Shivam Autotech Limited

September 04, 2018

The National Stock Exchange of India
"Exchange Plaza" Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051
(Scrip Code – SHIVAMAUTO)

The BSE Limited
Phiroje Jeejeebhoy Towers
Dalal Street Fort
Mumbai – 400 001
(Scrip Code – 532776)

Subject: Intimation of Book Closure under regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & holding of 13th Annual General Meeting (AGM) of the Company.

Notice is hereby given that the Thirteenth Annual General Meeting of the members of Shivam Autotech Limited will be held at 11.30 A.M. on Saturday, the 29th September 2018 at Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074, to transact the business as contained in the notice of the meeting. It is further notified that pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Registers of the Company shall remain closed from Saturday, 22nd September, 2018 to Saturday, 29th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.

The Company is providing remote e-voting facility, pursuant to 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for transacting all the business items as mentioned in the Notice of 13th Annual General Meeting of the Company.

You are kindly requested to take the above information on record.

Thanking you.

Yours truly,
For **Shivam Autotech Limited**

Shivani Kakkar

SHIVAM AUTOTECH LIMITED NEW DELHI

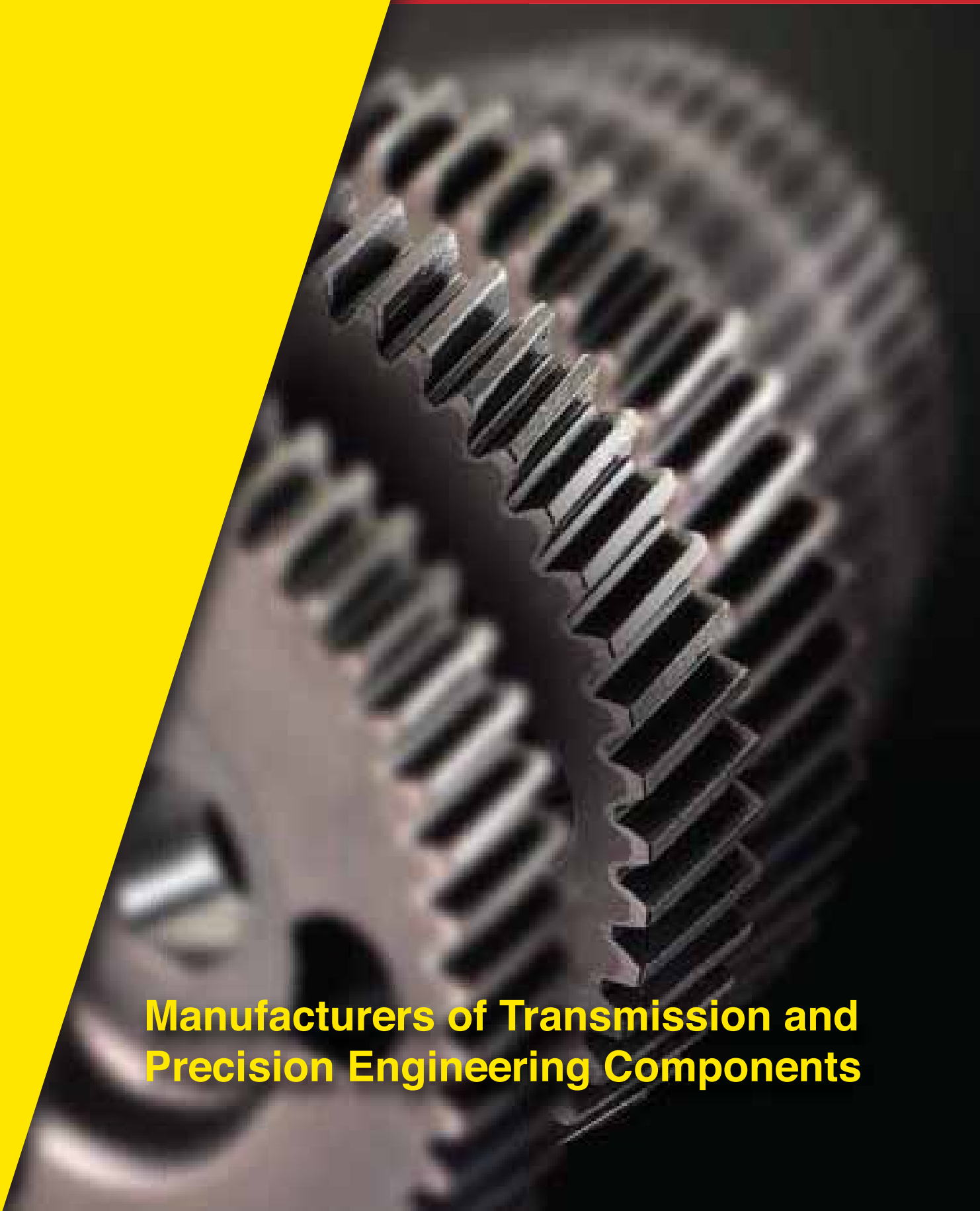
Shivani Kakkar
(Company Secretary)
M. No. 25097

Copy to:

1. National Securities Depository Limited
   4th Floor, Trade World,
   Kamala Mills Compound,
   Senapati Bapat Marg,
   Lower Parel, Mumbai – 400 013
2. Central Depository Services (India) Limited
   28th Floor, Phiroze Jeejeebhoy Towers
   Dalal Street Fort
   Mumbai – 400 001

Shivam Autotech Ltd.

13th Annual Report & Accounts 2017-18



Manufacturers of Transmission and Precision Engineering Components

Shivam Autotech Ltd.

CONTENTS

02 About us

03 Manufacturing Locations

04 Awards and Certificates

06 Our Customers

07 Our Products

08 Key Performance Highlights

9 Corporate Information

10 Notice

19 Board's Report

27 Management Discussion & Analysis Report

29 Corporate Governance Report

53 Auditors' Report

60 Balance Sheet

61 Statement of Profit & Loss

62 Cash Flow Statement

64 Notes to the Financial Statements

105 Location Map

106-07 Proxy Form & Attendance Slip

Shivam Autotech Ltd.

ABOUT US

We are one of the largest manufacturers of Transmission Gears and Shafts in India having headquarters in New Delhi. The Company at present employs 3000+ people and proves its capabilities to grow and sustain in the fast changing global auto component business environment.

The Company manufactures and markets components that include Transmission Gears & Shafts, Auto-electrical Components, Steering Components and various Precision Engineering Components. Shivam Autotech Limited has been serving a large number of national and international automobile manufacturers as their principal component partner from its inception.

Recently, we had set-up two additional state-of-the-art plants at Vemgal, Karnataka and Rohtak, Haryana. These two new plants are operating to produce finished products as import substitution under indigenization program, leading to considerable foreign exchange savings. This competence development also gives an opportunity for future exports to different overseas customers. This is a step forward in achieving Make-in-India dream of Government of India.

