, Pune and Survy no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and Plot No. E12-17 (7) MIDC Bhosari, Pune and first and exclusive charge on land and building, plant & machineries situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka.

5. (a) Term Loans from Bank Of Baroda, Axis Bank, JM Financial A R C Ltd., Catholic Syrian Bank Ltd. are further guaranteed in the Personal Capacity by two Promotor Directors of the Company and by ED & CEO of the Company. (b) Term Loans from Tata Motors Financial Services Ltd are further guaranteed by two Promotor Directors in their personal capacity.
6. Term Loans,sanctioned by Bank of Baroda, JM Financial A R C Ltd. and Catholic Syrian Bank Ltd. are having second charge on all Current Assets of the Compnay.
7. Interest rate for above loans are range between 9.51% to 15%
8. Repayment default on Long Term Borrowings outstanding as at the year end is as follows:-

Particulars	March 31, 2021	March 31, 2020
	₹	₹
From Bank		
Principal Amount	48,11,149	2,91,90,797
Interest Amount	28,75,693	98,38,025
From Others		
Principal Amount	-	18,17,62,099
Interest Amount	1,11,17,770	8,29,88,409
Total		
Principal Amount	48,11,149	21,09,52,896
Interest Amount	1,39,93,463	9,28,26,434

Note 20 Lease liabilities (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Lease liabilities (Refer note No.4)	46,06,818	71,55,674
Total	**46,06,818**	**71,55,674**

Note 21 Provisions (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Provision for employee benefits		
Gratuity payable	-	-
Compensated absences	75,03,201	72,23,737
Total	**75,03,201**	**72,23,737**

Note 22 Borrowings (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Secured		
Loans repayable on demand - cash credit		
From Banks	14,83,83,505	24,59,45,005
From Financial Institutions	9,99,98,648	9,87,04,098
Bill discounted	21,87,48,319	1,33,27,358
Unsecured		
Related Parties - Intercorporate deposits	1,22,18,600	62,80,873
Related Parties - Promotors & Directors	3,77,57,927	2,88,99,284
Others - Intercorporate deposits	18,71,01,401	18,71,01,401
Total	**70,42,08,400**	**58,02,58,019**

1. All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Company.
2. Loan Repayable on demand i.e. Cash Credit from bank was overdrawn by ₹7.09 crores as at March 31, 2020
3. Working capital borrowings from Banks are further guaranteed in the personal capacity by two Promoter Directors of the Company and also by Executive Director & CEO of the Company
4. Working capital borrowings from financial institutions are guaranteed in the personal capacity by two Promoter Directors of the Company.
5. Unsecured loan from subsidiaries, related parties and other corporates are repayable on demand

Note 23 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total outstanding dues of micro, small and medium enterprises	1,75,05,213	1,12,56,902
(Refer note no 43 for disclosures as per MSMED Act 2006)		
Total outstanding dues of other than micro, small and medium enterprises		
Acceptances	9,93,72,596	7,55,39,714
Trade payables (other than related parties)	45,37,02,298	46,20,11,283
Trade payables to related parties (refer note no 39)	2,71,20,142	2,24,80,281
Total	**59,77,00,249**	**57,12,88,180**

The balances of trade payable for the amount due to some of them are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

Note 24 Other Financial Liabilities (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Current Maturities of Long-Term Borrowings		
(Refer Note No.19 for terms and conditions)		
Secured	55,17,77,196	49,17,16,574
Unsecured	-	3,45,45,100
Repayment Overdue on long term borrowings (secured)	48,11,149	21,09,52,897
Unclaimed Dividend	-	84,483
Security Deposits	1,00,00,000	3,00,00,000
Employee benefits payable	2,78,99,984	2,78,67,883
Other payables	18,55,93,162	13,02,86,680
Settlement Claim Payable	8,80,44,000	11,28,45,000
Interest Payable	6,46,63,483	11,71,09,293
Total	**93,27,88,974**	**1,15,54,07,909**
Lease liabilities	**25,48,857**	**34,73,662**
Total	**93,53,37,831**	**1,15,88,81,571**
Includes of the above Other payables of related parties	31,01,330	22,86,160

Note 25 Other Current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Statutory dues payables	28,29,71,874	17,35,75,598
Advances from others	-	1,55,00,000
Advances from customers	1,69,99,366	1,71,70,318
Advances against sale of Property, Plant & Equipment	7,50,00,000	7,62,00,000
Total	**37,49,71,239**	**28,24,45,917**

Note 26 Provisions (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Provision for employee benefits		
Gratuity (refer note 46)	4,41,84,523	3,57,28,692
Compensated absences	5,90,557	5,00,869
Total	**4,47,75,080**	**3,62,29,561**

Note 27 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Sale of products	2,55,27,24,145	2,84,00,47,052
Sale of services	1,58,76,134	6,01,75,680
Other operating revenues	27,28,43,942	26,21,42,695
Total	**2,84,14,44,221**	**3,16,23,65,428**

A) Disaggregate revenue

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Revenue recognised for the year 2020-21		
Revenue recognised at point-in-time for the year 2020-21	2,84,14,44,221	3,16,23,65,428
Revenue recognised over time for the year 2020-21	-	-
Revenue for the year 2020-21 from customers within India	2,81,37,02,302	3,10,47,51,984
Revenue for the year 2020-21 from customers outside India	2,77,41,920	5,76,13,444
Disaggregation of revenue		
Based on type of goods		
Components, assemblies and sub-assemblies	2,34,99,83,594	2,54,11,48,626
Tools, dies and moulds	5,13,31,602	7,94,03,779
Scrap	27,19,26,816	25,91,61,275
Others	16,82,02,209	28,26,51,748
Based on market		
Original equipment manufacturers	2,34,86,90,869	2,56,15,75,937
Others	49,27,53,352	60,07,89,491
Impairment losses recognised on receivables or contract	-	-
assets arising from an entity's contracts with customers	-	-
(loss recognised as per expected credit loss model)	-	-

B) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers.

Particulars	March 31, 2021	March 31, 2020
	₹	₹
Trade receivables	41,55,73,781	24,03,52,334
Contract Liabilities	1,69,99,366	1,71,70,318

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended are as follows:

Particulars	March 31, 2021	March 31, 2020
	₹	₹
Contract liabilities at the beginning of the year	1,71,70,318	2,57,26,770
Revenue recognised that was included in the contract liability balance at the beginning of the year	90,39,502	1,63,78,100
Increase due to cash received, excluding amounts recognised as revenue during the year	88,68,550	78,21,648
Contract liabilities at the end of the year	1,69,99,366	1,71,70,318

C) Performance Obligations

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

D) Transaction Price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.

E) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

F) Determining the transaction price and the amounts

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.

Note 28 Other income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Interest income	1,18,00,053	1,13,17,840
Dividend income from other Investments	-	50,000
Net gain on foreign currency transactions	45,15,804	-
Other non-operating income	29,04,408	70,20,519
Profit on Sale of Property, Plant & Equipment	-	56,66,550
Total	**1,92,20,265**	**2,40,54,909**

Note 29.a Cost of materials consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Inventory of raw material at the beginning of the year	18,53,16,855	29,98,25,235
Add: Purchases	1,87,56,69,901	2,12,40,64,367
	2,06,09,86,756	2,42,38,89,602
Inventory of raw material at the end of the year	20,09,66,378	18,53,16,855
Total	**1,86,00,20,378**	**2,23,85,72,747**

Note 29.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Inventories at the end of the year:		
Finished goods	4,47,45,079	4,25,60,865
Work-in-progress (includes tools & dies)	15,82,65,128	18,50,70,579
	20,30,10,207	22,76,31,444
Inventories at the beginning of the year:		
Finished goods	4,25,60,865	5,30,84,456
Work-in-progress (includes tools & dies)	18,50,70,579	25,37,72,778
	22,76,31,444	30,68,57,234
Net (increase) / decrease	**2,46,21,237**	**7,92,25,790**

Note 30 Employee benefits expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Salaries, Wages and Bonus	20,91,57,255	23,73,84,413
Contributions to provident and other funds	91,55,726	1,08,76,983
Gratuity expenses	74,96,281	77,05,168
Expense on employee stock option (ESOP) scheme	-	(15,61,673)
Employee Insurance expenses	7,52,212	12,25,998
Staff welfare expenses	1,60,07,606	1,91,62,489
Compensated absences	14,81,964	18,22,949
Total	**24,40,51,045**	**27,66,16,327**

Note 31 Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
(a) Interest expense on:		
(i) Borrowings	23,45,40,246	23,15,14,671
(ii) Letter of Credit	46,04,282	58,23,496
(iii) Interest on delayed / deferred payment	2,88,24,632	1,90,52,459
(iv) Interest to others	3,87,82,369	4,22,89,253
(b) Other borrowing costs	49,94,955	42,15,550
(c) Bank Charges & Commission	68,66,920	95,08,951
Total	**31,86,13,404**	**31,24,04,379**

Note 32 Depreciation and amortisation

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Depreciation of tangible assets (refer note 4)	19,87,25,258	20,00,74,106
Amortisation of intangible assets (refer note 4)	18,66,237	56,88,979
Amortisation of ROU assets (refer note 4)	37,50,706	37,50,707
Total	**20,43,42,201**	**20,95,13,792**

Note 33 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Consumption of stores and spares	4,71,28,346	4,86,36,518
Consumption of packing material	1,21,13,308	1,52,49,354
Outsourced direct labour cost	24,32,07,860	25,15,36,925
Power and fuel	13,48,75,485	12,09,98,834
Transport charges	7,59,45,592	8,13,51,213
Repairs and maintenance - Buildings	15,20,397	41,17,236
Repairs and maintenance - Machinery	1,90,83,289	2,54,88,844
Repairs and maintenance - Others	60,51,596	1,02,96,605
Tooling and designing charges	71,14,763	1,37,36,000
Insurance	25,85,850	19,93,772
Rent	70,59,265	94,62,539
Rates and taxes	24,00,849	29,13,178
Communication expenses	21,48,356	28,83,616
Travelling and conveyance	7,48,826	72,63,604
Printing and stationery	12,38,458	20,17,215

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Legal and professional fees	2,37,60,141	4,85,04,202
Security charges	1,16,60,398	1,29,37,344
Director sitting fees	16,25,000	13,30,001
Payments to auditors (see sub-note 1)	31,65,923	32,69,902
Impairment of fixed assets	-	14,22,148
Loss on Sale of Property, Plant & Equipment	26,254	-
Net loss on foreign currency transactions	-	93,60,314
Miscellaneous expenses	82,97,762	97,00,634
Sundry balances written off (Net)	78,17,229	24,93,377
Total	**61,95,74,948**	**68,69,63,373**

Note 33.1 Other Expenses (Sub-note 1)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Payments to auditors comprises		
As auditors - Statutory Audit	30,00,000	30,00,000
Reimbursement of expenses	1,65,923	2,69,902
Total	**31,65,923**	**32,69,902**

Note 34 Exceptional items

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Sales tax dues paid in amnesty scheme	-	3,67,52,574
Profit on Sale of Property, Plant & Equipment	(6,41,83,272)	-
Impairment of Capital work in progress	97,37,500	-
Total	**(5,44,45,772)**	**3,67,52,574**

Notes:

1) **Profit on Sale of Property, Plant & Equipment:** Exceptional items for the year ended on March 31, 2021 includes Profit of ₹ 6.42 Crores from Sale of Land & factory shed/building situated at Gat No. 613, Mahalunge, Khed, Pune and Gat No. 712 Kudalwadi, Chikhali, Pune, erstwhile units of the Company.

2) **Impairment of Capital Work in Progress:** Exceptional items for the year ended March 31, 2021 includes write off items of intangible assets under development amounting to ₹ 0.97 Crores.

3) **VAT dispute settlment:** During the year ended March 31, 2020 includes provision for payment of disputed dues under the Maharashtra Value Added Tax settlement scheme amounting to ₹367.52 lakhs.

Notes forming part of the Financial Statements

Note 35 : Fair Value Measurement

Financial Instrument by category

As at March 31, 2021

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carring value
	₹	₹	₹
Financial Assets:			
Non-Current			
Other Financial assets	1,25,85,852		1,25,85,852
Investments	-	10,00,000	10,00,000
Current			
Trade Receivables	41,55,73,781		41,55,73,781
Cash and cash equivalents	6,26,604		6,26,604
Bank balances other than cash and cash equivalents	6,08,63,230		6,08,63,230
Loans and advances	4,81,34,352		4,81,34,352
Other Financial assets	10,36,17,200		10,36,17,200
Financial Liabilities:			
Non-Current			
Borrowings	65,31,83,483		65,31,83,483
Lease liabilities	46,06,818		46,06,818
Current			
Borrowings	70,42,08,400		70,42,08,400
Lease liabilities	25,48,857		25,48,857
Trade payables	59,77,00,249		59,77,00,249
Other financial liabilities	93,27,88,974		93,27,88,974

As at March 31, 2020

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carring value
	₹	₹	₹
Financial Assets:			
Non-Current			
Other Financial assets	1,28,61,704		
Investments	-	10,00,000	10,00,000
Current			
Trade Receivables	24,03,52,334		24,03,52,334
Cash and cash equivalents	80,93,656		80,93,656
Bank balances other than cash and cash equivalents	4,09,09,552		4,09,09,552
Loans and advances	1,45,56,850		1,45,56,850
Other Financial assets	56,07,200		56,07,200
Financial Liabilities:			
Non-Current			
Borrowings	48,88,24,093		48,88,24,093
Lease liabilities	71,55,674		71,55,674
Current			
Borrowings	58,02,58,019		58,02,58,019
Lease liabilities	34,73,662		34,73,662
Trade payables	57,12,88,180		57,12,88,180
Other financial liabilities	1,15,54,07,909		1,15,54,07,909

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 follows underneath the table.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021

	Date of Valuation	Level 1	Level 2	Level 3
		₹	₹	₹
Financial Assets				
Investments:				
Equity Instruments	March 31, 2021	-	-	10,00,000

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020

	Date of Valuation	Level 1	Level 2	Level 3
		₹	₹	₹
Financial Assets				
Investments:				
Equity Instruments	March 31, 2020	-	-	10,00,000

The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. The Company has availed long term borrowings from banks and financial institutions carrying interest in the range of 9.50% to 15%. The carrying values approximates their respective fair values. Similarly the fair value of non-current financial assets also approximates its carrying value.

The Cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value.

Financial assets and liabilities measured at Amortised cost:

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

The fair value of investments in mutual funds are based on the price quotation at the reporting date obtained from the asset management companies.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The Company does not have any financial asset in this measurement category.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, mutual funds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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 rate as at the balance sheet date
- Fair value of remaining financial instruments is determined using discounted cash flow analysis

Valauation processes

For valuation of financial assets and liabilities, the finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team on regular basis.

Note 36 : Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies, the Company is exposed primarily to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company has a system based approach and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks which covers risks associated with the financial assets and liabilities such as credit risks, liquidity risk etc. The risk management policy is approved by the board of directors. The risk management framework aims to achieve greater predictability to earnings by determining the financial value of the expected earnings in advance. Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

A. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations. Currently the company is facing liquidity crises due to huge interest cost.

Management monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net and gross settled derivative financial instruments for which the contractual maturities are essentail for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
	₹	₹	₹	₹
March 31, 2021				
Non Derivatives				
Borrowings	1,04,20,48,426	23,00,09,160	42,31,74,323	1,69,52,31,909
Lease liabilities	25,48,857	22,13,588	23,93,231	71,55,675
Bill Discounting	21,87,48,319			21,87,48,319
Trade Payables	59,77,00,249			59,77,00,249
Other Financial Liabilities	37,62,00,629			37,62,00,629
Total Non-Derivative Liabilities	2,23,72,46,480	23,22,22,748	42,55,67,554	2,89,50,36,781

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
	₹	₹	₹	₹
March 31, 2020				
Non Derivatives				
Borrowings	1,30,41,45,232	48,88,24,093	-	1,79,29,69,325
Lease liabilities	34,73,662	25,48,856	46,06,818	1,06,29,336
Bill Discounting	1,33,27,358			1,33,27,358
Trade Payables	57,12,88,180			57,12,88,180
Other Financial Liabilities	41,81,93,338			41,81,93,338
Total Non-Derivative Liabilities	2,31,04,27,770	49,13,72,949	46,06,818	2,80,64,07,538

B. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

(a) Interest rate risk

The company has fixed rate borrowing and variable rate borrowings in order to obtain more efficient leverage. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Floating rate debt results in cash flow interest rate risk. The company has taken both interest rate risk debts for managing its liquidity and day to day requirements of the funds.

The exposure of the borrowings [long term and short term (excluding bill discounting receivable)] to interest rate changes at the end of the reporting period are as follows :

	31-Mar-21	31-Mar-20
	₹	₹
Variable Rate Borrowings	43,71,89,249	1,14,96,99,053
Fixed Rate Borrowings	1,25,80,42,659	64,32,70,272
Total Borrowings	1,69,52,31,908	1,79,29,69,325

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swaps contracts outstanding's

	As at March 31, 2021		
	Weighted average interest rate	Balance (₹)	% of total loans
Bank loans, cash credits, working capital loans	12.00%	43,71,89,249	25.79%
Net exposure to cash flow interest rate risk		43,71,89,249	

	As at March 31, 2020		
	Weighted average interest rate	Balance (₹)	% of total loans
Bank loans, cash credits, working capital loans	12.02%	1,14,96,99,053	64.12%
Net exposure to cash flow interest rate risk		**1,14,96,99,053**	

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 Analysis:

The sensitivity analysis is determined on the basis of interest rates on floating liabilities. The outstanding liabilities at the year end are considered as a base for the whole year.

If all the other variable factors remain constant, the changes in 100 basis points in the interest rate (up and down), the results are in the below table.

	Impact on Floating Rate Borrowings	
Change in Interest Rate	**As At March 31, 2021**	**As At March 31, 2020**
Increase in rates by - 1%	3,64,32,437	9,58,08,254
Decrease in rates by - 1%	(3,64,32,437)	(9,58,08,254)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

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, 2021	As at March 31, 2020
	₹	₹
Trade Payables /(Advance)		
USD	-11,71,460	72,75,890
Euro	2,57,617	-
Trade Receivable		
USD	3,66,31,595	4,03,18,705
Euro	31,856	59,153
Others		
USD	8,80,44,000	11,28,45,000

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. Credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables, derivative financial instruments and financial guarantees.