MANUFACTURING LOCATIONS

Haridwar Plant :
Plot No. 3, Industrial Park 2, Phase I,
Village Salempur, Tehsil Mehdood,
Haridwar-249401, Uttarakhand

Binola Plant:
58 Km Stone, Delhi-Jaipur Highway,
Village - Binola, Gurugram – 122413, Haryana

Manesar Plant:
Plot No.- 1, Sector-5, IMT Manesar,
Gurugram - 122050 Haryana

Bengaluru Plant:
Plot No. 98, Vemagal Industrial Area,
Kolar – 563101, Karnataka

Rohtak Plant:
Plot No. 9, Sector-30A, IMT Rohtak,
Rohtak - 124001, Haryana

Shivam Autotech Ltd.

AWARDS AND CERTIFICATES

Over the years, Shivam Autotech Limited has been honored with prestigious industry awards and certifications that bear a clear testimony to the level of quality, continuous innovation, adherence to delivery schedule and its stature with OEMs.

Award for Outstanding performance in Quality by Denso India Limited

Award for Supplier of the year by Mando Automotive India Pvt. Limited

Award for Appreciation of "BEST SUPPORT" for the year 2016 by Mitsuba Sical India Pvt. Ltd.

Certificate of Quality Assurance Compliance by Hyundai Motor India Limited

Certificate of Appreciation by Maruti Suzuki for recognition in Superior Performance in the field of Two Wheeler Cost Down for year 2017-18

Certificate of Excellence by SEG Automotive for recognition in Ramp up Support for year 2017-18

Green Merit Award for recognition in Green Initiative of Waste Paper Recycling through Green-O-Tech India in year 2017

Awarded for Ramp Up Support Award by SEG Automotive in Business Partner Meet 2018

Shivam Autotech Ltd.

OUR CUSTOMERS

Hero MotoCorp Limited, Gurugram & Dharuhera	BOSCH Limited, Jaipur & Bangalore.	Denso India Limited, Noida	Maruti Suzuki India Limited.
INEL Limited, Rewari & Hosur	Mitsuba Sical India Limited, Bilashpur	ZF Lynksysteme, Pune	Hilti Gmbh, Austria.
Hero MotoCorp Limited, Haridwar	Denso India Limited, Haridwar	Mando India Limited, Chennai	Munjal showa, Haridwar
Nexteer automotive India Pvt. ltd, Bengaluru	Yamaha Electricals Limited, Chennai	Hindustan Aeronautic Limited, Odisha	Dynamatic Gear pumps , Chennai

OUR PRODUCTS

CAM GEAR

FUEL LOBE

FLANGE

POLE WHEEL

BALANCER SHAFT

FLANGE

ALUMINIUM PISTON

GEAR BALANCER DRIVEN

CHISEL

DRIVE SHAFT

ORC ASSEMBLY

WORM SCREW

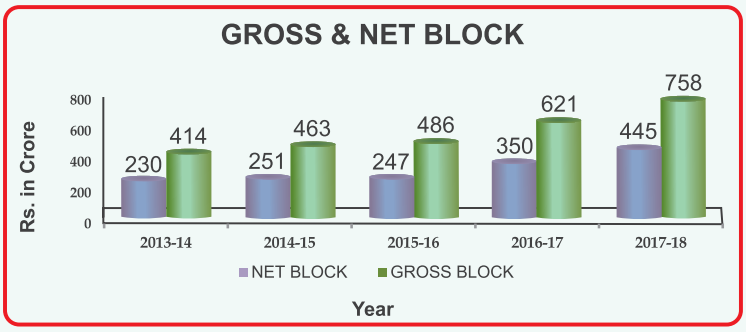
TRANSMISSION ASSEMBLY

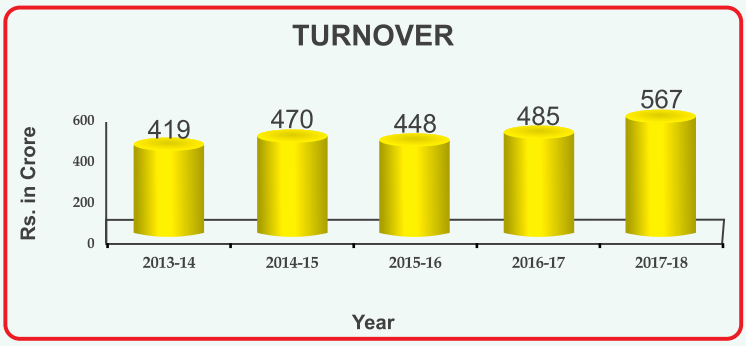
PUMP DRIVE & DRIVEN SHAFT

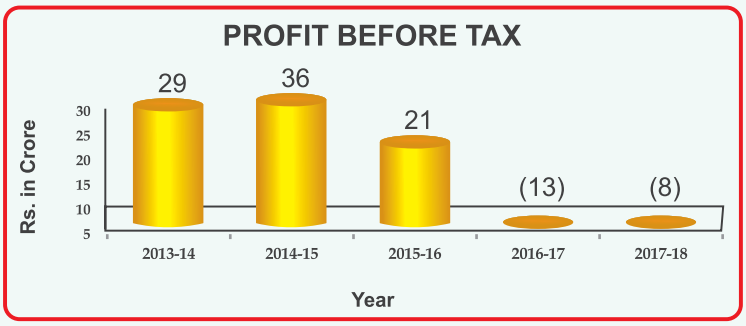
COMPOUND GEAR

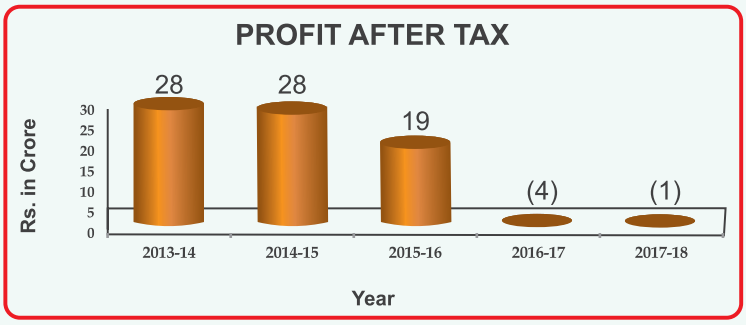
Shivam Autotech Ltd.

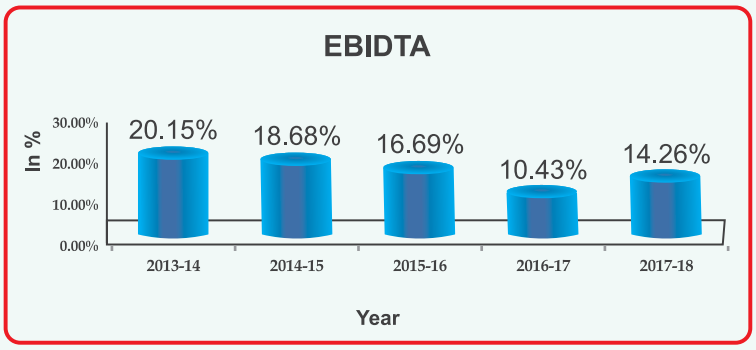
KEY PERFORMANCE HIGHLIGHTS











CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN
Mr. Sunil Kant Munjal

MANAGING DIRECTOR
Mr. Neeraj Munjal

DIRECTORS
Mr. Bhagwan Dass Narang
Mr. Surrinder Lal Kapur
Mr. Vinayshil Gautam
Dr. Anil Kumar Gupta, Director Technical
Mrs. Charu Munjal, Executive Director

FINANCE TEAM
Mr. Davendra Ujayan, VP-Finance
Ms. Shivani Kakkar, Company Secretary

STATUTORY AUDITORS
NSBP & Co.,
Chartered Accountants,
New Delhi

INTERNAL AUDITORS
N. Kochhar & Co.,
Chartered Accountants,
New Delhi

SECRETARIAL AUDITORS
Satyender Kumar & Associates
Company Secretaries
Gurugram, Haryana

BANKERS
IDFC Bank Ltd.
ICICI Bank Ltd.
Kotak Mahindra Bank Ltd.
YES Bank Ltd.

REGISTERED OFFICE
303, 3rd Floor, Square One, C-2, District Centre,
Saket, New Delhi-110017

BINOLA PLANT
58th Km. Stone, Delhi-Jaipur Highway
Village: Binola-122413, Distt. Gurugram (Haryana)

HARIDWAR PLANT
Plot No. 3, Industrial Park-II, Phase-1,
Village Salempur Mehdood,
Disst. Haridwar (Uttarakhand)-249402

MANESAR PLANT
Plot No. 1, Sector 5, IMT Manesar
Gurugram -122050, Haryana

BANGALORE PLANT
Plot No. 98, Vemmangal Industrial Area
Kolar - 563101, Karnataka

ROHTAK PLANT
Plot No. 9, Sector 30A, IMT Manesar
District Rohtak -124001, Haryana

REGISTRAR & TRANSFER AGENTS
MCS Share Transfer Agent Limited
F-65, First Floor, Okhla Industrial Area,
Phase 1, New Delhi - 110020

NOTICE

Notice is hereby given that the **13th Annual General Meeting** of the Members of **SHIVAM AUTOTECH LIMITED** will be held on Saturday, the 29th day of September, 2018 at 11:30 A.M. at Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074, to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2018, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

   "**RESOLVED THAT** the Audited Balance Sheet as at March 31, 2018 and the Statement of Profit & Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon, as circulated to the members and now placed before the meeting be and are hereby considered and adopted."

2. To appoint a director in place of Dr. Anil Kumar Gupta (DIN 02643623), who retires by rotation and being eligible has offered himself for re-appointment.

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr. Anil Kumar Gupta (DIN 02643623), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Charu Munjal (DIN 03094545), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

B. SPECIAL BUSINESS

4. Re-appointment of Mrs. Charu Munjal (DIN 03094545) as Whole Time Director of the Company.

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

   "**RESOLVED THAT** in accordance with the provision of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board, and such approvals as may be necessary, the consent of the Company be and is hereby accorded for re-appointment of Mrs. Charu Munjal, (DIN 03094545) as Whole Time Director of the Company designated as "Executive Director" with effect from June 1, 2018 for further period of 5 years on the existing remuneration as set out in the explanatory statement annexed to the Notice convening this Annual General Meeting.

   RESOLVED FURTHER THAT Mrs. Charu Munjal shall be liable to retire by rotation in pursuance of Section 152 and any other provisions of the Companies Act, 2013.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit without further reference to the Company in General Meeting."

5. Re-appointment of Dr. Anil Kumar Gupta, (DIN 02643623) as Whole Time Director of the Company and revision in his remuneration thereof.

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

   "**RESOLVED THAT** in accordance with the provision of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board, subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded for re-appointment of Dr. Anil Kumar Gupta (DIN 02643623) as Whole Time Director of the Company

designated as "Director (Technical)" for a further period of 3 years and revision in his remuneration thereof with effect from December 20, 2017 as set out in the explanatory statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT Dr. Anil Kumar Gupta shall be liable to retire by rotation in pursuance of Section 152 and any other provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit without further reference to the Company in General Meeting."

Place: New Delhi
Date: August 13, 2018

By Order of the Board of Directors
For Shivam Autotech Limited

Sd/-
Shivani Kakkar
Company Secretary
Membership No. 25097

Registered Office:
303, 3rd Floor, Square One,
District Centre, Saket,
New Delhi – 110 017
CIN:L34300DL2005PLC139163
e-mail: admn@shivamautotech.com
website: www.shivamautotech.com
Tel: +91 11 49242100 Fax: +91 11 49242116

NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.

2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote (on a poll only) instead of himself/ herself and the proxy need not be a member of the company. The instrument appointing the proxies in order to be valid must be deposited at the company's registered office not later than 48 hours before the commencement of the meeting. A proxy form is enclosed herewith.**

   A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other member. The holder of proxy shall prove his identity at the time of attending the Meeting.

3. For the convenience of the Members, attendance slip, proxy form and the route map of the venue of the Meeting are annexed herewith in the Annual Report. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting along with their copies of the Annual Report.

4. Corporate Members are requested to send a duly certified copy of the Board Resolution, authorising their representatives to attend and vote at the Annual General Meeting.

5. As required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars relating to Dr. Anil Kumar Gupta and Mrs. Charu Munjal, Directors retiring by rotation and whose re-appointments are being proposed at the forthcoming Annual General Meeting, are enclosed in the Appendix to this Notice.

6. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 29, 2017.

7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 22, 2018 to Saturday, September 29, 2018 (both days inclusive).

8. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

   In view of the above, the Company requests all its shareholders to kindly provide their email addresses along with client ID/Folio no. and number of shares as reference to the following email addresses with subject as "Shivam Autotech Limited – Member Email ID" at admin@mcsregistrars.com.

9. Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The details of unpaid amounts as per provisions of Section 124 of the Companies Act, 2013 are uploaded on the website of the Company.