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: (A). 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 (B). actual or expected significant changes in the operating results of the counterparty (C).significant increase in credit risk on other financial instruments of the same counterparty (D). significant changes in the value of the collateral supporting the obligation or in the quality of thirdparty 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, 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 other than trade receivables. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

Trade Receivables	**As at March 31, 2021**		
	Gross	**Allowance**	**Net**
	₹	₹	₹
Period (in months)			
Not due	14,67,70,839	-	14,67,70,839
Overdue upto 3 months	14,69,283	-	14,69,283
Overdue 3-6 months	8,07,419	-	8,07,419
Overdue more than 6 months	4,77,77,921	-	4,77,77,921
Total	**19,68,25,462**	**-**	**19,68,25,462**

Trade Receivables	**As at March 31, 2020**		
	Gross	**Allowance**	**Net**
	₹	₹	₹
Period (in months)			
Not due	4,41,92,095	-	4,41,92,095
Overdue upto 3 months	7,51,93,160	-	7,51,93,160
Overdue 3-6 months	4,99,88,581	-	4,99,88,581
Overdue more than 6 months	5,76,51,141	-	5,76,51,141
Total	**22,70,24,976**	**-**	**22,70,24,976**

Note 37 : Capital management

The Company's objectives when managing capital are to:

- Safegaurd their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- To Maintain an optimal capital structure to reduce the cost of capital.

The company determines the amount of capital required on the basis of annual opearting plans, long term product and maintainig other strategic investment plans. The funding requirements are met through equity, long term borrowings and short term borrowings. The company's policy is aimed at maintaining optimum combination of short term and long term borrowings. The company manages its capital structure and makes adjustments considering the economic environment, the maturity profile of the overall debt of the company and the requirement of the financial covenants.

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total long term debt (refer note 19)	65,31,83,483	48,88,24,093
Total Debt	1,91,39,80,228	1,80,62,96,683
Total Equity	6,22,12,021	24,61,09,264
Total Capital	1,97,61,92,248	2,05,24,05,947

Long term debt to equity ratio	10.50	1.99
Total debt to equity ratio	30.77	7.34

Note 38 : 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 sheet metal auto components and assemblies thereof. Based on the 'management approach' as defined in Ind As 108, the 'Chief operating Decision Maker' (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the company operates are India.

The revenue from external customer for each of the major products is as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Components, assemblies and sub-assemblies	2,34,99,83,594	2,54,11,48,626
Tools, Dies and Moulds	5,13,31,602	7,94,03,779
Scrap	27,19,26,816	25,91,61,275
Total	2,67,32,42,012	2,87,97,13,680

₹212.30 crore of the company's revenue attributable to one of its customer. (March 31, 2020 Revenue of ₹229.19 crore was attributable to one of its customer)

Note 39 : Related Party Transactions

a) Related parties and their relationship

1) Subsidiaries

i) Autoline Design Software Ltd. (ADSL)

ii) Autoline Industrial Parks Ltd. (AIPL)

Foreign Subsidiary

iii) Koderat Investments Ltd., Cyprus

2) Key Management Personnel (KMP)

Mr. Vilas Lande - Chairman Emeritus

Mr. Prakash B. Nimbalkar - Chairman (Non-executive Director)

Mr. Shivaji Akhade - Managing Director & CEO

Mr. Sudhir Mungase - Wholetime Director

Mr. Vijay Thanawala- Independent Director

Mr. Umesh Chavan - Executive Director & CEO (till December 31, 2020)

Mrs. Jayashree Fadnavis- Independent Director (till November 10, 2020)

Mr. Sridhar Ramachandran- Nominee Director (appointed from July 30, 2020)

Mrs. Rajashri Sai- Independent Director (appointed from February 1, 2021)

3) Relatives of KMP

Key Management Personal - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.

4) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence

i) Balaji Enterprises

ii) Shreeja Enterprises

iii) Sumeet Packers Pvt. Ltd.

iv) Siddhai Platers Private Ltd.

v) Om Sai Transport Co.
vi) Viro Hi-Tech Engineers Pvt. Ltd.
vii) S.V. Aluext Profile Pvt. Ltd.
viii) Vimal Extrusion Pvt Ltd
ix) Lincwise Software Pvt Ltd
x) Jay Ambe Enterprises

1. Related parties have been identified by the Management and relied upon by the Auditors.
2. The Company is holding 44.74% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

b) Transactions with related parties

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Sale of Goods / Service				
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
Balaji Enterprises	2,61,85,129	1,72,46,371	-	-
Shreeja Enterprises	4,54,364	23,20,050	-	-
Sumeet Packers Pvt. Ltd.	-	-	-	-
Om Sai Transport Co.	-	-	-	-
Viro Hi-Tech Engineers Pvt. Ltd.	-	6,000	-	-
Jay Ambe Enterprises	42,595	-	-	-
Purchase of Goods / Service				
Subsidiaries				
Autoline Design Software Ltd.	70,39,263	1,37,24,800	-	14,67,124
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
Balaji Enterprises	2,68,68,766	1,86,48,089	18,62,825	7,50,752
Shreeja Enterprises	10,83,323	42,32,663	4,00,842	2,02,564
Sumeet Packers Pvt. Ltd.	45,16,312	37,58,169	53,36,788	58,58,295
Siddhai Platters Pvt. Ltd.	26,06,030	40,01,248	14,13,679	9,43,053
Om Sai Transport Co.	1,47,01,500	1,14,04,020	1,04,42,938	81,41,893
Viro Hi-Tech Engineers Pvt. Ltd.	45,25,809	75,50,453	35,83,529	32,67,850
S.V. Aluext Profile Pvt Ltd	5,14,978	4,39,654	11,26,193	5,18,519
Jay Ambe Enterprises	30,70,478	28,45,151	27,63,722	13,30,232
Maintenance Charges Received				
Subsidiaries				
Autoline Design Software Limited	3,60,000	3,60,000	-	-
Rent Received				
Subsidiaries				
Autoline Design Software Limited	12	12	-	-
Rendering of Services				
Subsidiaries				
Autoline Design Software Limited	6,00,000	6,00,000	-	-
Autoline Industrial Parks Limited	3,00,000	3,00,000	-	-
Receiving of Services				
Key Management Personnel (KMP)				
Mr. Sudhir Mungase	-	4,80,000	4,36,080	4,36,080
Mr. V V Lande	16,50,000	18,00,000	26,71,250	18,48,000

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Investment received (in equity)				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	2,25,00,005	-	-	-
Mr. Sudhir Mungase	2,25,00,005	-	-	-
Mr. V V Lande	2,25,00,005	-	-	-
Investment received (in convertible share warrants)				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	-	-	-	-
Mr. Sudhir Mungase	-	-	-	-
Mr. V V Lande	-	-	-	-
Investment Made (in equity)				
Subsidiaries				
Autoline Industrial Parks Limited	3,00,00,000	-	-	-
Foreign Subsidiaries				
Koderat Investments Limited	-	-	-	-
Loan given				
Subsidiaries				
Autoline Industrial Parks Limited	4,77,86,428	1,56,40,841	2,65,86,991	50,22,241
Autoline Design Software Limited	1,37,56,359	-	2,04,89,271	88,68,461
Loan Recovered				
Subsidiaries				
Autoline Industrial Parks Limited	2,76,73,650	1,11,42,949	-	-
Autoline Design Software Limited	39,55,565	50,00,000	-	-
Loan Received				
Subsidiaries				
Autoline Industrial Parks Limited	42,51,278	27,00,000	-	-
Autoline Design Software Limited.	-	-	-	-
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	8,95,00,000	3,62,50,000	3,18,93,752	1,70,57,374
Mr. Sudhir Mungase	30,00,000	50,00,000	58,64,175	1,18,41,910
Mr. Amit Goela	-	-	-	-
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	-	-	-
Vimal Extrusion Pvt Ltd	-	1,20,00,000	-	-
Sumeet Packers Pvt. Ltd.	-	90,00,000	-	20,21,516
Loan Repayment				
Subsidiaries				
Autoline Industrial Parks Limited	42,51,278	27,81,930	-	-
Autoline Design Software Limited.	-	-	-	-
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	7,65,00,000	2,12,00,000	-	-
Mr. Sudhir Mungase	98,40,000	-	-	-
Mr. Amit Goela	-	-	-	-
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	-	-	-
Vimal Extrusion Pvt Ltd	-	1,20,00,000	-	-
Lincwise Software Pvt Ltd	99,450	2,50,000	41,59,907	42,59,357
Sumeet Packers Pvt. Ltd.	20,21,516	70,83,250	-	-

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Interest Received on Loan				
Subsidiaries				
Autoline Industrial Parks Limited	15,69,700	5,82,610	-	-
Autoline Design Software Limited.	19,34,681	15,66,236	-	-
Interest Paid on Loan				
Subsidiaries				
Autoline Industrial Parks Limited	20,327	38,838	-	-
Autoline Design Software Limited.	-	-	-	-
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	19,85,274	5,45,181	-	-
Mr. Sudhir Mungase	9,32,177	8,91,555	-	-
Mr. Amit Goela	-	-	-	-
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	4,384	-	-
Vimal Extrusion Pvt Ltd	-	39,128	-	-
Sumeet Packers Pvt. Ltd.	62,827	46,303	-	-
Director Remuneration				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	54,91,935	57,92,825	-	-
Mr. Sudhir Mungase	21,96,774	23,17,130	-	-
Mr. Umesh Chavan	36,90,386	53,55,235	-	-
Director Sitting Fees				
Key Management Personnel (KMP)				
Mr. Prakash B Nimbalkar	6,40,000	5,45,000	1,89,625	-
Mr. Vijay K Thanawala	4,60,000	3,95,000	1,34,125	-
Mr. Sridhar Ramachandran	3,45,000	-	1,24,875	-
Mrs. Rajashri Sai	30,000	-	27,750	
Mrs. Jayashree Fadnavis	1,50,000	3,00,000	-	-

Note : a) The closing balances above are net of advances.

b) All outstanding balances are unsecured and are repayable in cash

c) In addition to above related party transactions Promotors Director has mortgaged their non-agriculture land against facility from financial instittution. Further personal guarantee is provided by Promotor Director and Executive Directors & CEO of the Company for various facilities sanctioned.

Note 40 : Contingent liabilities (To the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Claims against the Company not acknowledged as debt		
Sales Tax Dues	11,11,22,375	13,73,75,209
Provident Fund Dues	34,06,254	34,06,254
Letter of Credit		
Issued by Bank of Baroda	10,06,27,404	12,44,60,286
Corporate Guarantee		
In Favour of Tata Motors Limited	-	8,08,00,000

The claims subject to legal proceedings, have arisen in the ordinary course of business. The management does not reasonably expect that these claims and commitments, when ultimately concluded and determined, will have a material and adverse effect on the Companies results of operations or financial conditions.

In addition to 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 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 filed by vendors and other matters 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 requried 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 Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees Provdent 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 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.

Note 41 : Commitments

A) Capital Commitments

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,68,00,000	1,68,00,000

B) Leases

(a) Right-of-use assets

This note provides for information for leases where the company is a lessee. The company has leased Building properties . The Company has applied Ind AS 116 using the modified retrospective approach method with effect from April 01, 2019 to all leases subject to exemptions provided under Paragraph 5 of Ind AS 116.

(i) Amounts recognized in Balance Sheet:

Right-of-use assets:

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows

Particulars	Building	Total
Gross carring amount as at April 01, 2019	-	-
Adjustment for change in accounting policy	1,36,04,113	1,36,04,113
Disposals	-	-
Deletion / Adjustment due to lease modification	-	-
Depreciation	37,50,707	37,50,707
Gross carring amount as at March 31, 2020	**98,53,406**	**98,53,406**
Gross carring amount as at April 01, 2020	98,53,406	98,53,406
Adjustment for change in accounting policy	-	-
Disposals	-	-
Deletion / Adjustment due to lease modification	-	-
Depreciation	37,50,706	37,50,706
Gross carring amount as at March 31, 2021	**61,02,700**	**61,02,700**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows

Particulars	March 31, 2021	March 31, 2020
Lease Liabilities:	71,55,675	1,06,29,336
Current	25,48,857	34,73,662
Non-current	46,06,818	71,55,675

The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Particulars	March 31, 2021	March 31, 2020
Balance at the April 01, 2020	1,06,29,335	1,36,04,113
Disposals	-	-
Finance cost accrued during the period	10,95,103	14,79,510
Deletion / Adjustment due to lease modification	-	-
Payment of lease liabilities	45,68,763	44,54,288
Balance at the March 31, 2021	**71,55,675**	**1,06,29,335**

The marurity analysis of lease liabilities as at March 31, 2021:

Particulars	March 31, 2021	March 31, 2020
Less than one year	25,48,857	34,73,661
One to five years	46,06,818	71,55,674
More than five years	-	-
Total	**71,55,675**	**1,06,29,335**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The total cash outflow for leases for the year ended March 31, 2021 was INR 45.68 lakhs.

(ii) Variable Lease payments

Estimation uncertainty arising from variable lease payments

There were no leases with variable lease payments.

(iii) Extension and termination options

Extension and termination options are considered in a number of leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable on a mutual consideration between lessor and the Company. Therefore the extension and termination option is not considered.

(iv) Residual value guarantees

There were no leases with residual value guarantees.

(b) Interest Expense on Lease Liabilities

Particulars	March 31, 2021	March 31, 2020
Interest on lease liabilities	10,95,102	14,79,511

(c) Amount recognised in the statement of cash flow

Particulars	March 31, 2021	March 31, 2020
Total cash outflow for leases- Principal	34,73,660	29,74,779
Total cash outflow for leases- Interest	10,95,102	14,79,511

Note 42 : Earning / (Loss) per share

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Basic		
Profit / (Loss) for the year as per statement of Profit and Loss	(35,61,12,954)	(65,36,28,645)
Weighted average number of equity shares	2,89,13,350	2,70,27,585
Earnings /(Loss) per share	(12.32)	(24.18)
Diluted		
Profit / (Loss) for the year as per statement of Profit and Loss	(35,61,12,954)	(65,36,28,645)
Less : Employee Stock Option amortised cost	-	-
	-35,61,12,954	-65,36,28,645
Weighted average number of equity shares	2,89,13,350	2,70,27,585
Earnings /(Loss) per share	-12.32	-24.18
Nominal value of an equity share	10	10

Note 43 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,75,05,213	1,12,56,902
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	15,93,553	36,49,877
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	15,93,553	36,49,877
The amount of interest accrued and remaining unpaid at the end of the accounting year	15,93,553	36,49,877
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 44 : Corporate social responsibility

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013 read with Companies [Corporate Social Responsibility (CSR)] Rules, 2014. therefore it is not required to incur any expenditure on account of CSR activities during the year.

Note 45 : Income Tax & Deferred Tax

A. Income Tax

The Company does not have taxable income on current and previous year and hence no tax expenses have been recognised. 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 recognised except for tax paid under Minimum Alternate Tax (MAT) under Income Tax Act 1961.

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Unused Tax losses for which no deferred tax asset has been recognised		
Business Losses	1,71,75,03,844	1,22,99,12,704
Unabsorbed depreciation	1,24,00,70,762	1,13,57,24,449
Potential tax benefit	74,43,62,377	59,53,83,559

a) Unused tax losses with respect to unabosorbed depreciation do not have an expiry date.

b) Unused tax losses with respect to Business losses have following expiry date.

Financial Year	Amount ₹	Expiry Date
2013-14	21,36,26,862	March 31, 2022
2015-16	13,87,09,331	March 31, 2024
2016-17	52,73,54,255	March 31, 2025
2017-18	49,18,13,439	March 31, 2026
2019-20	34,59,99,957	March 31, 2028
Total	**1,71,75,03,844**	

c) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recongnised in the Balance Sheet.

Financial Year	Amount ₹	Expiry Date
2009-10	63,73,995	2024-25
2010-11	47,19,714	2025-26
2011-12	4,77,18,986	2026-27
2012-13	7,50,74,358	2027-28
Total	**13,38,87,053**	

B. Deferred Tax

Deferred Tax assets reflected in the Balance Sheet as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Deferred Tax Asset		
Carry forward losses	14,97,27,826	15,79,30,272
	14,97,27,826	15,79,30,272
Deferred Tax Liability		
Depreciation	14,97,27,826	15,79,30,272
	14,97,27,826	15,79,30,272
Total Deferred Tax Liability (Net)	-	-

Note 46 : Employee Benefits

Compensated absences

The leave obligation covers the Group's liability for earned leave. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as current employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

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 salary per month computed proportionately for 15 days salary mutiplied 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:

Particulars	Present value of obligation	Fair Value of plan assets	Net Amount
	₹	₹	₹
April 01,2019	3,74,00,371	96,89,352	2,77,11,019
Current Service Cost	52,83,850	-	52,83,850
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2,79,041)	2,79,041
Interest Expense/(income)	26,42,899	5,00,622	21,42,277
Total amount recognised in profit or loss	**79,26,749**	**2,21,581**	**77,05,168**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	63,437	(63,437)
(Gain)/loss from change in demographic assumptions	-		
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	8,75,942	-	8,75,942
Total amount recognised in other comprehensive income	**8,75,942**	**63,437**	**8,12,505**
Employer contributions		4,91,859	(4,91,859)
Benefit Payments	(70,34,108)	(70,34,108)	-
March 31,2020	**3,91,68,954**	**34,32,121**	**3,57,36,833**

Particulars	Present value of obligation	Fair Value of plan assets	Net Amount
	₹	₹	₹
April 01,2020	3,91,68,954	34,32,121	3,57,36,833
Current Service Cost	47,96,176	-	47,96,176
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2,33,974)	2,33,974
Interest Expense/(income)	25,86,212	1,37,308	24,48,904
Total amount recognised in profit or loss	**73,82,388**	**(96,666)**	**74,79,054**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	44,218	(44,218)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	15,03,768	-	15,03,768
Total amount recognised in other comprehensive income	**15,03,768**	**44,218**	**14,59,550**
Employer contributions		4,90,914	(4,90,914)
Benefit Payments	(33,75,228)	(33,75,228)	-
March 31,2021	**4,46,79,882**	**4,95,359**	**4,41,84,523**

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Present Value of funded obligations	4,46,79,882	3,91,68,954
Fair value of plan assets	4,95,359	34,32,121
Deficit of funded plan	**4,41,84,523**	**3,57,36,833**
Unfunded Plans	-	-
Deficit of gratuity plan	4,41,84,523	3,57,36,833

Valuation in respect of Gratuity has been carried out by Independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Discount rate (Per Annum)	6.90%	6.90%
Expected rate of return on plan assets (Per Annum)	6.90%	7.80%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	2%	2%
Expected average remaining working lives of employees (in years)	15.02	16.03

Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

The sensitivity of the Present Value of obligation to changes in the weighted principal assumptions is as follows:

Change in assumptions and impact on Present Value of obligation as at March 31, 2021

Particulars		Impact on defined benefit obligation (in %)	
	Change in assumption (in %)	Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(52,88,174)	63,17,046
Salary growth rate	1%	56,41,962	(49,23,329)
Withdrawal Rate	1%	(4,80,512)	5,46,101

Comparative Figures

Change in assumptions and impact on Present Value of obligation as at March 31, 2020

Particulars		Impact on defined benefit obligation (in %)	
	Change in assumption (in %)	Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(48,31,731)	58,09,918
Salary growth rate	1%	52,75,177	(45,14,333)
Withdrawal Rate	1%	(4,56,511)	5,21,475

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Category of Planned assets

Particulars	March 31, 2021	March 31, 2020
Funds Managed by insurer	100.00%	100.00%

The company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2021 is considered to be fair value.