   The dividend declared by the Company for the financial year 2010-11, of which Rs.359,507.69 has remain unpaid/unclaimed shall be transferred to IEPF on or before December 5, 2018. Accordingly, members who have not encashed their Dividend Warrant(s) are requested to approach the Company for releasing the dividend upon completion of necessary formalities for the same in lieu of such warrant(s). Unclaimed/ unpaid final dividend for the financial year 2010-11, which is due for transfer to IEPF, should be claimed by the members before November 5, 2018. After that date, no claim shall lie against the IEPF/ Company, in respect of the said amount.

   The details of the shareholders who have not claimed/ encashed their dividend warrants till the last Annual General Meeting and subsequent due dates of transfer of unclaimed/ unpaid dividend to IEPF for the respective financial years are as mentioned below:

Due dates for transfer of unclaimed/unpaid dividends for the financial year ending March 31, 2011 and thereafter to IEPF:

FY ended	Last date of payment to shareholder/ Due date	Last Date of transfer to IEPF
March 31, 2011	November 05, 2018	December 05, 2018
March 31, 2012	October 31, 2019	November 30, 2019
March 31, 2013	October 30, 2020	November 29, 2020
March 31, 2014	November 04, 2021	December 04, 2021
March 31, 2015	October 15, 2022	November 14, 2022
March 31, 2016	November 04, 2023	December 04, 2023

10. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, 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, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link:

    http://www.shivamautotech.com/Uploads/image/97imguf_SharesTransferredtoIEPFDec112017.pdf

    The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

11. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: http://iepf.gov.in/IEPFA/refund.html or contact Company's Registrar and Transfer Agents for lodging claim for refund of shares and / or dividend from the IEPF Authority.

12. **SEBI vide its notification dated June 08, 2018 has decided that securities of listed companies can be transferred only in dematerialised form w.e.f. December 5, 2018. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.**

13. Members holding shares in physical mode:

    (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company, as mandated by SEBI.

    (b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website and can be accessed at link http://www.shivamautotech.com/Uploads/image/98imguf_NominationForm.pdf

    (c) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.

14. Members holding shares in electronic mode:

    (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

    (b) are advised to contact their respective DPs for registering the nomination.

    (c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

15. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the Meeting, so that the information required may be made available at the meeting.

16. In compliance with 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by CDSL, on all the resolutions set forth in this Notice.

    In order to enable its Members, who do not have the access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for remote e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or remote e-voting is / are deemed to have been passed as if they have been passed at the AGM.

17. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at business closing hours on August 25, 2018.

18. The shareholders shall have one vote per equity share held by them. The facility of remote e-voting would be provided once for every Folio/ Client ID, irrespective of the number of joint holders.

19. The Board of Directors of the Company (the "Board") at its meeting held on August 13, 2018 have appointed CS Satyender Kumar, (Membership No. FCS4087), Satyender Kumar & Associates, Company Secretaries, Gurugram as the Scrutinizer for conducting the voting process (physical & remote e-voting) in a fair and transparent manner in accordance with law.

20. 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 e-voting in the presence of two witnesses not in employment of the Company and make, a Consolidated Scrutinizer's Report to Chairman of the Company within 48 hours of conclusion of the general meeting

21. The Results declared alongwith the Consolidated Scrutinizer's Report shall be placed on the Company's website www.shivamautotech.com and on the website of CDSL after the result is declared by Chairman and communicated to the NSE and BSE Limited.

22. The scrutinizer's decision on the validity of e-voting and poll at AGM will be final.

Instructions for Remote Voting through electronic mode

i. The remote voting period begins on 09:00 A.M. on Wednesday, September 26, 2018 and ends 05:00 P.M. on Friday, September 28, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, September 22, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e-voting website www.evotingindia.com.

iv. Click on Shareholders.

v. Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in thecompany records in order to login • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for the Company Name on which you choose to vote.

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

ITEM NO. 4

The present proposal is to seek the Members' approval for the re-appointment of Mrs. Charu Munjal as Whole Time Director of the Company designated as "Executive Director" for a further period of 5 years on the existing remuneration, in terms of the applicable provisions of the Companies Act, 2013.

Mrs. Charu Munjal holds a Diploma in Textile Designing from Banaras Hindu University and has considerable exposure in creative designing and marketing field. Her experience and energetic approach in marketing related functions enables the Company to actively focus on Market development, product development and fund management. The Company has identified new marketing initiatives and strategies for new business developments with her guidance and support. She has made an effort to improvise all associated administration and system-driven operations.

Mrs. Charu Munjal was appointed as the Whole Time Director of the Company for a period of five years w.e.f. June 01, 2013 till May 31, 2018. The Board of Directors, on the recommendations of Nomination and Remuneration Committee, in their meeting held on May 30, 2018 has approved the proposal for re-appointment of Mrs. Charu Munjal as Whole Time Director of the Company designated as "Executive Director" for a further period of 5 years on the existing remuneration, subject to the approval of the members in the Annual General Meeting.

Shareholding in the Company: Nil

The existing remuneration of Mrs. Charu Munjal is set out as under:

A) **Basic Salary:** Rs. 400,000/- (Rupees Four Lacs Only) per month.

B) **Commission:** She will also be entitled to commission in addition to Basic Salary, Perquisites and any other Allowances, benefits or amenities, subject to the condition that the amount of commission shall not exceed 2.00% (Two percent) of the Net Profit of the Company in a particular financial year as computed in the manner referred to in Section 197 of the Companies Act, 2013.

C) **Perquisites and Allowances:** In addition to the above Basic Salary and Commission, She shall be entitled to the following monthly perquisites and allowances:

I.	Allowances	% of Basic Salary
a.	House Rent Allowance	50.00%
b.	Electricity Allowance	10.00%
c.	Management Allowance	1.53%
d.	Child Education Allowance	0.25%
e.	Furnishing Allowance	5.00%

II. **Perquisites:** The Executive Director shall also be entitled to the following perquisites:

a. Club Fees: Reimbursement of Actual Fees of Clubs.

b. Personal Accident Insurance: Actual premium to be paid by the Company.

c. Medical Reimbursement: Reimbursement of actual medical insurance premium and medical expenses incurred by her and her family.

d. Insurance of Household goods: Actual premium to be paid by the Company.

e. Car: Facility of cars with drivers to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.

f. Telephone: Free telephone facility at residence including Mobile Phone to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.

g. Leave: One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will be encashed.

h. Reimbursement of expenses: Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred by her in India and abroad for the business of the Company.

i. Contribution to Provident Fund, Super Annuation or Annuity Fund etc.: Company's Contribution to Provident Fund, Super Annuation or Annuity Fund etc. will be as per policy/rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act.

j. Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

k. Leave Travel Concession: For the Executive Director and her family once in a year incurred in accordance with the policy/rules of the Company.

l. Other allowances: As may be applicable from time to time as per policy/rules of the Company.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

For the aforesaid purpose "Family" means the dependent children and dependent parents of the Executive Director.