Defined Benefit liability and employer contributions

The expected contributions to post-employment benefit plans for the year ended March 31,2021 is ₹4,41,84,523/-

The following payments are expected contributions to defined benefit plan in future years

The weighted average duration of the plan is 17.09 years

Expected Future Benefit Payments:

Particulars	As at March 31, 2021
	₹
Defined Benefit Oligation	
Less than a year	18,97,000
Between 1-2 years	16,58,000
Between 2-5 years	70,24,000
Over 5 years	2,14,61,000
Total	3,20,40,000

Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

1. **Interest rate risk:**

   The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

2. **Salary inflation risk:**

   Higher than expected increases in salary will increase the defined benefit obligation.

3. **Demographic risk:**

   For example,as the plan is open to new entrants, an increase in Membership will increase the defined benefit obligation. Also,the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

B) Defined Contribution Plan

The company has certain defined contribution plans. Contributions are made to provident fund in India at the rate of 12% as per local regulations. The contributions are made to the provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or any constructive obligation.The company also has liability to contribute to other defined contribution plans. The company has recognised the following amounts in the statement of Profit and Loss.

Particulars	As at March 31, 2021	As at March 31, 2020
Contribution to Provident Fund	91,55,726	1,08,76,983
Contribution to Labour Welfare Fund	29,592	44,532
Contribution to Employee's State Insurance Scheme	31,51,234	44,36,744

Note 47 : Assets Pledged as Security

Particulars	March 31, 2021	March 31, 2020
	₹	₹
Current		
Financial Assets		
Factored Receivables	21,87,48,319	1,33,27,358
Other Receivables	19,68,25,462	22,70,24,976
Cash and cash equivalents	6,26,604	80,93,656
Fixed deposit with bank	6,08,63,229	4,08,25,069
Non Financial Assets		
Inventories	40,59,64,280	41,59,53,974
Total Current assets pledged as security	88,30,27,894	70,52,25,033
Non-Current		
Plant and Machinery	64,68,78,990	80,58,70,061
Building	51,56,73,913	58,48,96,037
Land	7,56,17,042	10,05,01,748
Others Assets	2,23,77,335	3,50,51,221
Total Non-current assets pledged as security	1,26,05,47,280	1,52,63,19,067
Total Assets pledged as security	2,14,35,75,174	2,23,15,44,100

Note 48 : The list of standards issued but not yet effective

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

Note 49 : COVID19

Covid-19 virus has impacted the entire global economy severely, resulting into many restrictions, including free movement of people, thereby hampering businesses and day to day functioning of the Companies. Consequently, in compliance of the orders of the Government, the Company’s manufacturing plants and corporate office had to be closed for a certain period of time. The Board of Directors believe that they have taken into account all the possible effects of known events arising from Coivid-19 pandemic and the resultant lockdowns in the preparation of financial statements including but not limited to strategic assessment of its financial position, liquidity, going concern, recoverable values of its assets etc. However, given the effect of these uncertainties arising due to Covid-19 and in particular, with reference to the Automobile & Auto-ancillary Industry, the impact assessment of Covid-19 on the financial statements is subject to certain significant estimations and based on uncertainties. The actual impact in future may deviate from those estimated as on the date of approval of these financial statements. The Company continues to monitor any material changes to future economic/ business conditions and its consequential impact on financial results.

Note 50 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 which may have an impact on the contributions by the Company on Employee benefit expenses, Provident Fund, Insurance and Gratuity. Further, the Ministry of Labour and Employment, Government of India has published draft rules for the Code on Social Security, 2020 on November 13, 2020 and has solicited comments/ suggestions from the stakeholders. Accordingly, the Company will evaluate the impact of the said legislation and the Rules notified thereunder, and would eventually apportion the impact in its financial statements in the period in which the Code on Social Security, 2020 is enacted.

Note 51 : Previous year's figures

The figures for previous year have been regrouped / rearranged as necessary to confirm to current year's presentation.

In terms of our report attached
For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Autoline Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated Financial Statements of Autoline Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit & Loss, including Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (Hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at March 31, 2021, and its consolidated loss including other comprehensive expenses, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of the Matter

We draw attention to Note No. 51 to the consolidated financial statements which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Group. 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
(a) Going Concern As of 31 March 2021, the Group's total liabilities did not exceed its total assets, however Group is continuously incurring losses , Note No. 3.5 to the consolidated financial statements explain how the directors of the Holding Company have formed a judgment that the going concern basis is appropriate in preparing the financial statements. The directors of the Holding company made their assessment of going concern by preparing a cash flow forecast in which some key assumptions were applied. These key assumptions included forecasts of sales volumes, average selling prices, raw material costs, sale of land available with subsidiary company and the availability of banking and other financing facilities as well as financial support from the promoters	Our audit procedures included: • Walking through the business planning process and assessing the design, implementation and operating effectiveness of management's key internal controls over the assessment of going concern, including the preparation of cash flow forecasts. • Evaluating the key assumptions in the cash flow forecasts (including future revenue, gross profit, operating expenses and capital expenditure) with reference to historical production information, current performance, internal investment and production plans, and market and other external available information; • Considering the accuracy and reliability of cash flow forecasts made by management in prior years by comparing them with the current year's results;

The key audit matter	How the matter was addressed in our audit
We identified going concern as a key audit matter because a significant degree of management judgment is involved in making this assessment and in forecasting the future cash flows of the Group which are inherently uncertain and because the management judgment and inherent uncertainties could have significant impact on the basis of preparation of the financial statements and could be subject to management bias.	• Assessing the availability of banking and other financing facilities and arrangements by inspecting underlying documentation, which included banking facility agreements signed before and after the reporting period end, and assessing the impact of any covenants and other restrictive terms therein • We also checked if any waivers were obtained from the financial institutions from which borrowings are made. Based on our procedures we noted that the key assumptions used in the forecasts were within a reasonable range of our expectations.
(b) Revenue Recognition	**Our audit procedures to assess the recognition of revenue included the following:**
The Holding Company's revenue is derived from the sale of sheet metal stampings, welded assemblies and moulds for the automotive industry. The Holding Company recognizes revenue when the control is transferred to the customer. The terms set out in the Holding Company's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold.	• evaluating the design, implementation and operating effectiveness of key internal controls over the existence, accuracy and timing of revenue recognition; • performed substantive test of details over revenue recognized throughout the period by selecting a sample of transactions to ensure that the samples selected meet the revenue recognition criteria and are appropriately recorded;
We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Holding Company and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Holding Company.	• Tested sample transactions around the period end to ensure that they were recorded in the correct period; and tested journal entries posted to revenue accounts focusing on unusual or irregular items, if any.
(c) Contingent Liabilities (Note No. 40) **Evaluation of uncertain tax positions** The Group operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Refer Note 40 to the consolidated financial statements.	**Our audit procedures include the following substantive procedures:** • Obtained understanding of key uncertain tax positions; and • We - ➢ Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; ➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ➢ Assessed management's estimate of the possible outcome of the disputed cases.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board's report, including annexure to Board's report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance 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.

Other Matters

We did not audit the financial statements of one foreign subsidiary Koderat Investments Limited (Cyprus) whose financial statements reflects total assets of ₹ 31.62 Lakhs as at March 31, 2021, and profit of ₹ 0.97 Lakhs for the year ended on that date. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, and our report on other legal and regulatory requirements in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account

d) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended

e) On the basis of the written representations received from the directors of the Holding company and its Subsidiary companies incorporated in India as on 31st March, 2021 taken on record by the Board of Directors of the Holding company and its Subsidiary companies incorporated in India , none of the directors of Group companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

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

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements Refer Note 40 to the consolidated financial statements;

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. The Holding company was required to transfer unpaid dividend to the tune of ₹84, 483/- for the financial year 2012 - 2013 to the Investor Education and Protection Fund, however the holding company has transferred unpaid dividend beyond stipulated time period. There has been delay of 10 days in transferring amounts. There was no amount remained which was required to be transferred, to the Investor Education and Protection Fund by the subsidiary companies.

3. In our opinion, the managerial remuneration for the year ended 31 March 2021 has been paid / provided by the Group to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented by us.

FOR A. R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: - 110540W

ANAND SULAKHE
PARTNER
M. NO. : 33451
UDIN: 21033451AAAABY8608

Date: June 28, 2021
Place: Pune

Annexure 1 referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements

In conjunction with our audit of the consolidated financial statements of the AUTOLINE INDUSTRIES LIMITED as of and for the year ended 31st Mar 2021, we have audited the internal financial controls over financial reporting of AUTOLINE INDUSTRIES LIMITED ("the Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Holding Company and its subsidiary companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the "Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated 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 system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements

A company's Internal financial control over financial reporting with reference to these consolidated 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 control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, however, Group is required to strengthen its financial control for obtaining balance confirmations from trade receivables and payables based on "the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"(ICAI).

FOR A. R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: - 110540W

ANAND SULAKHE
PARTNER
M. NO. : 33451
UDIN: 21033451AAAABY8608

Date: June 28, 2021
Place: Pune

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

PARTICULARS	Note No.	As at March 31, 2021 ₹	As at March 31, 2020 ₹
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	1,20,07,70,870	1,39,47,00,427
(b) Capital work in progress	4	56,48,197	97,37,500
(c) Other Intangible assets	4	5,51,198	24,17,435
(d) Right of use Assets	4	5,35,77,015	5,73,27,721
(e) Goodwill on consolidation		43,74,15,907	41,33,79,847
(f) Financial Assets			
(i) Investments	5	25,90,312	25,90,312
(ii) Other financial assets	6	3,39,47,906	3,29,48,883
(g) Income tax assets (net)	7	3,73,22,830	11,15,61,961
(h) Deferred tax assets (MAT Credit)	8	13,41,06,971	13,41,06,971
(i) Other Non-current assets	9	11,52,64,888	12,41,03,705
Total non-current assets		**2,02,11,96,095**	**2,28,28,74,762**
2 Current assets			
(a) Inventories	10	1,52,75,68,320	1,53,16,62,247
(b) Financial Assets			
(i) Trade Receivables	11	44,67,27,081	26,89,49,380
(ii) Cash and cash equivalents	12	24,46,604	1,33,91,765
(iii) Bank balances other than (ii) above	13	6,08,77,377	4,09,22,195
(iv) Loans and advances	14	95,31,658	82,94,854
(v) Other Financial assets	15	10,36,17,200	56,07,200
(c) Other current assets	16	9,30,43,392	10,23,50,296
(d) Assets held for Sale	16a	-	6,21,35,984
Total current assets		**2,24,38,11,632**	**2,03,33,13,921**
Total Assets		**4,26,50,07,727**	**4,31,61,88,682**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	17	30,96,31,640	27,02,75,850
(b) Other Equity	18	(9,11,26,222)	14,25,34,876
(c) Non-controlling Interest		62,37,12,908	62,11,43,659
Total Equity		**84,22,18,325**	**1,03,39,54,385**
Liabilities			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	65,31,83,483	48,88,24,093
(ii) Lease liabilities	20	46,06,818	71,55,674
(b) Provisions	21	99,47,707	98,38,766
(c) Deferred tax liabilities (net)		-	-
Total non-current liabilites		**66,77,38,008**	**50,58,18,533**
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	75,53,88,400	64,22,04,359
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	23	1,75,05,213	1,12,56,902
(b) total outstanding dues of other than micro and small enterprises	23	58,63,53,532	50,91,06,146
(iii) Other financial liabilities	24	94,03,80,569	1,22,24,65,628
(iv) Lease liabilities	24	25,48,857	34,73,662
(b) Other current liabilities	25	40,80,66,164	35,12,39,260
(c) Provisions	26	4,48,08,659	3,66,69,808
Total current liabilities		2,75,50,51,394	2,77,64,15,765
Total Liabilities		**3,42,27,89,402**	**3,28,22,34,297**
Total Equity & Liabilities		**4,26,50,07,727**	**4,31,61,88,682**

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
			₹	₹
1	Revenue from operations	27	2,84,69,47,721	3,16,27,21,328
2	Other income	28	1,71,74,434	2,51,39,971
3	**Total revenue (1+2)**		**2,86,41,22,156**	**3,18,78,61,299**
4	**Expenses**			
	(a) Cost of materials consumed	29.a	1,86,36,54,611	2,23,85,72,747
	(b) (Increase) / Decrease in inventories of finished goods and work-in-progress	29.b	2,46,21,237	7,92,25,790
	(c) Employee benefits expenses	30	25,62,74,385	29,28,00,927
	(d) Finance costs	31	31,96,97,840	31,32,79,322
	(e) Depreciation and amortisation expense	32	20,43,42,201	20,95,13,792
	(f) Other expenses	33	61,69,35,532	67,80,88,992
	Total expenses		**3,28,55,25,805**	**3,81,14,81,570**
5	**Profit / (Loss) before exceptional items and tax (3 - 4)**		(42,14,03,649)	(62,36,20,271)
6	Exceptional items	34	(26,51,606)	3,67,52,574
7	**Profit / (Loss) before tax (5 + 6)**		**(41,87,52,043)**	**(66,03,72,845)**
8	**Tax expense:**			
9	**Profit / (Loss) for the year (7 - 8)**		(41,87,52,043)	(66,03,72,845)
10	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations-(loss)/gains		(9,57,185)	(10,30,188)
	Income Tax relating to this item		-	-
	Other Comprehensive Income for the year, net of tax		(9,57,185)	(10,30,188)
11	**Total Comprehensive Income / (Loss) for the period (9+10)**		(41,97,09,228)	(66,14,03,033)
12	**Minority Interest**		(2,94,22,135)	(17,02,564)
13	**Profit / (Loss) After Minority Interest**		(39,02,87,093)	(65,97,00,469)
14	**Earnings/(Loss) per share (face value of ₹ 10/- each):**			
	(a) Basic		(14.48)	(24.43)
	(b) Diluted		(14.48)	(24.43)

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	PARTICULARS	For the year ended March 31, 2021 ₹	For the year ended March 31, 2020 ₹
A.	**Cash Flow from Operating Activities**		
	Profit / (Loss) before tax	(41,87,52,043)	(66,03,72,845)
	Adjustment for :		
	Depreciation	20,43,42,201	20,95,13,792
	Employee Stock Option	-	(15,61,673)
	Interest Paid & Finance Cost	31,96,97,840	31,32,79,322
	Loss/(Profit) on Sale of Property, Plant & Equipment	(6,45,92,808)	(56,66,550)
	Impairment of Fixed Assets	97,37,500	14,22,148
	Dividend Income	-	(50,000)
	Interest Income on deposits	(1,07,43,254)	(1,20,23,382)
	Operating Profit before Working Capital Changes	3,96,89,435	(15,54,59,188)
	Adjustment for changes in operating assets		
	(Increase) / Decrease in Inventories	40,93,927	18,74,45,662
	(Increase) / Decrease in Trade Receivable	(17,77,77,702)	17,24,02,712
	(Increase) / Decrease in Loans and Advances Current	(3,91,942)	(2,60,194)
	(Increase) / Decrease in Other Financial Assets Current	9,90,000	4,52,000
	(Increase) / Decrease in Other Current Assets	93,06,904	(1,39,62,492)
	(Increase) / Decrease in Other Non Current Assets	1,75,36,080	12,82,655
	(Increase) / Decrease in Other Financial Assets Non-Current	(9,99,023)	(1,65,561)
	Adjustment for changes in operating liabilities		
	Increase / (Decrease) in Trade Payables	8,34,95,697	(91,75,869)
	Increase / (Decrease) in Other Financial Liabilities Current	(4,91,30,143)	6,42,79,633
	Increase / (Decrease) in Other Current Liabilities	5,80,26,904	(2,85,21,895)
	Increase / (Decrease) in Provision Current	71,81,666	74,00,996
	Increase / (Decrease) in Provision Non-Current	1,08,940	4,61,624
	Cash Generated from Operations	(78,69,257)	22,61,80,082
	Income tax refund received (net of payments)	7,42,39,131	3,70,902
	Net Cash from Operating Activities	6,63,69,873	22,65,50,983
B.	**Cash Flow from Investing Activities**		
	Acquisition of Property, plant and equipment (Net)	(81,41,909)	(1,50,39,368)
	Proceeds from Sale of Property, plant and equipment	3,10,75,000	1,01,42,373
	Acquisition of Capital work in progress (Net)	(56,48,197)	-
	Acquisition of Right of use Assets (Net)	-	(1,33,34,361)
	Advance for Acquisition of Property, plant and equipment	(86,97,263)	-
	Advance agianst Property, plant and equipment	(12,00,000)	1,00,000
	Fixed Deposit with Banks	(1,99,55,182)	(2,23,38,023)
	Investments	-	(15,90,312)
	Dividend Income	-	50,000
	Interest Income on deposits	1,07,43,254	1,20,23,382
	Net Cash from Investing Activities	(18,24,297)	(2,99,86,309)
C.	**Cash Flow from Financing Activities**		
	Proceeds from Short Term Borrowings (Net of repayment)	11,31,84,041	6,75,74,598
	Proceeds from Long Term Borrowings (Net of repayment)	8,37,33,138	(38,43,30,938)
	Interest Paid & Finance Cost	(37,20,26,529)	(31,32,79,322)
	Payment of principal portion of lease liabilities	(34,73,661)	(29,74,778)
	Received as government subsidy	-	43,11,15,000
	Advance to others	(8,44,862)	1,40,26,381
	Proceeds from Issue of Equity Shares	1,52,98,947	-
	Premium on issue of equity share	8,24,62,918	-
	Equity component of compound financial instruments	61,75,271	-
	Net Cash from Financing Activities	(7,54,90,737)	(18,78,69,059)
	Net Increase / (Decrease) in Cash & Cash Equivalent	(1,09,45,161)	86,95,617
	Cash and cash equivalents at the beginning of the year	1,33,91,765	46,96,148
	Cash and cash equivalents at the end of the year	24,46,604	1,33,91,765
	Net Increase / (Decrease) in Cash & Cash Equivalent	(1,09,45,161)	86,95,617

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

STATEMENT OF CHANGES IN EQUITY

A. Equity share capital

Particulars	Amount
	₹
Balance as at April 01, 2019	27,02,75,850
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**27,02,75,850**
Balance as at April 01, 2020	27,02,75,850
Changes in equity share capital during the year	3,93,55,790
Balance as at March 31, 2021	**30,96,31,640**

B. Other Equity

Particulars	Reverses and Surplus						Money received against share warrants	Toal
	Securities Premium Reserve	Revaluation Reserve	Employee Stock Options outstanding	General Reserve	Retained Earnings	Equity component of compound financial instruments		
	₹	₹	₹	₹	₹	₹	₹	₹
Balance as at April 01, 2019	2,37,92,07,258	90,59,437	15,61,673	12,02,27,654	(1,72,87,59,011)	-	2,25,00,006	80,37,97,017
Profit/(loss) for the year					(65,86,70,281)			-65,86,70,281
Other comprehensive income for the year					(10,30,188)			-10,30,188
Deferred Employee Compensation			(15,61,673)					-15,61,673
Balance as at March 31, 2020	2,37,92,07,258	90,59,437	-	12,02,27,654	(2,38,84,59,480)	-	2,25,00,006	14,25,34,876
Balance as at April 01, 2020	2,37,92,07,258	90,59,437	-	12,02,27,654	(2,38,84,59,480)	-	2,25,00,006	14,25,34,876
Profit/(loss) for the year					(38,93,29,908)			(38,93,29,908)
Other comprehensive income for the year					(9,57,186)			(9,57,186)
Equity share premium received	17,29,50,731							17,29,50,731
Interest effect of OCD issued						61,75,271		61,75,271
Warrants converted in equity shares during the year							(2,25,00,006)	(2,25,00,006)
Balance as at March 31, 2021	2,55,21,57,990	90,59,437	-	12,02,27,654	(2,77,87,46,574)	61,75,271	-	(9,11,26,222)
Summary of significant accounting policies			Note 2 - 3					
See accompanying notes to financial statements			Note 4 - 53					

The notes referred to above form integral part of financial statement

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

Notes to Consolidated Financial Statements as at March 31, 2021

1 Group Overview

General Information:

The Consolidated Financial Statements comprise Financial Statements of Autoline Industries Limited ('The Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2021. Autoline Industries Limited ('The Company') is a public company domiciled in India. The Group is engaged in the business of manufacturing, design and drawings of sheet metal stampings, welded assemblies and modules for the automotive industry. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).The Company's Registered office is at – Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal: Khed Dist. Pune - 410 501, Maharashtra, India. The CIN of the Company is L34300PN1996PLC104510. The Board of Directors are authorized to issue these consolidated financial statements on in its Board Meeting dated June 28, 2021.