D. **Minimum Remuneration:** In any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the minimum remuneration payable to the Executive Director shall be substantive salary and perquisites as above mentioned, subject to the ceiling set out under Section II of Part II of Schedule V to the Companies Act, 2013.

Provided further that the following perquisites which are also allowed to the Executive Director shall not be included in the computation of ceiling as specified in (D) above:

a. Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961; and

b. Gratuity payable at a rate not exceeding half month' salary for each completed year of service.

None of the directors, except Mrs. Charu Munjal and Mr. Neeraj Munjal, being relative of Mr. Charu Munjal, may deemed to be concerned / interested in this Resolution.

The resolution is accordingly recommended for the approval of the Members as an Ordinary resolution.

ITEM NO. 5

The present proposal is to seek the Members' approval for the re-appointment of Dr. Anil Kumar Gupta as Whole Time Director of the Company designated as "Director (Technical)" for a period of 3 years on the remuneration as mentioned below, in terms of the applicable provisions of the Companies Act, 2013.

Dr. Anil Kumar Gupta was re-appointed as Whole Time Director designated as "Director (Technical)"of the Company w.e.f. December 20, 2014 for a period of 3 years i.e. till December 19, 2017. He has done doctorate in Engineering from Delhi University. He has a vast Experience in the field of mechanical / metallurgy engineering with special expertise in Metal Forming Processes, including technology development of light weighted materials and composites.

Dr. Gupta is blessed with scientific temper and focused mind. With his rich experience, he is capable of creating complex sub-systems, resulting in value addition. The Company has evolved as a solution provider, with his sound knowledge of technology. He is a great innovator, particularly in respect of design and technology.

Shareholding of the Company: Nil

The Board of Directors, on the recommendations of Nomination and Remuneration Committee, has approved the proposal for re-appointment of Dr. Anil Kumar Gupta as Whole Time Director of the Company designated as "Director (Technical)" for a period of 3 years w.e.f. December 20, 2017 and revision his remuneration thereof, in their meeting held on February 14, 2018, subject to the approval of the members in the Annual General Meeting. The increased remuneration of Dr. Anil Kumar Gupta is set out as under:

A) **Basic Salary:** Rs.228,000 (Rupees Two Lacs and Twenty Eight Thousand Only) per month.

B) **Perquisites and Allowances:** In addition to the above Basic Salary, he shall be entitled to the following monthly perquisites and allowances:

a) **Allowances**

S. No	Particulars	% of Basic Salary
i.	House Rent Allowance	60.00%
ii.	Dearness Allowance	10.00%
iii.	Professional Development Allowance	10.00%
iv.	Special Allowance	23.90%
v.	Medical Reimbursement Allowance	0.55%

b) **Perquisites:** The Director (Technical) shall also be entitled to the following perquisites:

i. Car: Facility of car with driver to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.

ii. Telephone: Free telephone facility at residence including Mobile Phone to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.

iii. Leave: As per rules of the Company.

iv. Reimbursement of expenses: Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred by him in India and abroad for the business of the Company.

v. Contribution to Provident Fund: Company's Contribution to Provident Fund as per rules of the Company.

vi. Leave Travel Concession: For the Director (Technical) and his family once in a year incurred in accordance with the policy/rules of the Company, restricted to one months' basic salary.

vii. Variable Performance Bonus: Director (Technical) shall be entitled for Variable Performance Bonus upto a maximum of Rs. 15.50 Lacs (Rupees Fifteen Lacs and Fifty Thousand Only) in a Financial Year depending upon the levels of measurement as may be decided by the Board of Directors.

viii. Other allowances: As may be applicable from time to time as per policy/rules of the Company.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

For the aforesaid purpose "Family" means the dependent children and dependent parents of the Director (Technical).

C) **Minimum Remuneration:** In any financial year during the currency of tenure of the Director (Technical), the Company has no profits or its profits are inadequate, the minimum remuneration payable to the Director (Technical) shall be substantive salary and perquisites as above mentioned, subject to the ceiling set out under Section II of Part II of Schedule V to the Companies Act, 2013.

Provided further that the following perquisites which are also allowed to the Director (Technical) shall not be included in the computation of ceiling as specified in (C) above:

(i) Contribution to Provident Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961

None of the directors, except Dr. Anil Kumar Gupta, may be deemed to be concerned / interested in this Resolution.

The resolution is accordingly recommended for the approval of the Members as an Ordinary Resolution.

Place: New Delhi
Date: August 13, 2018

By Order of the Board of Directors
For Shivam Autotech Limited

Sd/-
Shivani Kakkar
Company Secretary
Membership No. 25097

Registered Office:
303, 3rd Floor, Square One,
District Centre, Saket,
New Delhi – 110 017
CIN:L34300DL2005PLC139163
e-mail: admn@shivamautotech.com
website: www.shivamautotech.com
Tel: +91 11 49242100 Fax: +91 11 49242116

INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Director	Dr. Anil Kumar Gupta	Mrs. Charu Munjal
Date of Birth	02-April-1951	04-June-1972
Date of Appointment	28-April-2009	28-May-2013
Qualifications	Doctorate in Engineering and Fellow of Indian National Academy of Engineering (FNAE).	Diploma in Textile Designing
Experience in Specific functional areas	Creating value addition and complex sub- systems / systems. In-depth knowledge of metallurgical engineering.	Exposure in creative designing and marketing field.
List of Companies in which outside Directorship held	-	1. Munjal Showa Limited
Chairman / Member of Committees of Board of directors of other companies in which he/she is a director	-	-
No of Shares held	Nil	Nil

*** Excluding private limited companies**

**** Only Audit Committee & Stakeholders Relationship Committee considered**

Place: New Delhi
Date: August 13, 2018

By Order of the Board of Directors
For Shivam Autotech Limited

Sd/-
Shivani Kakkar
Company Secretary
Membership No. 25097

Registered Office:
303, 3rd Floor, Square One,
District Centre, Saket,
New Delhi – 110 017
CIN:L34300DL2005PLC139163
e-mail: admn@shivamautotech.com
website: www.shivamautotech.com
Tel: +91 11 49242100 Fax: +91 11 49242116

Shivam Autotech Ltd.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present before you, the 13th Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018.

Financial Highlights

The Company's financial performance, for the year ended March 31, 2018 is summarized below:

Rupees (in Lacs)

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Gross Sales & Other Income	56,685.15	48,565.87
Profit before Depreciation and Interest	**7940.33**	**4798.08**
Depreciation	4126.90	3220.16
Interest	4570.45	2903.14
Profit before Taxation	**(757.03)**	**(1325.22)**
Provision for Taxation (Deferred & Current)	(633.89)	(967.29)
Profit after Taxation	**(123.13)**	**(357.93)**

State of Company's Affairs and Future Outlook

During the financial year 2017-18, revenue from operations was Rs. 56,685.15 lacs as compared to Rs.48,565.87 lacs in 2016-17, registering an increase of 17%.

Operating profit of the Company has increased to Rs. 7940.33 lacs from Rs. 4798.08 lacs in 2016-17. The Company has achieved major milestones in setting up of two state of the art manufacturing facilities at Bengaluru and Rohtak, though the capex of these facilities has impacted the profitability of FY 17-18. However, these capex in new plants has widen the Company's product portfolio and has enhanced further its capability as a niche auto components producer.

Your Company has taken measures to enhance operational efficiencies by focusing on improving yields, reducing rejections and enhancing capacity utilisation. The Company is taking necessary steps for improvements at all levels. Critical precise components by very nature call for near zero tolerance/ rejections approach at all stages of operations. Thorough quality check, standard operating procedures, top class tools usage and detailed training and awareness among all – from operator level to the senior manager level ensures prevalence of sound work culture and high level of productivity. Necessary POKAYOKE are being implemented in the processes to nib the problem in the bud and minimize rejections.

Business Overview

With the impressive, technology driven high end machineries installed in all its facilities, the Company is able to produce high volumes with impeccable quality required for complex, wide range of transmission and precision engineering components. With the state of art manufacturing facilities, the Company is functioning successively to strengthen its Customer Base. The Sales to other Customers like Bosch, Denso, INEL, Mitsuba, Yamaha, ZF, Hilti, Volvo Eicher and Maruti etc. has increased compared to last year, still Hero MotoCorp Limited (HMCL) being the major customer. Customer Profile for the financial year 2017-18 is as follows:

With the impressive, technology driven high end machineries installed in all its facilities, the Company is able to produce high volumes with impeccable quality required for complex, wide range of transmission and precision engineering components. With the state of art manufacturing facilities, the Company is functioning successively to strengthen its Customer Base. The Sales to other Customers like Bosch, Mando, Denso, INEL, Mitsuba, Yamaha, ZF, Hilti, Volvo Eicher and Maruti etc. has increased compared to last year, still Hero MotoCorp Limited (HMCL)

With the increase in growth rate of Customers, the Company is expecting to maintain a healthy growth in its scale of operations and widen its geographical reach. It is also expected to add new customers in the upcoming financial years. Cutting edge technology on a sustained basis is the touch stone of the manufacturing excellence of the Company.

The Company is working meticulously towards mitigating its concentration risk by diluting the percentage of the concentration by increasing sales to other customers or entering new markets which is principally the focus area. The Company is successively clearing the major audits of its Customers in all plants and working towards entering into new verticals with the set-up of world class facilities at Bengaluru and Rohtak plant.

Awards & Accolades

The Company is proud recipient of the following Awards as shown in Awards & Accolades Section:

1. Certificate of Appreciation from Maruti Suzuki for recognition of superior performance in the field of 2 Wheeler Cost Down in the year 2017-18.
2. Certificate of Excellence from SEG Automotive for recognition in Ramp up Support for year 2017-18
3. Awarded for Ramp Up Support Award by SEG Automotive in Business Partner Meet 2018
4. Green Merit Award for recognition in Green Initiative of Waste Paper Recycling through Green-O-Tech India in year 2017

Transfer to General Reserve

During the year under review, the Company has not transferred any amount to General Reserves. The closing balance amount of Reserves and Surplus of Rs. 17,094.78 Lacs (Previous year Rs. 17,201.72 lacs) will be retained as surplus in the Statement of Profit and Loss.

Dividend

The Board of Directors have not recommended any dividend for the financial year 2017-18.

The Register of Members and Share Transfer Books shall remain closed from Saturday, September 22, 2018 to Saturday, September 29, 2018 (both days inclusive).

Holding Company

The promoters of the Company i.e. Dayanand Munjal Investments Private Limited (DMIPL) hold 74,795,950 equity shares of Rs. 2/- each which represents 74.80% of the paid up equity capital of the Company.

Your company continues to be a subsidiary company of DMIPL.

Subsidiary Companies, Joint Ventures Or Associate Companies

The Company neither has any Subsidiaries, joint ventures or associate companies nor any company have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year under review.

Management Discussion and Analysis report

A detailed discussion on the business performance and future outlook forms part of Management Discussion and Analysis Report, which is separately attached as **Annexure A** to this Board's Report.

Board of Directors

a) Meeting of Board of Directors

A calendar of Meetings is prepared and circulated in advance to the Directors. During the Financial Year 2017-18, 4 (four) meetings of the Board of Directors of the Company were held on May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR, 2015"). For details of the meetings of the board, please refer to the Corporate Governance report, which forms part of this Annual Report.

b) Details of Directors and Key Managerial Personnel

Mrs. Charu Munjal and Dr. Anil Kumar Gupta, Whole Time Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Brief profile of the Director(s), as required by the SEBI LODR, 2015, is given in the Notice / Corporate Governance Report forming part of this Annual Report.

The appointment/re-appointments form part of the Notice of the Thirteenth Annual General Meeting and the relevant Resolutions are recommended for your approval.

c) Declaration by Independent Director

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that he/she meets the criteria of Independence laid down in Section 149(6) of Companies Act, 2013 and SEBI LODR, 2015.

d) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under the SEBI LODR, 2015, the Board is required to carry out an Annual Evaluation of its own performance, Board's committees and Individual Directors.

The performance of the Board as a whole, it's Committee(s) and Individual Directors including the Chairman of the Board, was evaluated by a questionnaire formulated by the Company.

The questionnaire was formulated based on the following criteria:

- The Board composition and structure,
- Effectiveness of board processes,
- Information and functioning,
- The composition of committees,
- Effectiveness of committee meetings,
- The contribution of the individual director to the Board and committee meetings
- Preparedness of Directors on the issues to be discussed,
- Meaningful and constructive contribution of Directors and their inputs in meetings

e) Separate Meeting of Independent Directors

In terms of requirements under Schedule IV of the Companies Act 2013 and SEBI LODR, 2015, a separate meeting of Independent Directors was held on February 14, 2018. In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

f) Policy on Directors' remuneration and other details

The Company's policy on Directors' remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Board's report.

Statutory Auditors

NSBP & Co., Chartered Accountants, New Delhi (Firm Registration No. 001075N) were appointed as the Statutory Auditors of the Company for a term of five years as per the provisions of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, who will hold the office upto the conclusion of the 17th Annual General Meeting. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by the Auditors, NSBP & Co., Chartered Accountants, New Delhi, on the financial statements of the Company for the financial year 2017-18, is part of the Annual Report. There are no qualifications, reservation, adverse remark, observations, comments or disclaimer given by the Auditors in their Report.