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

2.1 Basis of preparation:

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

Accordingly, the Group has prepared these consolidated financial statements which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year ended March 31, 2021, the Statement of Cash Flows for the year ended March 31, 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'Financial Statements').

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021 and March 31, 2020 respectively. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

  Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls anentity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has theability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fullyconsolidated from the date on which control is transferred to the group. They are deconsolidated from the date thatcontrol ceases.The acquisition method of accounting is used to account for business combinations by the group. The group combinesthe financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities,equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between groupcompanies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of animpairment of the transferred asset. Accounting policies of subsidiary has been changed where necessary to ensure consistency with the policies adopted by the group.Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Changes in Ownership Interests

The group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and noncontrolling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to noncontrolling interests and any consideration paid or received in recognized within equity.

When the group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Particulars of Subsidiary, Joint Ventures and Associated consolidated

Sr. No.	Name of Company	Relationship	Country of Incorporation	% Holding as on 31st March 2021
	Subsidiary			
1.	Autoline Design Software Limited	Subsidiary	India	100%
2.	Autoline Industrial Park Limited	Subsidiary	India	44.74%
3.	Koderat Investments Limited	Subsidiary	Cyprus	100%

New and Amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 01, 2020:

- Ind AS 116, Leases – Accounting for rent concession due to COVID – 19 pandemic
- Ind AS 103, Business Combination – Amendment in the definition of term 'business'
- Ind AS 1, Presentation of Financial Statements – Amendment in the definition of term 'materiality'
- Ind AS 8 Accounting Policies, Changes in Accounting estimates and errors – Consequential amendment due toamendment in Ind AS 1 above.
- Ind AS 10, Events after the reporting date – Amendment requiring disclosures to be made in case of a material non-adjustingevent.
- Ind AS 34, Interim Financial Reporting - Consequential amendment due to amendment in Ind AS 10 above.
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets – Amendment clarifies accounting treatment forrestructuring plans consequent to the above amendment in Ind AS 103.
- Ind AS 109, Financial Instruments - Amendments to some certain hedge accounting requirements to provide reliefto the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
- Ind AS 107, Financial Instruments (Disclosures) – Disclosure requirements for companies applying exceptions inrespect of IBOR as amended by Ind AS 109 above.

The Group decided to not avail the practical expedient for accounting of rent concessions due to COVID-19and hence there is no impact of the amendment in Ind AS 116 on the books of account. All other amendments as listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

2.3 Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

2.4 Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, cash discount, trade allowances, sales incentives and other taxes. The Group recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below:

Sale of goods:

The Group 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. Revenue is recognized at that point in time. 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.

Sale of tools:

The tooling contracts entered by the Group with customers are regarded a contract to builda specific asset that meets the definition of construction contract in Ind AS 11. These toolingcontracts are the fixed price contracts which are required to be measured and recognizedusing the Percentage of Completion Method.

Sale of Services:

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

Other Income

Interest:

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses

Interest income is recognized on a time proportion basis taking into account theamount outstanding and the rate applicable.

Dividend income: Dividend income is recognized when the Company's right to receive is established by the reporting date.

2.5 Current and Non-current classification

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled in 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 Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its normal operating cycle.

2.5 Foreign currency transactions and translation:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the Group's functional and presentation currency.

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 loses resulting from the settlement of such transaction and from translation of monetary assets and liabilities denominated foreign currencies at year end exchange rates are generally 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.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions.

The exchange differences arising on translation on consolidation are recognized in OCI. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit or loss.

2.6 Fair Value Measurement

The Group measures financial instruments at fair value on initial recognition.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderlytransaction between market participants at the measurement date. The fair value measurement is based onthe presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficientdata are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to thefair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair valuemeasurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair valuemeasurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value.

2.7 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. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis on the straightline method over the estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

Asset Useful Life

Building – Factory……30 Years

Building - Office…….60 Years

Plant and Machinery.....15 Years (Single Shift basis)

Tools & Dies.....15 Years (Single Shift basis)

Electrical Fittings……...10 Years

Vehicles.....8 Years

Computers……...3 Years

Software……...6 Years

Office Equipments.....5 Years

Furniture & Fittings.....10 Years

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.

An item of property plant & equipment is de-recognized upon disposal or when no future economic benefits are expected from use or disposal 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.

2.8 Intangible asset:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. 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 financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from 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.

2.9 Non-current assets classified as held for sale/ distribution to owners and discontinued operations

The Group classifies Non-current assets and disposal groups 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 held for sale/ for distribution are presented separately from the other assets in the balance sheet.

2.10 Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized 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 capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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 recognized in profit or loss as other income / expenses.

2.11 Borrowing costs:

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.

2.12 Leases

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated.

Till March 31, 2019 as a lessee the Group classified leases that transfer substantially all the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the Company's statement of financial position. Payments made under operating leases were recognized in profit or loss over the term of the lease.

After adoption of Ind AS 116 with effect from April 01, 2019, Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

The Group as a Lessee

The Grouprecognizes a right-of-use 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 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 re-measurements of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the financial statements. (Refer Note 4)

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, Group's incremental borrowing rate. Generally, the Group 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 less any lease incentives receivable;
– Variable lease payments that depend on a rate, initially measured using the rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price of a purchase option if the Company is reasonably certain to exercise that option and.
– Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

The lease liability is measured at amortized cost using the effective interest method. If the rate cannot be determined readily, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

– Where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
– Makes adjustments specific to the lease e.g. term, country, currency and security

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

The Group as a lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor under operating lease as a result of the adoption of Ind AS 116.

Practical expedient for COVID-19 related rent concessions

Ind AS 116 has been amended to provide limited relief to a lessee in respect of rent concessions arising due to COVID-19 pandemic. The amendment provides a practical expedient that the lessee may elect to not treat any rent concessions provided by lessors as a direct consequence of COVID-19 pandemic. The Group has decided not to apply the practical expedient it rent concessions and has accounted for the rent concessions as per existing provisions of Ind AS 116.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.13 Inventories:

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases inward freight and other incidental expenses net of GST wherever applicable.

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 FIFO 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.

Tools and Dies under process have been valued on percentage completion based on estimated cost of production and development of respective tools and dies.

Scrap is valued at net realizable value.

2.14 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 and sick 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 Group operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

(a) Defined benefit plans such as gratuity

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. Re-measurement 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 such as provident fund.

Provident fund:

Contribution towards provident fund for certain employees is made to the regulatory authorities,where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

(v) Bonus:

The Group recognizes a liability and an expense for bonus. Also, it recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.15 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

At initial recognition, a financial asset is measured 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 Group's business models for managing the assets and the cash flow characteristics of the assets. All the debt instruments held by the company are classified in "Amortized Cost" measurement category.

Subsequent measurement

Subsequent measurement of financial instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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 instrument that is subsequently measured at amortized cost and is not part of hedging relationship is recognized in the statement of 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 contractualcash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal andinterest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carryingamount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreignexchange gains and losses which are recognized in the statement of profit and loss. When the financial asset isderecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified fromequity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is includedin other income using the effective interest rate method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the Criteria for Amortized cost or FVOCIare measured at fair value through profit or loss. A gain or loss on a financials instrument that is subsequentlymeasured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss andpresented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. InterestIncome from these financial Assets is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not heldfor trading, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis.The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on theinstrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI tostatement of profit and loss, even on sale of investment. However, the Group may transfer the cumulativegain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognizedin the statement of profit and loss.

Derecognition of financial assets:

A financial asset is derecognized only when

- The right to receive cash flows from the financial asset have expired or
- Retains the contractual rights to receive the cash flows of the financial asset, butassumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(iii) Impairment of financial assets:

In accordance with Ind AS 109 – Financial Instruments, the Group applies expected credit loss (ECL) model formeasurement and recognition of impairment loss and credit risk exposure on the financial assets that are measured atamortized cost, debt instruments measured at amortized costs and FVOCI e.g. loans, deposits, trade receivables, lease receivable and bank balances.

The Group follows simplified approach for recognition of impairment loss allowance on trade receivables and leasereceivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather itrecognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.For the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practicalexpedient as permitted under Ind AS 109 – Financial Instruments. The expected credit loss allowance is computed based on aprovision matrix which considers historical credit loss experience and adjusted for forward looking information.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whetherthere has been a significant increase in the credit risk since initial recognition. If credit risk has not increasedsignificantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly,lifetime ECL is used. If in subsequent period the credit risk reduces since initial recognition, then the entity reverts torecognizing impairment loss allowance based on 12-month ECL.

The Group assesses on forward looking basis the expected credit losses associated with its assets carried at amortizedcost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been asignificant increase in credit risk. Note 36details how Group determines whether there has been significant increasein credit risk.

Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense inthe Statement of Profit and Loss. This amount is reflected under the head 'Other Expenses/Other Income (whereverapplicable) in Statement of Profit and Loss. The impairment loss is presented as an allowance in the Balance Sheet as areduction from the net carrying amount of the trade receivable, loan, deposits and lease receivable respectively.

(iv) Income recognition

Interest income from financial instruments is recognized using the effective interest rate (EIR) method. The effectiveinterest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financialasset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Financial liabilities and Equity Instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with thesubstance of the contractual agreements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all itsliabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of directly attributabletransaction costs.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss,loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge,as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings andpayables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bankoverdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initialrecognition as at fair value through profit or loss. This category also includes derivative financial instrumentsentered into by the Group that are not designated as hedging instruments in hedge relationships asdefined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they aredesignated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized inthe statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.When an existing financial liability is replaced by another from the same lender on substantially differentterms, or the terms of an existing liability are substantially modified, such an exchange or modification istreated as the derecognition of the original liability and the recognition of a new liability. The difference in therespective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial instruments

After initial recognition, no reclassification is made for financial assets which are equity instruments and financialliabilities. For financial assets, which are debt instruments, a reclassification is made only if there is a change in thebusiness model for managing those assets. Changes to the business model are expected to be infrequent. If the Groupreclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is thefirst day of the immediately next reporting period following the change in the business model. The Group does not restateany previously recognized gains, losses (including impairment gains or losses) or interest.

2.16 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.

2.17 Impairment:

Intangible assets with definite life and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is the higher of the assets fair value less cost of disposal and the value-in-use) is

determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash generating units (CGU) to which the asset belongs.

If such individual assets or CGU are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.18 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.

2.19 Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.20 Trade and other payables:

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.21 Share capital:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.22 Earnings per share:

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.23 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. 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 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 realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize 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 realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.24 Provisions:

Provisions are recognized when the Group 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 Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

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 Group 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.

2.25 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is the Group's Board of Directors. The Board of Directors assesses the financial performance, position and makes strategic decisions. The Group operates in a single segment and accordingly there are no separate reportable segments other than Geographical segment identified.

2.26 Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.27 Derivatives:

The Group 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.

3.1 Significant accounting judgments, estimates and assumptions:

The preparation of 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 Group 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.

Significant Judgments:

3.2 Contingent liabilities:

The Group has received various orders and notices from tax and other judicial authorities in respect of direct taxes and indirect taxes. 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 Group 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.

3.3 Classification of Leasehold Land:

The Company has entered into lease agreement for land at three of its facilities. The lease period is of around 85-95 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee.

Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

3.4 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.

3.5 Going Concern assumptions:

The Group has incurred significant losses (before exceptional item) of ₹6236.20 lakhs for the financial year ended 31 March 2020 and the Company's current liabilities exceeds its current assets by ₹ 7230.16 lakhs as at 31 March 2020.

The Company's management has carried out an assessment of the Group's financial performance and expects the Group to achieve significant improvements in its financial performance with effect from financial year ending 31 March 2020 to enable it to continue its operations and to meet its liabilities as and when they fall due.

Various initiatives undertaken by the Company in relation to cost synergies, revenue management opportunities, enhanced ancillary revenues, sale of land available with subsidiary company, rescheduling of loans will result in improvement in operating cash inflow in coming years. Further, our continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows

On the basis of the above assessment and considering the financial and other support from promoter directors, the Directors of the Company are of the opinion that the preparation of the financial statements of the Group on a going concern basis is appropriate which contemplates realization of assets and settlement of liabilities in the normal course of business.

3.6 Segment Reporting:

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 sheet metal auto components and assemblies thereof. Based on the 'management approach' as defined in Ind As 108, the 'Chief operating Decision Maker' (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the Company operates are India.

3.7 Significant estimates and assumptions:

Impairment of Property, plant and equipment: Key assumptions used:

The management has assessed current and forecasted financial performance of the Group and the current market value of the assets to determine whether carrying value of property, plant and equipment has suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

3.8 Claims payables & receivable to customers:

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Group has made accruals in respect of unsettled prices for some of its other

material purchase contracts and bought out components. 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 accrual are uncertain and hence considered the same as payable on demand and classified under current liabilities.

3.9 Defined benefit plan:

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is 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.

3.10 Fair value measurement of unquoted financial instruments:

When 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 values is measured using valuation techniques including DCF method. The inputs to these models are taken from observable markets where possible, but where not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported value of financial instruments. Refer note no. 35 for further disclosure

3.11 Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3.12 Determination of lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The leases do not contain options which give a rise to a sole right to extend the lease.

3.13 Useful lives of property, plant and equipment, Investment property and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

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

Due to spread of COVID-19 pandemic and consequent mandatory lockdowns and restrictions in activities imposed by the Government, the Company's manufacturing plants and offices had to be closed down for a considerable period of time, during the year ended March 31, 2021. As a result of the lockdown, the manufacturing operations for the first two quarters were significantly impacted. Further, on the background of recent surge of COVID-19 cases in India, the Company is monitoring the situation closely. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realizable values of other assets. However, given the effect of these on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the above-mentionedfinancial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results

Note 4 : Property, plant and equipment and capital work-in-progress

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Carrying amounts of:		
Property, plant and equipment		
Freehold Land	2,81,42,727	2,99,29,082
Factory Building	51,43,49,919	54,45,08,581
Office Building	13,23,994	13,49,823
Plant and Machinery	44,11,90,811	56,32,15,497
Tools and Dies	20,56,88,179	24,26,54,564
Computer & IT Assets	12,88,204	6,33,585
Electrical Fittings	61,06,995	85,15,490
Furniture and fixture	8,83,520	12,47,973
Vehicle	12,26,618	17,56,655
Office Equipment	5,69,903	8,89,177
Total	**1,20,07,70,870**	**1,39,47,00,427**
Capital work-in-progress	56,48,197	97,37,500
Total	**56,48,197**	**97,37,500**
Other Intangible Assets		
R & D Process Development	-	5,50,714
Computer Software	5,51,198	18,66,721
Right of Use Assets	-	-
Total	**5,51,198**	**24,17,435**
Leasehold Land	4,74,74,315	4,74,74,315
Right of Use Assets	61,02,700	98,53,406
Right of Use Assets	**5,35,77,015**	**5,73,27,721**

Note 4: Property, plant and equipment

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount											
Cost as at April 01, 2020	5,30,27,433	92,29,91,539	15,49,000	1,68,80,64,402	75,99,95,760	2,82,46,258	11,45,38,217	2,16,54,523	2,05,62,902	1,37,36,703	3,62,43,66,737
Additions	-	-	-	41,07,995	26,31,100	11,63,312	2,15,000	-	-	24,500	81,41,907
Disposal	2,48,84,706	6,20,29,450	-	-	-	-	3,77,303	-	18,12,768	-	8,91,04,227
Cost as at March 31, 2021	**2,81,42,727**	**86,09,62,089**	**15,49,000**	**1,69,21,72,398**	**76,26,26,860**	**2,94,09,570**	**11,43,75,914**	**2,16,54,523**	**1,87,50,134**	**1,37,61,203**	**3,54,34,04,418**
Accumulated Depreciation											
As at April 01, 2020	-	33,94,45,325	1,99,177	1,12,48,48,903	51,73,41,196	2,76,12,673	10,60,22,727	2,04,06,550	1,88,06,247	1,28,47,526	2,16,75,30,324
Depreciation for the year	-	2,87,00,063	25,829	12,61,32,683	3,95,97,485	5,08,693	25,22,241	3,64,453	5,30,037	3,43,774	19,87,25,258
Disposal	-	2,15,33,218	-	-	-	-	2,76,049	-	18,12,768	-	2,36,22,035
As at March 31, 2021	-	34,66,12,170	2,25,006	1,25,09,81,586	55,69,38,681	2,81,21,366	10,82,68,919	2,07,71,003	1,75,23,516	1,31,91,300	2,34,26,33,547
Net Carrying amount											
As at March 31, 2021	**2,81,42,727**	**51,43,49,919**	**13,23,994**	**44,11,90,811**	**20,56,88,179**	**12,88,204**	**61,06,995**	**8,83,520**	**12,26,618**	**5,69,903**	**1,20,07,70,870**

Note 4 : Property, plant and equipment

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount											
Cost as at April 01, 2019	5,40,01,808	92,86,46,820	15,49,000	1,67,84,01,426	75,99,95,760	2,80,85,838	11,55,84,576	2,36,29,761	2,10,87,902	1,46,53,897	3,62,56,36,788
Additions	-	-	-	1,45,18,042	-	1,60,420	-	35,754	-	55,400	1,47,69,616
Disposal	9,74,375	56,55,281	-	48,55,066	-	-	10,46,359	20,10,992	5,25,000	9,72,594	1,60,39,667
Cost as at March 31, 2020	5,30,27,433	92,29,91,539	15,49,000	1,68,80,64,402	75,99,95,760	2,82,46,258	11,45,38,217	2,16,54,523	2,05,62,902	1,37,36,703	3,62,43,66,737
Accumulated Depreciation											
As at April 01, 2019	-	31,28,16,108	1,73,348	1,00,28,04,524	47,78,25,740	2,68,70,219	10,29,04,097	2,20,01,653	1,87,24,080	1,34,78,147	1,97,75,97,916
Depreciation for the year	-	2,87,83,050	25,829	12,54,79,427	3,95,15,456	7,42,454	41,64,989	4,13,761	6,07,167	3,41,973	20,00,74,106
Disposal	-	21,53,833	-	34,35,046	-	-	10,46,359	20,08,864	5,25,000	9,72,594	1,01,41,696
As at March 31, 2020	-	33,94,45,325	1,99,177	1,12,48,48,905	51,73,41,196	2,76,12,673	10,60,22,727	2,04,06,550	1,88,06,247	1,28,47,526	2,16,75,30,326
Net Carrying amount											
As at March 31, 2020	5,30,27,433	58,35,46,214	13,49,823	56,32,15,497	24,26,54,564	6,33,585	85,15,490	12,47,973	17,56,655	8,89,177	1,45,68,36,411

Note 1:-Capital work-in-progress comprising construction of factory shed at plant and ERP system under development.

Note 2:- For Property, plant and equipment pledges as securities refer note 47

Note 3:- For contractual commitments towards acquisition of property plant and equipment's refer note 41

Note 4:- There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 85-95 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions and for other leasehold facility the renewal will be mutually.

Note 4 : Intangible Assets

	Other Intangible assets						Right of Use Assets			
	R & D Process Development	Computer Software	Right of Use Assets	Other Intangible assets	Trade Mark	Total	Leasehold Land	Right of Use Assets	Total	WIP
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount										
Cost as at April 01, 2020	19,41,34,394	8,04,85,813	-	3,99,00,000	20,500	31,45,40,707	4,77,44,067	1,36,04,113	6,13,48,180	97,37,500
Additions	-	-	-	-	-	-	-	-	-	56,48,197
Disposal/Transfer	-	-		-	-	-	-	-	-	97,37,500
Cost as at March 31, 2021	19,41,34,394	8,04,85,813	-	3,99,00,000	20,500	31,45,40,707	4,77,44,067	1,36,04,113	6,13,48,180	56,48,197
Accumulated Depreciation										
As at April 01, 2020	19,35,83,680	7,86,19,092	-	3,99,00,000	20,500	31,21,23,272	2,69,752	37,50,707	40,20,459	-
Depreciation for the year	5,50,714	13,15,523	-	-	-	18,66,237		37,50,706	37,50,706	-
Disposal/Transfer	-	-		-	-	-			-	-
As at March 31, 2021	19,41,34,394	7,99,34,615	-	3,99,00,000	20,500	31,39,89,509	2,69,752	75,01,413	77,71,165	-
Net Carrying amount										
As at March 31, 2021	-	5,51,198	-	-	-	5,51,198	4,74,74,315	61,02,700	5,35,77,015	56,48,197

Note 4 : Intangible Assets

	Other Intangible assets						Right of Use Assets		
	R & D Process Development	Computer Software	Right of Use Assets	Other Intangible assets	Trade Mark	Total	Leasehold Land	Right of Use Assets	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Carrying amount									
Cost as at April 01, 2019	19,41,34,394	8,25,28,946		3,99,00,000	20,500	31,65,83,840	4,77,44,067	-	4,77,44,067
Additions	-	-	-	-	-	-	-	1,36,04,113	1,36,04,113
Disposal/Transfer	-	20,43,133		-	-	20,43,133	-	-	-
Cost as at March 31, 2020	19,41,34,394	8,04,85,813	-	3,99,00,000	20,500	31,45,40,707	4,77,44,067	1,36,04,113	6,13,48,180
Accumulated Depreciation									
As at April 01, 2019	18,98,11,276	7,87,45,650	-	3,99,00,000	20,500	30,84,77,426	2,69,752	-	2,69,752
Depreciation for the year	37,72,404	19,16,575	-	-	-	56,88,979		37,50,707	37,50,707
Disposal/Transfer	-	20,43,133		-	-	20,43,133			-
As at March 31, 2020	19,35,83,680	7,86,19,092	-	3,99,00,000	20,500	31,21,23,272	2,69,752	37,50,707	40,20,459
Net Carrying amount									
As at March 31, 2020	5,50,714	18,66,721	-	-	-	24,17,435	4,74,74,315	98,53,406	5,73,27,721

Note 5 Investment others (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Investment in equity Shares:		
Investment at Fair Value through Profit & Loss		
Unquoted Equity Shares		
Rupee Co-operative Bank Ltd.	5,00,000	5,00,000
20,000 equity shares of face value ₹10		
Less : Provision for Diminution in Value of Investments	(5,00,000)	(5,00,000)
	-	-
NKGSB Co-operative Bank Ltd.	5,00,000	5,00,000
50,000 equity shares of face value ₹10		
Vidya Sahakari Bank Ltd.	5,00,000	5,00,000
5,000 equity shares of face value ₹100		
Chinar Commerce Private Limited	15,90,312	15,90,312
8,750 equity shares of face value ₹10		
Total	**25,90,312**	**25,90,312**
Aggregate amount of quoted investment	-	
Aggregate amount of Unquoted investment	25,90,312	25,90,312
Aggregate amount of impairment in the Value of investment	5,00,000	5,00,000

Note 6 Other financial assets non-current

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Security deposits	1,25,86,852	1,28,62,704
Margin Money Deposits with Banks	2,13,61,054	2,00,86,179
Total	**3,39,47,906**	**3,29,48,883**

Note 7 Income tax assets (net)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Advance income tax (net of provisions) - Unsecured, considered good	11,15,89,232	9,95,25,106
Less: Current Tax Payable for the year	-	-
Less: Refunds Received / TDS reversed	8,63,01,155	1,13,01,860
Add: Taxes paid during the year	1,20,34,753	2,33,38,715
Total	**3,73,22,830**	**11,15,61,961**

Note 8 Deferred tax assets (MAT Credit)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Deferred tax assets (MAT Credit)	13,38,87,053	13,38,87,053
Deferred tax assets	2,19,918	2,19,918
Total	**13,41,06,971**	**13,41,06,971**

Note 9 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with Govt. Authorities	50,48,764	2,42,64,844
Industrial Promotion Subsidy Receivable (Refer Sub note 9.1)	9,98,38,861	9,98,38,861
Capital Advance	1,03,77,263	-
Total	**11,52,64,888**	**12,41,03,705**

Note 9.1

Industrial Promotion Subsidy is receivable from Government of Maharashtra under Package Scheme of Incentives for the years from FY 2009-10 to FY 2016-17. These are receivable after completion of assessment under Maharashtra Value Added Tax Act, 2002.

Note 10 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Raw materials (includes lying with third parties)	19,69,64,665	18,41,86,606
Work-in-progress (includes tools & dies)	15,82,65,128	18,50,70,579
Finished goods (includes goods in transit as at March 31, 2021 ₹25,19,150 and as at March 31, 2020 ₹50,86,916) Stores and	4,47,45,079	4,25,60,865
spares and packing	19,87,695	30,05,675
Scrap Material	40,01,713	11,30,249
Land and Development Cost (WIP)	1,12,16,04,040	1,11,57,08,273
Total	**1,52,75,68,320**	**1,53,16,62,247**

Note 11 Trade Receivables Current

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Unsecured		
Considered good	44,67,27,081	26,89,49,380
Doubtful	-	-
sub-total	**44,67,27,081**	**26,89,49,380**
Less: Allowances for Doubtful Debt (Expected Credit Loss)	-	-
Total	**44,67,27,081**	**26,89,49,380**
Includes of the above trade receivables of related parties	**Nil**	**Nil**

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

The Group's exposure to credit and loss allowances related to trade receivables are disclosed in note 36

Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring / discounting arrangement. Under these arrangements, the Company has transferred the relevant receivables to the financial institutions in exchange for cash (net of deductions) and is prevented from selling or pledging the receivables. However, the Group has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under these agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Total Transferred receivables	21,87,48,319	1,33,27,358
Associated Secured Borrowing (Refer Note 22)	21,87,48,319	1,33,27,358

Note 12 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Cash on Hand	1,29,253	1,03,368
Balances with banks		
In current accounts	23,17,351	1,32,88,397
Total	**24,46,604**	**1,33,91,765**

Note 13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with banks		
Margin Money Deposits (restricted)	6,08,77,376	4,08,37,712
Unpaid dividend accounts (restricted)	1	84,483
Total	**6,08,77,377**	**4,09,22,195**

Note 14 Loans and advances (current)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured & Considered Good	₹	₹
Advances to Employees	10,58,090	6,66,148
Loans to Others	84,73,568	76,28,706
Total	**95,31,658**	**82,94,854**

Note 15 Other financial assets (current)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured & Considered Good	₹	₹
Security deposits	25,77,200	25,77,200
Advances Recoverables	20,40,000	30,30,000
Receivable for sale of property, plant and equipment	9,90,00,000	-
Total	**10,36,17,200**	**56,07,200**

Note 16 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balances with government authorities	25,65,542	26,13,846
Advances for Expenses	1,71,681	2,63,309
Prepayments	35,61,687	34,95,760
Advances to suppliers*	2,30,16,045	3,12,98,944
Advance for Land	6,37,28,437	6,46,78,437
Total	**9,30,43,392**	**10,23,50,296**

* The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.

Note 16a : Assets Held for Sale

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Assets Held for Sale		
Land	-	2,30,98,351
Factory Building	-	3,90,37,633
	-	**6,21,35,984**

The Holding Company has entered into Memorandum of Understanding with the prospective buyer for transfer of land and factory building situated at Survey No. 613 Mahalunge, Chakan, Pune-410501 and accordingly these assets were presented as “Assets classified as held for sale” as at March 31, 2020. During the financial year 2020 - 2021 company has effected sale of these assets.

Note 17 Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Authorised		
35,000,000 Equity shares of ₹10 each with voting rights	35,00,00,000	35,00,00,000
Issued, Subscribed and fully paid up		
(as at March 31, 2021: 30,963,164 Equity shares of ₹10 each)	30,96,31,640	27,02,75,850
(as at March 31, 2020: 27,027,585 Equity shares of ₹10 each)		
Total	**30,96,31,640**	**27,02,75,850**

a. Movement in authorised share capital

	Equity Share Capital	
	Number of shares	Amount ₹
As at April 01, 2019	3,50,00,000	35,00,00,000
Increase / (decrease) during the year	-	-
As at April 01, 2020	3,50,00,000	35,00,00,000
Increase / (decrease) during the year	-	-
As at April 01, 2021	3,50,00,000	35,00,00,000

b. Movement in Issued, Subscribed and fully paid up share capital

	Equity Share Capital	
	Number of shares	Amount ₹
As at April 01, 2019	2,70,27,585	27,02,75,850
Increase / (decrease) during the year	-	-
As at April 01, 2020	2,70,27,585	27,02,75,850
Increase / (decrease) during the year	39,35,579	3,93,55,790
As at April 01, 2021	3,09,63,164	30,96,31,640

c. Shares held by holding/ ultimate holding company and /or their subsidiaries/ associates

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates.

d. Aggregate number of bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

e. During the year following equity share were issued by the company

1. The Promoters have paid the balance 75% of warrant price on July 28, 2020 and exercised their right for conversion of 12,32,877 warrants into equal number of equity shares of the Holding Company. Hence, the Board of Directors of the Holding Company has allotted 12,32,877 equity shares of the face value of ₹10/-each fully paid at a premium of ₹ 63/- each
2. Conversion of principal loan outstanding of Rs10 crore payable to JM Financial Asset Reconstruction Company Limited in 27,02,702 no of equity shares of the company of face value ₹10 each at a premium of ₹27 each

f. Details of shares held by shareholders holding more than 5% of equity share of the company

Name of the Shareholder	As at March 31, 2021	
	Number of shares held	**% holding**
IndiaNivesh Renaissance Fund	47,94,520	15.48
Mr.Shivaji Tukaram Akhade	34,74,981	11.22
Mr.Sudhir Vitthal Mungase	29,48,431	9.52
JM Financial Asset Reconstruction Company Limited	27,02,702	8.73
Sharjah Cement and Industrial Development Company Ltd	22,65,432	7.32
	1,61,86,066	**52.27**

Name of the Shareholder	As at March 31, 2020	
	Number of shares held	**% holding**
IndiaNivesh Renaissance Fund	47,94,520	17.74
Mr. Shivaji Tukaram Akhade	30,64,022	11.34
Mr.Sudhir Vitthal Mungase	25,37,472	9.39
Sharjah Cement and Industrial Development Company Ltd	22,65,432	8.38
	1,26,61,446	**46.85**

g. Terms and rights attached to equity shares

The Group has only one class of equity shares having a face value of INR 10/- per share. Each holder of equity shares is entitiled to one vote per share. The Group 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 distributions of all preferrential amounts. The distribution will be in proprtion to the number of equity shares held by the shareholders.

Note 18 Other Equity

A. Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Securities Premium Reserve	2,55,21,57,990	2,37,92,07,258
Revaluation Reserve	90,59,437	90,59,437
Employee Stock Options outstanding	-	-
General Reserve	12,02,27,654	12,02,27,654
Equity component of compound financial instruments	61,75,271	-
Retained Earnings	(2,77,87,46,574)	(2,38,84,59,480)
Total Reserves and Surplus	**(9,11,26,222)**	**12,00,34,870**
B. Money received against share warrants	-	2,25,00,006
Total Other Equity	**-9,11,26,222**	**14,25,34,876**

Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Securities Premium Reserve		
Balance at the beginning of the year	2,37,92,07,258	2,37,92,07,258
Add: premium received	17,29,50,731	-
Balance at the end of the year	2,55,21,57,990	2,37,92,07,258
Revaluation Reserve		
Balance as at the beginning and end of the year	90,59,437	90,59,437
Employee Stock Options outstanding		
Balance at the beginning of the year	-	15,61,673
Less: Deferred Employee Compensation	-	15,61,673
Balance at the end of the year	-	-
General Reserve		
Balance as at the beginning and end of the year	12,02,27,654	12,02,27,654
Equity component of compound financial instruments		
Balance as at the end of the year	61,75,271	-
Retained Earnings		
Balance as at the beginning of the year	(2,38,84,59,481)	(1,72,87,59,011)
Add: IndAS Efffect	-	-
Add: Profit / (Loss) for the year	(38,93,29,908)	(65,86,70,281)
Add: Items of other comprehensive income recognised directly in retained earnings (Remeasurement of post-employment benefit obligations- (loss)/ gain)	(9,57,185)	(10,30,188)
Balance as at the end of the year	(2,77,87,46,574)	(2,38,84,59,480)
Total	**(9,11,26,222)**	**12,00,34,870**

Nature and Purpose of Reserves:

a) Securities premium account:

Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013.

b) Revaluation Reserve:

Revaluation Reserve is used to record the revaluation amount which represents the current and probable future value of assets which is higher than the recorded historic cost of the same asset.

c) General Reserves:

Represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956 and transition adjustments on implementation of new accounting standards.

d) Employee stock option outstanding

It is used to recognise the value of equity- settled share based payments provided to employees, including key management personnel. It is a part of Shareholders equity.

Money received against share warrants*

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Balance at the beginning of the year	2,25,00,006	2,25,00,006
Add: warrants issued during the year	-	-
Less: warrants converted in equity shares during the year	2,25,00,006	-
Balance at the end of the year	**-**	**2,25,00,006**

The Holding Company had issued and allotted 12,32,877 convertible share warrants on preferential basis to the Promoters pursuant to the shareholders' approval obtained on November 16, 2018. The warrants were allotted in the month of December 2018 at a price of ₹ 73/- each ("warrant price") upon receipt of 25 % upfront amount ₹2.25 Crores outstanding as at March 31, 2020.

The outstanding amount on share warrants had to be paid in full on or before eighteen months from the date of allotment of warrants, in view of the Covid-19 pandemic and other economic conditions, the Company had applied and received extension from Securities and Exchange Board of India (SEBI) of time for payment of the outstanding warrants amount. SEBI had granted an extension for a period upto September 25, 2020 for the tenure of warrants.

The Promoters have paid the balance 75% of warrant price on July 28, 2020 and exercised their right for conversion of 12,32,877 warrants into equal number of equity shares of the Holding Company. Hence, the Board of Directors of the Holding Company has allotted 12,32,877 equity shares of the face value of ₹10/-each fully paid at a price of ₹ 73/- each on July 28, 2020

Note 19 Borrowings (non current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Secured		
Optionally Convertible Debentures (refer note below)	14,53,14,017	-
From Banks	2,51,75,229	21,52,61,907
From Financial Institutions	48,26,94,237	27,35,62,186
Total	**65,31,83,483**	**48,88,24,093**

Note 19.1 Optionally Convertible Debentures

a) 2142857 fully paid Secured Optional Convertible Debentures of Face Value of ₹70 each amounting to ₹ 1500.00 lakh issued by the Holding Company during the year. The Debenture shall carry interest rate of 9% per annum and for a maximum period of 18 months from the date of allotment i.e. November 10, 2020 and thereafter will be either converted into Equity Shares or Redeemed.

b) Since the optionable convertible debentures have been allotted consequent to restructuring of the Holding Company's debt, there is no active market available for the aforesaid financial instruments, therefore the Company has not re-measured Optional Convertible Debenture.

c) JM Financial Asset Restructuring Company Ltd. one of the Holding Company's lender has restructured the debt of the Holding Company on sustainable basis vide their sanction letter dated September 23, 2020 Based on the sanction received from JMFARC the debts of the Holding Company have been reclassified.

d) The Optionally Convertible Debentures issued are secured in favour of Debenture Trustee by first pari passue charge on the borrowers immovable properties of the Company consisting of factory, land & buildings and fixed and movable plant and machineries and other fixed assets both present and future situated at S.No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Dist Pune.

Note 19.2 Debt Restructuring by JM Financial Asset Restructuring Company Ltd

In the earlier years, one of the Holding Company's lender assigned their debts of to an JM Financial Asset Reconstruction Company. During the current financial year, restructuring plan was drawn and agreed by the Holding Company and JMFARC. Pursuant to the same the restructuring was implemented as per which loans have been converted into term loans, debentures and equity shares.

a) The Holding Company issued 2702702 equity shares of face value of ₹ 10 each at premium of ₹27/- each to JMFARC upon conversion of a loan of ₹1000.00 lakh.

b) The Holding Company issued 2142857 fully paid Optionally Convertible Debentures at price of ₹70 each amounting to ₹1500.00 lakh during the year. The Debenture shall carry interest rate of 9% per annum and for a maximum period of 18 months from the date of allotment i.e. November 10, 2020 and thereafter will be either converted into Equity Shares or Redeemed.

c) Remaining debt of ₹1900.00 Lakhs of the JMFARC has been restructured into term loan with mortarium period of 12 months and thereafter repayment in 10 quarterly installments beginning from December 2021. Interest rate is at 12% per annum with monthly rest.

d) The Outstanding interest payable by the Holding Company amounting to ₹601.80 lakhs have been converted into funded interest term loan facility and repayable in three quarterly installment beginning from June 2021.