Further, with regard to Section 134(3)(ca) of the Companies Act, 2013, no frauds have been reported by the auditors under Section 143(12) of the said Act.

Explanation to Auditors' Remarks

The comments on statement of accounts referred to in the report of the auditors are self-explanatory.

Share Capital

During the year under review, the Issued, Subscribed and Paid-up Equity Share Capital as on March 31, 2018 was 10 Crores equity shares of Rs. 2/- each amounting to Rs. 20 Crore.

a) Your Company has not issued shares with differential voting rights nor granted employee stock options nor sweat equity. And also the Company has not accepted or repaid any Debentures, Preference Share Capital and any Bond & Security during the financial year, and none of the Directors of the Company hold any shares or security of the Company. The Company does not have any Debentures, Preferential Shares as on March 31, 2018.

b) Your company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

Deposits

During the year, the Company has not accepted any fixed deposit.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Satyender Kumar & Associates, a proprietorship firm of Company Secretaries to undertake the Secretarial Audit of the Company. Secretarial Audit Report in prescribed format MR-3 is annexed as **Annexure–D** to this Board's Report.

Explanation to Secretarial Audit Report

Due to technical issues faced by the Registrar and Transfer Agents of the Company with Depository, the shares were transferred beyond the prescribed date.

The Company is taking effective steps that all statutory forms are filed within the prescribed time limit.

Audit Committee

The Audit Committee comprises mainly of Independent Directors and the composition is as under:

Mr. Surrinder Lal Kapur	-	Chairman
Mr. Bhagwan Dass Narang	-	Member
Dr. Vinayshil Gautam	-	Member
Mr. Sunil Kant Munjal	-	Member
Dr. Anil Kumar Gupta	-	Member

The terms of reference of the Audit Committee are wide enough to cover the matters specified for the Audit Committee under SEBI LODR, 2015 as well as Section 177 of the Companies Act, 2013; the detailed terms of reference are as mentioned in the **Annexure B** to this Board's Report. During the year, the Board has accepted all recommendation of Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of the recommendation of the Audit Committee by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) has been constituted according to Section 178(5) of the Companies Act, 2013 and the composition is as under:

Dr. Vinayshil Gautam	-	Chairman
Mr. Bhagwan Dass Narang	-	Member
Mr. Surrinder Lal Kapur	-	Member
Mr. Sunil Kant Munjal	-	Member

The detailed terms of reference are as mentioned in the **Annexure B** to this Board's Report.

Corporate Social Responsibility (CSR) Policy

The Corporate Social Responsibility Committee has been constituted as per the provisions of Section 135 of the Companies Act, 2013 and the composition is as under:

Mr. Bhagwan Dass Narang	-	Chairman
Dr. Anil Kumar Gupta	-	Member
Mrs. Charu Munjal	-	Member

The details about the policy indicating the activities to be undertaken by the Company, activities implemented by the company and the amount spent on CSR activities as per the provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure – E** to this Board's Report.

Risk Management Policy

In order to mitigate the risks, the Company has adopted the implementation of the risk management policy focusing on the elements of risks which in the opinion of the Board may threaten the existence of the company.

The Company has constituted a risk management committee, the constitution and the terms of reference of the same are mentioned in the **Annexure B** to this Board's Report.

Disclosure on Establishment of a Vigil Mechanism

The Company has adopted a policy on vigil mechanism for directors and employees to report their genuine concerns or grievance to be the Vigilance and Ethics Officer. The policy is available on the company's website www.shivamautotech.com.

Material Changes Affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and on the date of this report.

Your Company was able to raise the short-term/long term funds needed for its working capital related requirements & term loans for new capital expenditure at reasonable rates. By efficient management of working capital, the Company has been able to reduce some interest cost. The Company continues to focus on judicious management of its working capital. During the year under review, the financial position of the Company was satisfactory.

Significant or Material Orders passed by the Regulators

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

Changes in the Nature of Business

There is no change in the nature of the business of the Company during the Financial Year 2017-18.

Extract of Annual Return

The weblink for extract of Annual Return, in format MGT-9, for the Financial Year 2017-18 is as follows: http://www.shivamautotech.com/cpage.aspx?mpgid=15&pgidtrail=40

Particulars of Loan, Guarantees and Investments under Section 186 of the Companies Act, 2013

The Company has neither given any loans/guarantees / provided security and nor any investments have been made by the Company.

Particulars of Contracts or Arrangements with Related Parties

All contracts /arrangements/transactions entered by the Company during the financial year with the related parties were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any contracts /arrangements/transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Suitable disclosure as required by the IND AS 24 has been made in the notes to the Financial Statements.

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

The Company continues to use the latest technologies for improving the productivity and quality of its products and components. The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are attached as **Annexure - C** to this Board's Report.

Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements

Your company has adequate internal control for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations. The internal controls are complemented, on an on-going basis, by an extensive program of internal audits being implemented throughout the year. The internal controls are designed to ensure that the financial and other records of the company are reliable for preparing financial statement and other data for maintaining the accountability of assets in conformity with established accounting principles and that the assets of the company are adequately safe-guarded against any significant misuse or loss.

The Company also has an internal audit system which is conducted by an independent firm of Chartered Accountants. A summary of Internal audit report and observations thereon are reviewed by the Audit Committee on regular basis and have been found to be adequate.

Listing

The shares of your Company are listed at The National Stock Exchange of India Limited and The BSE Limited, and pursuant to the SEBI LODR, 2015, the Annual Listing fees for the year 2018-19 have been paid to them well before the due date i.e. April 30, 2018. The Company has also paid the annual custodian fees for the year 2018-19 in respect of Shares held in dematerialized mode to National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

The Company has complied with the requirements of Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015, as applicable.

Corporate Governance

Your Company is committed to follow the highest standards and principles of Corporate Governance with all integrity and fairness. The Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

A certificate from the Practising Company Secretary regarding the compliance of the conditions of Corporate Governance by the Company stipulated under SEBI LODR, 2015 is also attached to this Report.

Separate detailed chapters on Corporate Governance, Additional Shareholder information and Management Discussion and Analysis are attached herewith and form part of this Report. Declaration by CEO/CFO that the Board Members and Senior Management Personnel have complied with the Code of Conduct for the Financial Year 2017-18 is annexed with this report.

Disclosures for Maintenance of Cost Records

Your company is not covered under subsection (1) of Section 148 of Companies Act, 2013 for maintenance of Cost records and accordingly such accounts and records are not required to be made and maintained.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company is committed to provide work environment that ensures every employee is treated with dignity

and respect and afforded equitable treatment. The Company has complied with the provisions relating to the Constitution of Internal complaints Committee under the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has adopted the policy for prevention of sexual harassment at workplace. No Complaints has been received for the year 2017-18. The annual report has been duly submitted to the District Officer of Department of Women and Child Development stating that no complaints have been received by the Company.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, as amended, with respect to the directors' responsibility statement, it is hereby confirmed:

(i) That in preparation of annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to the material departures;

(ii) That the directors' of the company have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the losses of the Company for the financial year ended March 31, 2018;

(iii) That the directors' of the company 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; and

(iv) That the directors' of the company have prepared the annual accounts on a going concern basis.