19.3 Details of repayment of term loan (refer note 19)

Lender	Amount outstanding as at March 31, 2021	Amount outstanding as at March 31, 2020	Nature of Facility	Terms of repayment/ Maturity detail
	₹	₹		
Axis Bank Term Loan	1,90,49,477	3,68,33,911	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till November 2021 (Restructured)
Axis Bank Term Loan	2,66,56,366	4,99,89,700	Term Loan	
Bank of Baroda Term Loan	2,19,59,987	3,13,39,899	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till May 2022 (Restructured)
Bank of Baroda Term Loan	2,78,06,267	3,99,74,872	Term Loan	
Bank of Baroda WCTL	13,13,89,894	18,74,78,083	Term Loan	
Bank of Baroda FITL	3,57,85,055	5,17,00,315	Term Loan	
The Catholic Syrian Bank Term Loan	2,61,58,698	3,95,69,430	Term Loan	Repayment in 60 Monthly Installaments commencing from December 2016 till May 2022 (Restructured)
JM Financial ARC -Term Loan	-	5,22,52,639	Term Loan	During the year, JMFARC has restructured their debts into Equity, Optionally Convertible Debentures & Term Loans (refer note 19.2)
JM Financial ARC -Term Loan	-	3,23,88,001	Term Loan	
JM Financial ARC -Term Loan	-	6,04,57,598	Term Loan	
JM Financial ARC -FITL	-	7,18,35,435	Term Loan	
JM Financial ARC -WCTL	-	14,72,57,492	Term Loan	
JM Financial ARC -Term Loan	-	6,81,31,572	Term Loan	
JM Financial ARC-Restructured TL	19,00,00,036		Term Loan	Repayment in 10 quarterly installament commencing from Dec21 (Restructured)
JM Financial ARC-Restructured FITL	6,03,80,440		Term Loan	Repayment in 3 quarterly installament commencing from June21 (Restructured)
ICICI Bank Vehicle Loan	-	2,45,338	Term Loan	Repayment in 48 months from Sep,2016 to Aug,2020, EMI ₹52,442/-
Tata Motors Finance Solution Ltd	8,04,86,357	10,74,73,085	Term Loan	Repayment in 60 monthly installments starting from April 2017 to Sept 2022
Tata Motors Finance Solution Ltd	10,45,66,464	13,86,44,627	Term Loan	Repayment after 1 year moratorium in 60 monthly installments starting from April 2018 to Sept 2022
Tata Motors Finance Solution Ltd	5,66,88,033	7,54,15,629	Term Loan	Repayment in 60 monthly installments starting from April 2017 to Sept 2022
Tata Motors Finance Solution Ltd	-	5,05,936	Term Loan	Repayment in 36 monthly installment starting from Feb 2017 to Jan 2020.
Tata Motors Finance Solution Ltd	4,44,14,322	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	4,72,59,626	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.

Lender	Amount outstanding as at March 31, 2021	Amount outstanding as at March 31, 2020	Nature of Facility	Terms of repayment/ Maturity detail
	₹	₹		
Tata Motors Finance Solution Ltd	19,18,56,788	-	Term Loan	Repayment in 72 equatted monthly installments starting from Oct-2020 to Sept-2026.
Tata Capital Financial Services Ltd TL	-	54,54,300	Term Loan	Payable in Equal Monthly Installments starting from 15 July 2019 till 15 May 2020
Tata Capital Financial Services Ltd TL	-	2,90,90,800	Term Loan	Payable in Equal Monthly Installments starting from 05 Jan 20 till 05 Nov 2020
Sub-total	**1,06,44,57,811**	**1,22,60,38,664**		
Less : Current maturities of long term borrowings	(55,65,88,345)	(73,72,14,571)		
Total	**50,78,69,466**	**48,88,24,093**		

1. Bank of Baroda's Term loan are secured by First Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Holding Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc. both present and future situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Second Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Holding Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future situated at S.No. 313,314, 320 to 323, at Nanekarwadi, Chakan, Pune 410501. (called as Chakan Unit- II), Plot No.5 Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Plot No. E -12 (17)/(8), MIDC Bhosari, Pune 411026

2. Axis Bank Ltd.'s loans are secured by exclusive charge on all Fixed assets including land and building of the Holding Company situated at Gat No. 613, Chakan Talegaon Road, Pune 410 501, Gat no. 712 , Kudalwadi, Chikhali, Pune 412114 and first charge on all fixed assets including land and building situated at Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and E12-17 (7) MIDC Bhosari, Pune 411026.

3. The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge pari passue on Land with factory building and by way of hypothecation of other fixed assets of the Holding Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future, situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit- II) . Further it is secured by second Charge by way of mortgage of factory land & building, office building of the Holding Company situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, SIDCUL, Rudrapur, Uttarakhand.

4. Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Land & Building, Plant & Machinery of the Holding Company situated at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune & Plot No 5, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand restricted to ₹12 Crores. Further secured first ranking pari passu charge valued at ₹75 Crores comprising of ₹38.20 Crs of Land and Building and ₹36.80 Crs of plant and machinery (at WDV) situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit- II) with The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s. exclusive charge on non agriculture land admeasuring 01 Hectares 35 Ares or therabout out of Gat No.1612 totally admeasuring about 2 Hectare 32 Acers situated at Village Chikhali, Tal. Haveli, Dist Pune within the limits of Pimpri Chinchwad Municipal Corporation owned by the promotors. Further they are secured by second charge on land, Building, Plant & Machinery both present and future situated at Gat no. 712 , Kudalwadi , Chikali, Pune and Survy no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and Plot No. E12-17 (7) MIDC Bhosari, Pune and first and exclusive charge on land and building, plant & machineries situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka.

5. (a) Term Loans from Bank Of Baroda, Axis Bank, JM Financial A R C Ltd., Catholic Syrian Bank Ltd. are further guaranteed in the Personal Capacity by two Promotor Directors of the Holding Company and by ED & CEO of the Holding Company.

   (b) Term Loans from Tata Motors Financial Services Ltd are further guaranteed by two Promotor Directors in their personal capacity.

6. Term Loans,sanctioned by Bank of Baroda, JM Financial A R C Ltd. and Catholic Syrian Bank Ltd. are having second charge on all Current Assets of the Holding Compnay.

7. Interest rate for above loans are range between 9.51% to 15%

8. Repayment default on Long Term Borrowings outstanding as at the year end is as follows:-

Particulars	March 31, 2021	March 31, 2020
	₹	₹
From Bank		
Principal Amount	48,11,149	2,91,90,797
Interest Amount	28,75,693	98,38,025
From Others		
Principal Amount	-	18,17,62,099
Interest Amount	1,11,17,770	8,29,88,409
Total		
Principal Amount	48,11,149	21,09,52,896
Interest Amount	1,39,93,463	9,28,26,434

Note 20 Other Financial Liabilities (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Lease liabilities (Refer note No.4)	46,06,818	71,55,674
Total	**46,06,818**	**71,55,674**

Note 21 Provisions (non-current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Provision for employee benefits		
Gratuity	22,30,389	23,23,639
Compensated absences	77,17,318	75,15,127
Total	**99,47,707**	**98,38,766**

Note 22 Borrowings (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Secured		
Loans repayable on demand - cash credit		
From Banks	14,83,83,505	24,59,45,005
From Financial Institutions	9,99,98,648	9,87,04,098
Bill discounted	21,87,48,319	1,33,27,358
Unsecured		
Related Parties - Intercorporate deposits	1,22,18,600	62,80,873
Related Parties - Promotors & Directors	3,90,07,927	4,09,15,624
Others - Intercorporate deposits	23,70,31,401	23,70,31,401
Total	**75,53,88,400**	**64,22,04,359**

1. All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the Holding Company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Holding Company.
2. Loan Repayable on demand i.e. Cash Credit from bank was overdrawn by ₹7.09 crores as at March 31, 2021
3. Working capital borrowings from Banks are further guaranteed in the personal capacity by two Promoter Directors of the Holding Company and also by Executive Director & CEO of the Holding Company
4. Working capital borrowings from financial institutions are guaranteed in the personal capacity by two Promoter Directors of the Holding Company.
5. Unsecured loan from subsidiaries, related parties and other corporates are repayable on demand

Note 23 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total outstanding dues of micro, small and medium enterprises	1,75,05,213	1,12,56,902
(Refer note no 43 for disclosures as per MSMED Act 2006)		
Total outstanding dues of other than micro, small and medium enterprises		
Acceptances	9,93,72,596	7,55,39,714
Trade payables (other than related parties)	45,98,60,794	41,77,60,919
Trade payables to related parties (refer note no 39)	2,71,20,142	1,58,05,513
Total	**60,38,58,745**	**52,03,63,048**

The balances of trade payable for the amount due to some of them are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

Note 24 Other Financial Liabilities (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Current Maturities of Long-Term Borrowings (Refer Note No. 19 for terms and conditions)		
Secured	55,17,77,196	49,17,16,574
Unsecured	-	3,45,45,100
Repayment Overdue on long term borrowings (secured)	48,11,149	21,09,52,897
Unclaimed Dividend	-	84,483
Security Deposits	1,00,00,000	3,00,00,000
Employee benefits payable	3,06,74,262	3,19,52,683
Other payables	19,01,91,560	19,31,57,798
Settlement Claim Payable	8,80,44,000	11,28,45,000
Interest Payable	6,48,82,403	11,72,11,092
Total	**94,03,80,569**	**1,22,24,65,628**
Lease liabilities	25,48,857	34,73,662
Total	**94,29,29,426**	**1,22,59,39,290**
Includes of the above Other payables of related parties	31,01,330	22,86,160

Note 25 Other Current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Statutory dues payables	31,57,82,923	17,71,65,442
Other Payables	2,83,875	1,03,500
Advances from others	-	2,05,00,000
Advances from customers	1,69,99,366	7,72,70,318
Advances against sale of Property, Plant & Equipment	7,50,00,000	7,62,00,000
Total	**40,80,66,164**	**35,12,39,260**

Note 26 Provisions (current)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Provision for employee benefits		
Gratuity (refer note 46)	4,42,08,369	3,61,56,179
Compensated absences	6,00,289	5,13,628
Total	**4,48,08,658**	**3,66,69,807**

Note 27 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Sale of products	2,55,27,24,145	2,84,00,47,052
Sale of services	1,58,79,634	6,05,31,580
Other operating revenues	27,83,43,942	26,21,42,695
Total	**2,84,69,47,721**	**3,16,27,21,328**

A) Disaggregate revenue

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Revenue recognised for the year 2020-21		
Revenue recognised at point-in-time for the year 2020-21	2,84,69,47,721	3,16,27,21,328
Revenue recognised over time for the year 2020-21	-	-
Revenue for the year 2020-21 from customers within India	2,81,92,05,802	3,10,51,07,884
Revenue for the year 2020-21 from customers outside India	2,77,41,920	5,76,13,444
Disaggregation of revenue		
Based on type of goods		
Components, assemblies and sub-assemblies	2,34,99,83,594	2,54,11,48,626
Tools, dies and moulds	5,13,31,602	7,94,03,779
Scrap	27,19,26,816	25,91,61,275
Others	17,37,05,709	28,30,07,648
Based on market		
Original equipment manufacturers	2,34,86,90,869	2,56,15,75,937
Others	49,82,56,852	60,11,45,391
Impairment losses recognised on receivables or contract	-	-
assets arising from an entity's contracts with customers	-	-
(loss recognised as per expected credit loss model)	-	-

B) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers.

Particulars	March 31, 2021	March 31, 2020
	₹	₹
Trade receivables	44,67,27,081	26,89,49,380
Contract Liabilities	1,69,99,366	1,71,70,318

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended are as follows:

Particulars	March 31, 2021	March 31, 2020
	₹	₹
Contract liabilities at the beginning of the year	1,71,70,318	2,57,26,770
Revenue recognised that was included in the contract liability balance at the beginning of the year	90,39,502	1,63,78,100
Increase due to cash received, excluding amounts recognised as revenue during the year	88,68,550	78,21,648
Contract liabilities at the end of the year	1,69,99,366	1,71,70,318

C) Performance Obligations

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

D) Transaction Price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.

E) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

F) Determining the transaction price and the amounts

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.

Note 28 Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Interest income	1,07,43,254	1,20,23,382
Dividend income from other Investments	-	50,000
Net gain on foreign currency transactions	45,15,804	-
Other non-operating income	19,15,377	74,00,039
Profit on Sale of Property, Plant & Equipment	-	56,66,550
Total	**1,71,74,434**	**2,51,39,971**

Note 29.a Cost of materials consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Inventory of raw material at the beginning of the year	18,53,16,855	29,98,25,235
Add : Purchases:	1,87,93,04,134	2,12,40,64,367
	2,06,46,20,989	2,42,38,89,602
Inventory of raw material at the end of the year	20,09,66,378	18,53,16,855
Total	**1,86,36,54,611**	**2,23,85,72,747**

Note 29.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Inventories at the end of the year:		
Finished goods	4,47,45,079	4,25,60,865
Work-in-progress (includes tools & dies)	15,82,65,128	18,50,70,579
	20,30,10,207	22,76,31,444
Inventories at the beginning of the year:		
Finished goods	4,25,60,865	5,30,84,456
Work-in-progress (includes tools & dies)	18,50,70,579	25,37,72,778
	22,76,31,444	30,68,57,234
Net (increase) / decrease	**2,46,21,237**	**7,92,25,790**

Note 30 Employee benefits expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Salaries, Wages and Bonus	22,05,07,005	25,24,11,021
Contributions to provident and other funds	93,73,678	1,12,21,510
Gratuity expenses	81,81,974	81,14,434
Expense on employee stock option (ESOP) scheme	-	(15,61,673)
Employee Insurance expenses	7,52,212	12,25,998
Staff welfare expenses	1,60,51,781	1,95,57,426
Compensated absences	14,07,734	18,32,211
Total	**25,62,74,385**	**29,28,00,927**

Note 31 Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
(a) Interest expense on:		
(i) Borrowings	23,45,40,246	23,15,14,671
(ii) Letter of Credit	46,04,282	58,23,496
(iii) Interest on delayed / deferred payment	2,95,34,029	1,92,46,106
(iv) Interest to others	3,89,87,659	4,22,89,253
(b) Other borrowing costs	49,94,955	47,51,189
(c) Bank Charges & Commission	70,36,669	96,54,608
Total	**31,96,97,840**	**31,32,79,322**

Note 32 Depreciation and amortisation

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Depreciation of tangible assets (refer note 4)	19,87,25,258	20,00,74,106
Amortisation of intangible assets (refer note 4)	18,66,237	56,88,979
Amortisation of ROU assets (refer note 4)	37,50,706	37,50,707
Total	**20,43,42,201**	**20,95,13,792**

Note 33 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Consumption of stores and Spares	4,71,28,346	4,86,36,518
Consumption of packing material	1,21,13,308	1,52,49,354
Outsourced direct labour cost	24,33,97,842	25,17,28,020
Power and fuel	13,48,75,485	12,09,98,834
Transport charges	7,59,45,592	8,13,51,213
Repairs and maintenance - Buildings	15,20,397	41,17,236
Repairs and maintenance - Machinery	2,01,01,885	2,54,88,844
Repairs and maintenance - Others	60,53,066	1,13,28,303
Tooling and designing charges	75,500	11,200
Insurance	25,85,850	19,93,772
Rent	70,59,265	94,62,539
Rates and taxes	24,82,019	31,38,708
Communication expenses	21,56,440	28,93,745
Travelling and conveyance	7,69,130	75,27,510

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Printing and stationery	12,41,716	20,32,831
Legal and professional fees	2,58,60,978	5,02,90,942
Security charges	1,16,60,398	1,29,37,344
Director sitting fees	19,25,000	14,95,001
Payments to auditors (see sub-note1)	35,52,263	36,41,920
Impairment of fixed assets	-	14,22,148
Loss on Sale of Property, Plant & Equipment	26,254	-
Net loss on foreign currency transactions	-	93,60,314
Miscellaneous expenses	85,87,568	1,00,62,069
Preliminary & miscellaneous expenses written off	-	4,27,251
Sundry balances writeoff (Net)	78,17,229	24,93,377
Total	**61,69,35,532**	**67,80,88,992**

Note 33.1 Other Expenses (Sub-note 1)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Payments to auditors comprises		
As auditors - Statutory and Tax Audit	33,86,340	33,72,018
Reimbursement of expenses	1,65,923	2,69,902
Total	**35,52,263**	**36,41,920**

Note 34. Exceptional items

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Sales tax dues paid in amnesty scheme	-	3,67,52,574
Profit on Sale of Property, Plant & Equipment	(6,41,83,272)	-
Impairment of Capital work in progress	97,37,500	-
Income tax settlement dues (VSV)	5,17,94,166	-
Total	**(26,51,606)**	**3,67,52,574**

Notes:

1) **Profit on Sale of Property, Plant & Equipment:** Exceptional items for the year ended on March 31, 2021 includes Profit of ₹ 6.42 Crores from Sale of Land & factory shed/building situated at Gat No. 613, Mahalunge, Khed, Pune and Gat No. 712 Kudalwadi, Chikhali, Pune, erstwhile units of the Holding Company.

2) **Impairment of Capital Work in Progress:** Exceptional items for the year ended March 31, 2021 includes write off items of intangible assets under development amounting to ₹ 0.97 Crores.

3) **Income tax settlement dues (VSV) :** Exceptional items include provision made for tax expense of ₹ 5.18 Crores relates to the Settlement of assessment dues under tax litigation of Autoline Industrial Parks Ltd. a subsidiary company under “Vivad se Vishwas” scheme.

4) **VAT dispute settlment:** During the year ended March 31, 2020 includes provision for payment of disputed dues under the Maharashtra Value Added Tax settlement scheme amounting to ₹ 367.52 lakhs.

Notes forming part of the Financial Statements

Note 35 : Fair Value Measurement

Financial Instrument by category

As at March 31, 2021

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carring value
	₹	₹	₹
Financial Assets:			
Non-Current			
Other Financial assets	3,39,47,906		3,39,47,906
Investments		25,90,312	25,90,312
Current			
Trade Receivables	44,67,27,081		44,67,27,081
Cash and cash equivalents	24,46,604		24,46,604
Bank balances other than cash and cash equivalents	6,08,77,377		6,08,77,377
Loans and advances	95,31,658		95,31,658
Other Financial assets	10,36,17,200		10,36,17,200
Financial Liabilities:			
Non-Current			
Borrowings	65,31,83,483		65,31,83,483
Lease liabilities	46,06,818		46,06,818
Current			
Borrowings	75,53,88,400		75,53,88,400
Lease liabilities	25,48,857		25,48,857
Trade payables	60,38,58,745		60,38,58,745
Other financial liabilities	94,03,80,569		94,03,80,569

As at March 31, 2020

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carring value
	₹	₹	₹
Financial Assets:			
Non-Current			
Other Financial assets	3,29,48,883		3,29,48,883
Investments		25,90,312	25,90,312
Current			
Trade Receivables	26,89,49,380		26,89,49,380
Cash and cash equivalents	1,33,91,765		1,33,91,765
Bank balances other than cash and cash equivalents	4,09,22,195		4,09,22,195
Loans and advances	82,94,854		82,94,854
Other Financial assets	56,07,200		56,07,200
Financial Liabilities:			
Non-Current			
Borrowings	48,88,24,093		48,88,24,093
Lease liabilities	71,55,674		71,55,674
Current			
Borrowings	64,22,04,359		64,22,04,359
Lease liabilities	34,73,662		34,73,662
Trade payables	52,03,63,048		52,03,63,048
Other financial liabilities	1,22,24,65,628		1,22,24,65,628

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 Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021

	Date of Valuation	Level 1	Level 2	Level 3
		₹	₹	₹
Financial Assets				
Investments:				
Equity Instruments	March 31, 2021	-	-	10,00,000

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020

	Date of Valuation	Level 1	Level 2	Level 3
		₹	₹	₹
Financial Assets				
Investments:				
Equity Instruments	March 31, 2020	-	-	10,00,000

The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. The Group has availed long term borrowings from banks and financial institutions carrying interest in the range of 9.50% to 15%. The carrying values approximates their respective fair values. Similarly the fair value of non-current financial assets also approximates its carrying value.

The Cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value.

Financial assets and liabilities measured at Amortised cost:

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

The fair value of investments in mutual funds are based on the price quotation at the reporting date obtained from the asset management companies.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The Group does not have any financial asset in this measurement category.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, mutual funds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group does not have any financial asset in this measurement category.

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 rate as at the balance sheet date

- Fair value of remaining financial instruments is determined using discounted cash flow analysis

Valauation processes

For valuation of financial assets and liabilities, the finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team on regular basis.

Note 36 : Financial risk management

The Group's financial risk management is an integral part of how to plan and execute its business strategies, the Group is exposed primarily to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, the Group has a system based approach and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks which covers risks associated with the financial assets and liabilities such as credit risks, liquidity risk etc. The risk management policy is approved by the board of directors. The risk management framework aims to achieve greater predictability to earnings by determining the financial value of the expected earnings in advance. Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

A. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations. Currently the Group is facing liquidity crises due to huge interest cost.

Management monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this.

Maturities of financial liabilities

The tables below analyses the Group'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 essentail for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
	₹	₹	₹	₹
March 31, 2021				
Non Derivatives				
Borrowings	1,04,32,98,426	23,00,09,160	42,31,74,323	1,69,64,81,909
Lease liabilities	25,48,857	22,13,588	23,93,231	71,55,675
Bill Discounting	21,87,48,319			21,87,48,319
Trade Payables	60,38,58,745			60,38,58,745
Other Financial Liabilities	38,37,92,224			38,37,92,224
Total Non-Derivative Liabilities	**2,25,22,46,571**	**23,22,22,748**	**42,55,67,554**	**2,91,00,36,873**

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
	₹	₹	₹	₹
March 31, 2020				
Non Derivatives				
Borrowings	1,36,60,91,572	48,88,24,093	-	1,85,49,15,665
Lease liabilities	34,73,662	25,48,856	46,06,818	1,06,29,336
Bill Discounting	1,33,27,358			1,33,27,358
Trade Payables	52,03,63,048			52,03,63,048
Other Financial Liabilities	48,52,51,056	71,55,674		49,24,06,730
Total Non-Derivative Liabilities	**2,38,85,06,697**	**49,85,28,623**	**46,06,818**	**2,89,16,42,138**

B. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

(a) Interest rate risk

The Group has fixed rate borrowing and variable rate borrowings in order to obtain more efficient leverage. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Floating rate debt results in cash flow interest rate risk. The Group has taken both interest rate risk debts for managing its liquidity and day to day requirements of the funds.

The exposure of the borrowings [long term and short term (excluding bill discounting receivable)] to interest rate changes at the end of the reporting period are as follows :

	31-Mar-21	31-Mar-20
	₹	₹
Variable Rate Borrowings	43,71,89,249	1,14,96,99,053
Fixed Rate Borrowings	1,25,80,42,659	64,32,70,272
Total Borrowings	**1,69,52,31,908**	**1,79,29,69,325**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swaps contracts outstanding's

	As at March 31, 2021		
	Weighted average interest rate	Balance (₹)	**% of total loans**
Bank loans, cash credits, working capital loans	12.00%	43,71,89,249	25.79%
Net exposure to cash flow interest rate risk		**43,71,89,249**	

	As at March 31, 2020		
	Weighted average interest rate	Balance (₹)	**% of total loans**
Bank loans, cash credits, working capital loans	12.00%	1,14,96,99,053	64.12%
Net exposure to cash flow interest rate risk		**1,14,96,99,053**	

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 Analysis:

The sensitivity analysis is determined on the basis of interest rates on floating liabilities. The outstanding liabilities at the year end are considered as a base for the whole year.

If all the other variable factors remain constant, the changes in 100 basis points in the interest rate (up and down), the results are in the below table.

	Impact on Floating Rate Borrowings	
Change in Interest Rate	**As At March 31, 2021**	**As At March 31, 2020**
Increase in rates by - 1%	3,64,32,437	9,58,08,254
Decrease in rates by - 1%	(3,64,32,437)	(9,58,08,254)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	As at March 31, 2021	As at March 31, 2020
	₹	₹
Trade Payables		
USD	(11,71,460)	(72,75,890)
Euro	2,57,617	-
Trade Receivable		
USD	3,66,31,595	4,03,18,705
Euro	31,856	59,153
Others		
USD	8,80,44,000	11,28,45,000

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. Credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables, derivative financial instruments and financial guarantees.

Credit risk management:

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the Group 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 Group 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: (A). 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 (B). actual or expected significant changes in the operating results of the counterparty (C).significant increase in credit risk on other financial instruments of the same counterparty (D). significant changes in the value of the collateral supporting the obligation or in the quality of thirdparty 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 Group'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 Group 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 other than trade receivables. The Group follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

Trade Receivables	**As at March 31, 2021**		
	Gross	**Allowance**	**Net**
	₹	₹	₹
Period (in months)			
Not due	15,22,70,839	-	15,22,70,839
Overdue upto 3 months	14,69,283	-	14,69,283
Overdue 3-6 months	8,07,419	-	8,07,419
Overdue more than 6 months	7,34,31,221	-	7,34,31,221
Total	**22,79,78,762**	**-**	**22,79,78,762**

Trade Receivables	**As at March 31, 2020**		
	Gross	**Allowance**	**Net**
	₹	₹	₹
Period (in months)			
Not due	4,41,92,095		4,41,92,095
Overdue upto 3 months	7,51,93,160	-	7,51,93,160
Overdue 3-6 months	4,99,88,581	-	4,99,88,581
Overdue more than 6 months	8,62,48,187		8,62,48,187
Total	**25,56,22,022**	**-**	**25,56,22,022**

Note 37 : Capital management

The Group's objectives when managing capital are to:

- Safegaurd their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- To Maintain an optimal capital structure to reduce the cost of capital.

The Group determines the amount of capital required on the basis of annual opearting plans, long term product and maintainig other strategic investment plans. The funding requirements are met through equity, long term borrowings and short term borrowings. The Group's policy is aimed at maintaining optimum combination of short term and long term borrowings. The Group manages its capital structure and makes adjustments considering the economic environment, the maturity profile of the overall debt of the Group and the requirement of the financial covenants.

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total long term debt (refer note 19)	65,31,83,483	48,88,24,093
Total Debt	1,96,51,60,228	1,86,82,43,023
Total Equity	84,22,18,325	1,03,39,54,385
Total Capital	**2,80,73,78,553**	**2,90,21,97,407**

Long term debt to equity ratio	0.78	0.47
Total debt to equity ratio	2.33	1.81

Note 38 : 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 sheet metal auto components and assemblies thereof. Based on the 'management approach' as defined in Ind As 108, the 'Chief operating Decision Maker' (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the company operates are India.

The revenue from external customer for each of the major products is as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Components, assemblies and sub-assemblies	2,34,99,83,594	2,54,11,48,626
Tools, Dies and Moulds	5,13,31,602	7,94,03,779
Scrap	27,19,26,816	25,91,61,275
Total	**2,67,32,42,012**	**2,87,97,13,680**

₹212.30 crore of the company's revenue attributable to one of its customer. (March 31, 2020 Revenue of ₹229.19 crore was attributable to one of its customer)

Note 39 : Related Party Transactions

a) Related parties and their relationship

1) Key Management Personnel (KMP)

Mr. Vilas Lande - Chairman Emeritus
Mr. Prakash B. Nimbalkar - Chairman (Non-executive Director)
Mr. Shivaji Akhade - Managing Director
Mr. Sudhir Mungase - Wholetime Director
Mr. Vijay Thanawala- Independent Director
Mr. Umesh Chavan - Executive Director & CEO (Resigned w.e.f. December 31, 2020)
Mrs. Jayashree Fadnavis- Independent Director (till November 10, 2020)
Mr. Sridhar Ramachandran- Nominee Director (appointed from July 30, 2020)
Mrs. Rajashri Sai- Independent Director (appointed from February 1, 2021)
Mr. Devang Dhruv - Independent Director
Mr. P J Batavia - Independent Director
Mr. Nimish Rana - Independent Director

2) Relatives of KMP

Key Management Personal - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.

3) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence

i) Balaji Enterprises

ii) Shreeja Enterprises

iii) Sumeet Packers Pvt. Ltd.

iv) Siddhai Platers Private Ltd.

v) Om Sai Transport Co.

vi) Viro Hi-Tech Engineers Pvt. Ltd.

vii) S.V. Aluext Profile Pvt. Ltd.

viii) Vimal Extrusion Pvt Ltd

ix) Lincwise Software Pvt Ltd

x) Jay Ambe Enterprises

xi) United Farming and Real Estate

1. Related parties have been identified by the Management and relied upon by the Auditors.
2. The Company is holding 44.74% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

b) Transactions with related parties

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Sale of Goods / Service				
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
Balaji Enterprises	2,61,85,129	1,72,46,371	-	-
Shreeja Enterprises	4,54,364	23,20,050	-	-
Sumeet Packers Pvt. Ltd.	-	-	-	-
Om Sai Transport Co.	-	-	-	-
Viro Hi-Tech Engineers Pvt. Ltd.	-	6,000	-	-
Jay Ambe Enterprises	42,595	-		
Purchase of Goods / Service				
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
Balaji Enterprises	2,68,68,766	1,86,48,089	18,62,825	7,50,752
Shreeja Enterprises	10,83,323	42,32,663	4,00,842	2,02,564
Sumeet Packers Pvt. Ltd.	45,16,312	37,58,169	53,36,788	58,58,295
Siddhai Platters Pvt. Ltd.	26,06,030	40,01,248	14,13,679	9,43,053
Om Sai Transport Co.	1,47,01,500	1,14,04,020	1,04,42,938	81,41,893
Viro Hi-Tech Engineers Pvt. Ltd.	45,25,809	75,50,453	35,83,529	32,67,850
S.V. Aluext Profile Pvt Ltd	5,14,978	4,39,654	11,26,193	5,18,519
Jay Ambe Enterprises	30,70,478	28,45,151	27,63,722	13,30,232
Receiving of Services				
Key Management Personnel (KMP)				
Mr. Sudhir Mungase	-	4,80,000	4,36,080	4,36,080
Mr. V V Lande	16,50,000	18,00,000	26,71,250	18,48,000

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Investment received (in equity)				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	2,25,00,005	-	-	-
Mr. Sudhir Mungase	2,25,00,005	-	-	-
Mr. V V Lande	2,25,00,005	-	-	-
Investment received (in convertible share warrants)				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	-	-	-	-
Mr. Sudhir Mungase	-	-	-	-
Mr. V V Lande	-	-	-	-
Loan Received				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	8,95,00,000	3,62,50,000	3,18,93,752	1,70,57,374
Mr. Sudhir Mungase	30,00,000	50,00,000	58,64,175	1,18,41,910
Mr. Shivaji Akhade	-	70,00,000	-	-
Mr. Devang Dhruv	-	50,00,000	-	-
Mr. P J Batavia	-	50,00,000	-	50,00,000
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	-	-	-
Vimal Extrusion Pvt Ltd	-	1,20,00,000	-	-
Sumeet Packers Pvt. Ltd.	-	90,00,000	-	20,21,516
Loan Repayment				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	7,65,00,000	2,12,00,000	-	-
Mr. Sudhir Mungase	98,40,000	-	-	-
Mr. Amit Goela	-	-		
Mr. Shivaji Akhade	40,00,000	30,00,000	2,18,920	40,85,809
Mr. Devang Dhruv	18,57,914	1,14,80,869	-	17,82,330
Mr. P J Batavia	50,00,000	-	-	50,00,000
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	-	-	-
Vimal Extrusion Pvt Ltd	-	1,20,00,000	-	-
Lincwise Software Pvt Ltd	99,450	2,50,000	41,59,907	42,59,357
Sumeet Packers Pvt. Ltd.	20,21,516	70,83,250	-	-
Interest Paid on Loan				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	19,85,274	5,45,181	-	-
Mr. Sudhir Mungase	9,32,177	8,91,555	-	-
Mr. Shivaji Akhade	1,43,904	95,343		
Mr. Devang Dhruv	-	2,85,921		
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
S.V. Aluext Profile Pvt Ltd	-	4,384	-	-
Vimal Extrusion Pvt Ltd	-	39,128	-	-
Sumeet Packers Pvt. Ltd.	62,827	46,303		

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	₹	₹
Advance for Purchase of Land				
Companies/Entities in which KMP / Relatives of KMP can exercise significant influence				
United Farming and Real Estate	-	-	-	3,97,17,100
Director Remuneration				
Key Management Personnel (KMP)				
Mr. Shivaji Akhade	54,91,935	57,92,825	-	-
Mr. Sudhir Mungase	21,96,774	23,17,130	-	-
Mr. Umesh Chavan	36,90,386	53,55,235	-	-
Mr. Sudhir Mungase	22,00,000	24,00,000	12,60,000	23,80,000
Director Sitting Fees				
Key Management Personnel (KMP)				
Mr. Prakash B Nimbalkar	6,40,000	5,45,000	1,89,625	-
Mr. M. Radhakrishnan	-	15,000	4,500	4,500
Mr. Devang Dhruv	75,000	30,000	1,41,375	72,000
Mr. P.J. Batavia	45,000	15,000	54,750	27,000
Mr. Vijay Thanawala	75,000	60,000	55,000	-
Mr. Nimish Rana	-	45,000	-	-
Mr. Umesh Chavan	30,000	-	27,750	-
Mr. Prakash B Nimbalkar	75,000	75,000	-	-

Note :

a) The closing balances above are net of advances.

b) All outstanding balances are unsecured and are repayable in cash

c) In addition to above related party transactions Promotors Director has mortgaged their non-agriculture land against facility from financial instittution. Further personal guarantee is provided by Promotor Director and Executive Directors & CEO of the Holding Company for various facilities sanctioned.

Note 40 : Contingent liabilities (To the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Claims against the Company not acknowledged as debt		
Income Tax	-	13,66,10,903
Sales Tax Dues	11,11,22,375	13,73,75,209
Provident Fund Dues	34,06,254	34,06,254
Letter of Credit		
Issued by Bank of Baroda	10,06,27,404	12,44,60,286
Corporate Guarantee		
In Favour of Tata Motors Limited	-	8,08,00,000

The claims subject to legal proceedings, have arisen in the ordinary course of business. The management does not reasonably expect that these claims and commitments, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial conditions.

In addition to 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 Group has received various demand/notices from the VAT/Sales Tax Department on various matters. The Group 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 Group with that filed by vendors and other matters for which demand is raised and interest/penalty is charged. Further, the Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are requried 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 Group's financial position and results of operations.

(b) There are numerous interpretative issues relating to Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees Provdent Funds and Miscellaneous Provident Act, 1952. The Group has assess the matter and there is no material impact on the financial statements as at 31 March 2021. The Group would record any further effect on its financial statements, on receiving additional clarity on the subject.

(c) The Group is contesting various demands relating to labour matters and the management believes 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 Group's financial position and results of operations.

Note 41 : Commitments

A) Capital Commitments

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,68,00,000	1,68,00,000

B) Leases

(a) Right-of-use assets

This note provides for information for leases where the Group is a lessee. The Group has leased Building properties . The Group has applied Ind AS 116 using the modified retrospective approach method with effect from April 01, 2019 to all leases subject to exemptions provided under Paragraph 5 of Ind AS 116.

(i) Amounts recognized in Balance Sheet:

Right-of-use assets:

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows

Particulars	Building	Total
Gross carring amount as at April 01, 2019	-	-
Adjustment for change in accounting policy	1,36,04,113	1,36,04,113
Disposals	-	-
Deletion / Adjustment due to lease modification	-	-
Depreciation	37,50,707	37,50,707
Gross carring amount as at March 31, 2020	**98,53,406**	**98,53,406**
Gross carring amount as at April 01, 2020	98,53,406	98,53,406
Adjustment for change in accounting policy	-	-
Disposals	-	-
Deletion / Adjustment due to lease modification	-	-
Depreciation	37,50,706	37,50,706
Gross carring amount as at March 31, 2021	**61,02,700**	**61,02,700**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows

Particulars	March 31, 2021	March 31, 2020
Lease Liabilities:	71,55,675	1,06,29,336
Current	25,48,857	34,73,662
Non-current	46,06,818	71,55,675

The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Particulars	March 31, 2021	March 31, 2020
Balance at the April 01, 2020	**1,06,29,335**	**1,36,04,113**
Disposals	-	-
Finance cost accrued during the period	10,95,103	14,79,510
Deletion / Adjustment due to lease modification	-	-
Payment of lease liabilities	45,68,763	44,54,288
Balance at the March 31, 2021	**71,55,675**	**1,06,29,335**

The marurity analysis of lease liabilities as at March 31, 2021:

Particulars	March 31, 2021	March 31, 2020
Less than one year	25,48,857	34,73,661
One to five years	46,06,818	71,55,674
More than five years	-	-
Total	**71,55,675**	**1,06,29,335**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The total cash outflow for leases for the year ended March 31, 2021 was INR 45.68 lakhs.

(ii) Variable Lease payments

Estimation uncertainty arising from variable lease payments

There were no leases with variable lease payments.

(iii) Extension and termination options

Extension and termination options are considered in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable on a mutual consideration between lessor and the Group. Therefore the extension and termination option is not considered.

(iv) Residual value guarantees

There were no leases with residual value guarantees.

(b) Interest Expense on Lease Liabilities

Particulars	March 31, 2021	March 31, 2020
Interest on lease liabilities	10,95,102	14,79,511

(c) Amount recognised in the statement of cash flow

Particulars	March 31, 2021	March 31, 2020
Total cash outflow for leases- Principal	34,73,660	29,74,779
Total cash outflow for leases- Interest	10,95,102	14,79,511

Note 42 : Earnings / (Loss) per share

	As at March 31, 2021	As at March 31, 2020
	₹	₹
Basic		
Profit for the year as per statement of Profit and Loss	(41,87,52,043)	(66,03,72,845)
Weighted average number of equity shares	2,89,13,350	2,70,27,585
Earnings /(Loss) per share	(14.48)	(24.43)
Diluted		
Profit for the year as per statement of Profit and Loss	(41,87,52,043)	(66,03,72,845)
Less : Employee Stock Option amortised cost	-	-
	(41,87,52,043)	(66,03,72,845)
Weighted average number of equity shares	2,89,13,350	2,70,27,585
Earnings /(Loss) per share	(14.48)	-24.43
Nominal value of an equity share	10	10

Note 43 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,75,05,213	1,12,56,902
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	15,93,553	36,49,877
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	15,93,553	36,49,877
The amount of interest accrued and remaining unpaid at the end of the accounting year	15,93,553	36,49,877
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 44 : Corporate social responsibility

The Group 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 45 : Income Tax & Deferred Tax

A. Income Tax

The Group does not have taxable income on current and previous year and hence no tax expenses have been recognised. 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 recognised except for tax paid under Minimum Alternate Tax (MAT) under Income Tax Act 1961.

	As at March 31, 2021	**As at March 31, 2020**
	₹	₹
Unused Tax losses for which no deferred tax asset has been recognised		
Business Losses	1,75,57,15,293	1,26,26,80,151
Unabsorbed depreciation	1,24,25,87,432	1,13,80,04,425
Potential tax benefit	75,46,12,830	60,42,04,294

a) Unused tax losses with respect to unabosorbed depreciation do not have an expiry date.

b) Unused tax losses with respect to Business losses have following expiry date.

Financial Year	**Amount ₹**	**Expiry Date**
2013-14	21,62,43,066	March 31, 2022
2014-15	18,99,421	March 31, 2023
2015-16	14,18,69,568	March 31, 2024
2016-17	53,80,59,075	March 31, 2025
2017-18	49,91,93,877	March 31, 2026
2018-19	39,40,532	March 31, 2027
2019-20	35,16,44,689	March 31, 2028
2020-21	29,65,066	March 31, 2029
Total	**1,75,58,15,294**	

c) The Group has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recongnised in the Balance Sheet

Financial Year	Amount ₹	Expiry Date
2009-10	63,73,995	2024-25
2010-11	47,19,714	2025-26
2011-12	4,77,18,986	2026-27
2012-13	7,50,74,358	2027-28
2015-16	1,15,859	2030-31
2017-18	1,04,059	2032-33
Total	**13,41,06,971**	

B. Deferred Tax

Autoline Industries Limited

Deferred Tax assets reflected in the Balance Sheet as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Deferred Tax Asset		
Carry forward losses	14,97,27,826	15,79,30,272
	14,97,27,826	15,79,30,272
Deferred Tax Liability		
Depreciation	14,97,27,826	15,79,30,272
	14,97,27,826	15,79,30,272
Total Deferred Tax Liability (Net)	-	-

Note 46 : Employee Benefits

Compensated absences:- The leave obligation covers the Group's liability for earned leave. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as current employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Defined benefit plans

The Group offers the following employee benefit schemes to its employees:

Gratuity

The Group 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 salary per month computed proportionately for 15 days salary mutiplied 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 Group 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
	₹	₹	₹
April 01,2019	3,95,70,703	96,89,352	2,98,81,351
Current Service Cost	55,25,630	-	55,25,630
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2,79,041)	2,79,041
Interest Expense/(income)	28,10,385	5,00,622	23,09,763
Total amount recognised in profit or loss	**83,36,015**	**2,21,581**	**81,14,434**
Remeasurements			

	Present value of obligation	Fair Value of plan assets	Net Amount
	₹	₹	₹
Return on plan assets, excluding amounts included in interest expense/(income)	-	63,437	(63,437)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	2,17,683	-	2,17,683
Experience (gains)/losses	8,75,942	-	8,75,942
Total amount recognised in other comprehensive income	**10,93,625**	**63,437**	**10,30,188**
Employer contributions		4,91,859	(4,91,859)
Benefit Payments	(70,80,263)	(70,34,108)	(46,155)
March 31,2020	**4,19,20,080**	**34,32,121**	**3,84,87,959**

	Present value of obligation	Fair Value of plan assets	Net Amount
	₹	₹	₹
April 01,2020	4,19,20,080	34,32,121	3,84,87,959
Current Service Cost	50,74,529	-	50,74,529
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2,33,974)	2,33,974
Interest Expense/(income)	27,47,352	1,37,308	26,10,044
Total amount recognised in profit or loss	78,21,881	(96,666)	79,18,547
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	44,218	(44,218)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(32,123)	-	(32,123)
Experience (gains)/losses	13,62,348	-	13,62,348
Total amount recognised in other comprehensive income	13,30,225	44,218	12,86,007
Employer contributions		4,90,914	(4,90,914)
Benefit Payments	(41,38,069)	(33,75,228)	(7,62,841)
March 31,2021	**4,69,34,117**	**4,95,359**	**4,64,38,758**

The net liability disclosed above relates to funded and unfunded plans as follows:

	March 31,2021	March 31,2020
	₹	₹
Present Value of funded obligations	4,69,34,117	4,19,20,080
Fair value of plan assets	4,95,359	34,32,121
Deficit of funded plan	**4,64,38,758**	**3,84,87,959**
Unfunded Plans	-	-
Deficit of gratuity plan	4,64,38,758	3,84,87,959

Valuation in respect of Gratuity has been carried out by Independent actuary, as at the Balance Sheet date, based on the following assumptions:

Autoline Industries Ltd (Holding Company)

Particulars	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Discount rate (Per Annum)	6.90%	6.90%
Expected rate of return on plan assets (Per Annum)	6.90%	7.80%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	2%	2%
Expected average remaining working lives of employees (in years)	15.52	16.03

Autoline Design Software Ltd. (Subsidiary Company)

Particulars	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Discount rate (Per Annum)	6.90%	6.80%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Expected rate of return on plan assets (Per Annum)	0.00%	0.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	1.00%	1.00%
Expected average remaining working lives of employees (in years)	17.18	19.14

Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

The sensitivity of the Present Value of obligation to changes in the weighted principal assumptions is as follows:

Change in assumptions and impact on Present Value of obligation as at March 31, 2021

Particulars		Impact on defined benefit obligation (in %)	
	Change in assumption (in %)	Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(55,82,522)	59,71,076
Salary growth rate	1%	58,54,295	(51,33,722)
Withdrawal Rate	1%	(4,95,804)	5,62,752

Change in assumptions and impact on Present Value of obligation as at March 31, 2020

Particulars	Change in assumption (in %)	Impact on defined benefit obligation (in %)	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(51,64,757)	62,07,405
Salary growth rate	1%	55,54,565	(48,12,371)
Withdrawal Rate	1%	(4,86,891)	5,55,458

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Category of Planned assets

Autoline Industries Ltd (Holding Company)

	March 31, 2021	March 31, 2020
Funds Managed by insurer	100%	100%

The company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2021 is considered to be fair value.

Autoline Design Software Ltd. (Subsidiary Company)

	March 31, 2020	March 31, 2019
Funds Managed by insurer	0%	0%

The Company has not funded the liability as on March 31, 2021

Defined Benefit liability and employer contributions

The expected contributions to post-employment benefit plans for the year ended March 31,2021 is ₹4,64,38,658/-

The following payments are expected contributions to defined benefit plan in future years

The weighted average duration of the plan for Autoline Industries Ltd (Holding Company) is 17.09 years and for Autoline Design Software Ltd. (Subsidiary Company) is 16.11 years.

Expected Future Benefit Payments:

Particulars	As at March 31, 2021
	₹
Defined Benefit Oligation	
Less than a year	19,21,000
Between 1-2 years	16,87,000
Between 2-5 years	71,50,000
Over 5 years	2,18,50,000
Total	**3,26,08,000**

Risk Exposure

Through its defined benefit plans, the Gorup 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.

B) Defined Contribution Plan

The Group has certain defined contribution plans. Contributions are made to provident fund in India at the rate of 12% as per local regulations. The contributions are made to the provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual or any constructive obligation. The Group also has liability to contribute to other defined contribution plans. The Group has recognised the following amounts in the statement of Profit and Loss.

	As at March 31, 2021	As at March 31, 2020
Contribution to Provident Fund	93,73,678	1,12,21,510
Contribution to Labour Welfare Fund	29,592	44,532
Contribution to Employee's State Insurance Scheme	31,51,234	44,36,744

Note 47 : Interest in other entities

Subsidiaries

The group's subsidiary as at March 31, 2021 is set out below. Unless otherwise stated, it has share capital consisting solely of eqity shares that are held directly by the Group, and the proportion of the ownership interest held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Place of business / country of incorporation	Ownership held by the Group		Principal Activities
		March 31, 2021	March 31, 2020	
		%	%	
Autoline Design Software Ltd.	India	100	100	Services of design & engineering
Autoline Industrial Parks Ltd.	India	44.74	44.67	Developing Township Projects, etc
		1.53	1.55	
Koderat Investments Ltd.	Cyprus	100	100	Acting as Special Purpose Vehicle

* held through subsidiary (Autoline Design Software Limited)

Note 48 : Additional Information required by Schedule III

Name of the entity in the group	Net Assets (Total assets minus total liabilities)		Share in Profit or (loss)	
	As a % of consolidated net assets	Amount ₹	As a % of consolidated profit or loss	Amount ₹
Parent				
Autoline Industries Ltd.				
Balance as at March 31, 2021	7.39	6,22,12,021	84.85	(35,61,12,954)
Balance as at March 31, 2020	23.80	24,61,09,264	98.82	(65,36,28,645)
Subsidiaries				
Indian				
1) Autoline Design Software Ltd.				
Balance as at March 31, 2021	2.62	2,20,40,558	1.90	(79,77,498)
Balance as at March 31, 2020	2.85	2,95,15,692	0.53	(35,32,396)
2) Autoline Industrial Parks Ltd.				
Balance as at March 31, 2021	137.79	1,16,04,74,093	13.05	(5,47,59,232)
Balance as at March 31, 2020	111.70	1,15,49,71,474	0.48	(31,65,795)
Foreign				
1) Koderat Investments Ltd.				
Balance as at March 31, 2021	0.35	29,11,984	(0.02)	97,640
Balance as at March 31, 2020	(0.29)	(30,09,623)	0.01	(46,010)
Non Controlling interests in all subsidiaries				
Balance as at March 31, 2021	74.06	62,37,12,908	7.01	(2,94,22,135)
Balance as at March 31, 2020	60.07	62,11,43,659	0.26	(17,02,564)
Adjustments arising out of consolidation				
March 31, 2021	(122.19)	(1,02,91,33,239)	(6.78)	2,84,64,950
March 31, 2020	(98.15)	(1,01,47,76,082)	(0.10)	6,72,377
Total after elimination in account of consolidation- 2021	100.00	84,22,18,325	100.00	(41,97,09,229)
Total after elimination in account of consolidation- 2020	100.00	1,03,39,54,385	100.00	(66,14,03,033)

Name of the entity in the group	Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated other comprehensive income	Amount ₹	As a % of consolidated total comprehensive income	Amount ₹
Parent				
Autoline Industries Ltd.				
Balance as at March 31, 2021	152.48	(14,59,550)	91.62	(35,75,72,504)
Balance as at March 31, 2020	78.87	(8,12,505)	99.20	(65,44,41,150)
Subsidiaries				
Indian				
1) Autoline Design Software Ltd.				
Balance as at March 31, 2021	(52.48)	5,02,365	1.92	(74,75,133)
Balance as at March 31, 2020	21.13	(2,17,683)	0.57	(37,50,079)
2) Autoline Industrial Parks Ltd.				
Balance as at March 31, 2021	-	-	14.03	(5,47,59,232)
Balance as at March 31, 2020	-	-	0.48	(31,65,795)

Name of the entity in the group	Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated other comprehensive income	Amount ₹	As a % of consolidated total comprehensive income	Amount ₹
Foreign				
1) Koderat Investments Ltd.				
Balance as at March 31, 2021	-	-	(0.03)	97,640
Balance as at March 31, 2020	-	-	0.01	(46,010)
Non Controlling interests in all subsidiaries				
Balance as at March 31, 2021	-	-	(7.54)	2,94,22,135
Balance as at March 31, 2020	-	-	(0.26)	17,02,564
Total after elimination in account of consolidation- 2021	100.00	(9,57,185)	100.00	(39,02,87,093)
Total after elimination in account of consolidation- 2020	100.00	(10,30,188)	100.00	(65,97,00,469)

Note 49 : Assets Pledged as Security

	March 31, 2021	March 31, 2020
	₹	₹
Current		
Financial Assets		
Factored Receivables	21,87,48,319	1,33,27,358
Other Receivables	22,79,78,762	25,56,22,022
Cash and cash equivalents	24,46,604	1,33,91,765
Fixed deposit with bank	6,08,77,376	4,08,37,712
Non Financial Assets		
Inventories	40,59,64,280	41,59,53,974
Total Current assets pledged as security	91,60,15,341	73,91,32,830
Non-Current		
Plant and Machinery	64,68,78,990	80,58,70,061
Building	51,56,73,913	58,48,96,037
Land	7,56,17,042	10,05,01,748
Others Assets	2,23,77,335	3,50,51,221
Total Non-current assets pledged as security	1,26,05,47,280	1,52,63,19,067
Total Assets pledged as security	2,17,65,62,622	2,26,54,51,898

Note 50 : The list of standards issued but not yet effective

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

Note 51 : Covid-19

Covid-19 virus has impacted the entire global economy severely, resulting into many restrictions, including free movement of people, thereby hampering businesses and day to day functioning of the Companies. Consequently, in compliance of the orders of the Government, the Group's manufacturing plants and corporate office had to be closed for a certain period of time. The Board of Directors believe that they have taken into account all the possible effects of known events arising from Coivid-19 pandemic and the resultant lockdowns in the preparation of financial statements including but not limited to strategic assessment of its financial position, liquidity, going concern, recoverable values of its assets etc. However, given the effect of these uncertainties arising due to Covid-19 and in particular, with reference to the Automobile & Auto-ancillary Industry, the impact assessment of Covid-19 on the financial statements is subject to certain significant estimations and based on uncertainties. The actual impact in future may deviate from those estimated as on the date of approval of these financial statements. The Group continues to monitor any material changes to future economic/ business conditions and its consequential impact on financial results.

Note 52 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 which may have an impact on the contributions by the Group on Employee benefit expenses, Provident Fund, Insurance and Gratuity. Further, the Ministry of Labour and Employment, Government of India has published draft rules for the Code on Social Security, 2020 on November 13, 2020 and has solicited comments/ suggestions from the stakeholders. Accordingly, the Group will evaluate the impact of the said legislation and the Rules notified thereunder, and would eventually apportion the impact in its financial statements in the period in which the Code on Social Security, 2020 is enacted.

Note 53 : Previous year's figures

The figures for previous year have been regrouped / rearranged as necessary to confirm to current year's presentation.

The note referred to above from integral part of financial statement.

See accompanying notes to financial statements

For A. R. Sulakhe & Co.
Chartered Accountants
Firm Registration No. 110540W

CA. Anand Sulakhe
Partner
Mem. No. 33451

For and on behalf of the Board of Directors

Shivaji Akhade
Managing Director
DIN:00006755

Sudhir Mungase
Whole Time Director
DIN:00006754

Place : Pune
Date : June 28, 2021

Venugopal Rao Pendyala
Chief Financial Officer

Ashish Gupta
Company Secretary

Products

Autoline Industries Limited is a major supplier of sheet metal components, sub-assemblies and assemblies, it also manufacture "A" class sheet metal dies. The Company owns state of art Tool Room Facility, which is equipped with latest CAD, CAM facility to design big size sheet metal press tools, assembly and welding fixtures, inspection gauges, panel checkers etc. The Company provides basket of products with over 2500 products across different sizes that fit into a range of SUVs, MUVs, PVs, CVs and other vehicles. Few of them are as under:

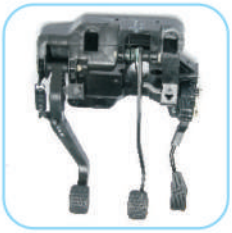
Cab Stay & Cab Tilt Assemblies

Exhaust System

Parking Brakes

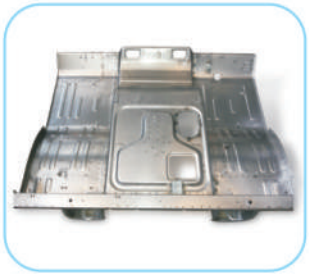
Brake Drum

Pedal Boxes

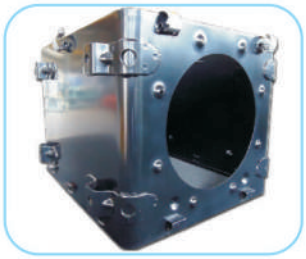
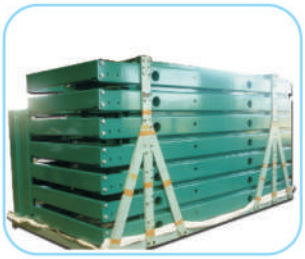


Door Hinges

Large Stamp Assemblies



Stamp Assemblies - Export

About Autoline

A trailblazing story! That is how Autoline could describe its journey in this highly competitive, fast paced and ever changing auto industry.

COMPANY HISTORY: Autoline Industries Ltd (AIL) (incorporated on December 16,1996, as Autoline Stamping Private Ltd.) was initially set up in January 1995 as a partnership firm known as "Autoline Pressings" under India Partnership Act, 1932. The Company has grown into a medium sized engineering and auto ancillary company, manufacturing sheet metal components, sub-assemblies and assemblies, Foot Control Modules, parking brakes, hinges, cab stay and cab tilt, exhaust systems, tubular structures, fabrications, etc for large OEMs in the Automobile Industry. The turnover of ₹ 1.10 million in financial year 1995-96 raised up to ₹ 8050 million in financial year 2012-13. AIL is a prominent Pune based leading auto components manufacturer and supplier to Original Equipment Manufacturers (OEMs) and Automobile companies with presence in the Domestic and International Markets.

Key Customers

AUTOLINE

AUTOLINE INDUSTRIES LIMITED

CIN : L34300PN1996PLC104510

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