(v) That the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(vi) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Managerial Remuneration

The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are provided in Corporate Governance Report attached as **Annexure – B** to this Board's Report.

Particulars of Employees

The information required under Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure - F** to this Board's Report.

Environment, Health & Safety

The Company has taken an initiative to preserve environment by indulging in paper recycling activity. The paper recycling pertains to the processes of reprocessing waste paper for reuse. Recycling paper preserves trees and forests. Every ton of recycled paper saves about 17 trees. Recycled paper serves as an environmental friendly resource for paper manufacturers, saving costs and energy. *The Company has recycled approx. 7320 kgs of waste paper till March 31, 2018, contributing in saving 124 nos. of trees*.

During the year, the Company focused on incident reporting. Use of mobile phones was identified as one of the major distractions, especially while working inside manufacturing plants. The Company took proactive steps to address this risk by limiting smartphone usage during working hours.

The Company is committed to adhere to the highest standards of health and safety. It strives to provide its employees with a safe and healthy workplace. The Company continuous to focus on deploying behaviour based safety programmes and global safety standards across its locations. The Company regularly conducts counselling and safety review meetings for the employees to appraise and educate them on the adoption of safety measures and avoidance of unsafe practices. Safe operating procedures, standards and systems have been laid down at all manufacturing locations. Prompt medical assistance are provided to its employees.

Human Resource Development

Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to cross new milestones on a continual basis.

The Company strives to provide a work environment that attracts, develops and retains the best talent, promotes a values-driven, high-performance culture embedding diversity and transformation.

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

Policies

The SEBI LODR, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website **www.shivamautotech.com**.

Following are the policies adopted by the company with their web links:

Policy	Web link
Code of Conduct	http://www.shivamautotech.com/Uploads/image/34imguf_SHIVAMCodeofConductforBM.pdf
Prohibition of Insider Trading	http://www.shivamautotech.com/Uploads/image/38imguf_insidertradingshivam.pdf
Payment to Non- Executive Directors	http://www.shivamautotech.com/Uploads/image/33imguf_PaymenttoNED.pdf
Board Diversity Policy	http://www.shivamautotech.com/pdf/Board_Diversity_Policy.pdf
Records and Archives Policy	http://www.shivamautotech.com/pdf/records_and_archives_policy.pdf
Related Party Transaction Policy	http://www.shivamautotech.com/pdf/RPT_policy.pdf
Anti-Harassment Policy	http://www.shivamautotech.com/pdf/Anti_harassment_Policy.pdf
Corporate Social Responsibility Policy	http://www.shivamautotech.com/pdf/CSR_POLICY.pdf
Risk Management Policy	http://www.shivamautotech.com/pdf/Risk_Management_Policy.pdf
Whistle Blower Policy	http://www.shivamautotech.com/pdf/Whistle_Blower_Policy.pdf

Secretarial Standards

During the year under review, your Company had complied with all the applicable Secretarial Standards.

Acknowledgments

Your Company's organisational culture upholds professionalism, integrity and continuous improvement across all functions as well as efficient utilisation of the Company's resources for sustainable and profitable growth.

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government Authorities, Bankers, Customers, Suppliers and Business Associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board

Sd/-
Neeraj Munjal
Managing Director
DIN: 00037792

For and on behalf of the Board

Sd/-
Dr. Anil Kumar Gupta
Whole Time Director
DIN: 02643623

Place: New Delhi
Date: August 13, 2018

ANNEXURE 'A' TO BOARD's REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Economic Scenario and Industry Structure

GDP growth slowed to a 4-year low of 6.7 percent, but a recovery is under way. India's economy is picking up and growth prospects look bright—partly thanks to the implementation of recent policies, such as the nationwide goods and services tax. As one of the world's fastest-growing economies—accounting for about 15 percent of global growth—India's economy has helped to lift millions out of poverty, according to International Monetary Fund (IMF).

Considering the transient impact of structural reforms and initiatives such as demonetisation, implementation of goods and services tax (GST), Real Estate (Regulation and Development) Act, Insolvency and Bankruptcy Code, etc., the country's GDP growth rate is slated to rebound and sustain over coming years.

The recent cash shortages after the currency demonetization, as well as transitional costs from the introduction of the goods and services tax weighed heavily on economic performance. The goods and services tax created a unified national market for the first time by lowering internal barriers to trade—effectively establishing a free trade agreement for a market of over 1.3 billion people. The tax is also expected to increase the amount of economic activity taking place in the formal sector of the economy—leading to better quality and more reliable jobs. As a result, the goods and services tax should improve productivity and boost medium-term potential growth, while also creating room for the government to increase much needed social and infrastructure spending.

Government Initiatives

The country has recently implemented a new insolvency and bankruptcy code, which should make it easier for creditors to seek repayment from debtors who are in arrears. The bankruptcy code is already shifting the power balance between debtors and creditors and improving corporate repayment discipline. In addition to the bankruptcy code, the central bank and government have taken steps to improve banks' recognition of bad assets and to recapitalize public sector banks. Ultimately, these efforts will help to solidify bank balance sheets and support the flow of credit to the rapidly expanding economy.

Another key area of reform is to strengthen governance in public sector banks to complement the reforms in the financial sector already underway. This is needed, for example, to improve incentives to enhance the efficiency of bank operations and foster more disciplined lending practices by banks. A first step would be to strengthen the quality and independence of these banks' boards, and privatization could also eventually be considered.

A further deepening and broadening of structural reforms is needed to raise investment, job growth, and productivity over the medium term, to spur India's catch up with advanced economies and create jobs needed for India's young and growing labor force.

Market Size

Evolving customers' preferences, higher disposable incomes, increasing urbanisation and infrastructure turnaround may lead to structural and segmental shifts in the two-wheeler industry.

According to SIAM data, the Auto-Industry produced a total 29,075,605 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycle in April-March 2018 as against 25,330,967 in April-March 2017, registering a growth of 14.78 percent over the same period last year.

Domestic Sales

- The sale of Passenger Vehicles grew by 7.89 percent in April-March 2018 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicle and Vans grew by 3.33 percent, 20.97 percent and 5.78 percent respectively in April-March 2018 over the same period last year.
- The overall Commercial Vehicles segment grew by 19.94 percent in April-March 2018 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 12.48 percent and Light Commercial Vehicles grew by 25.42 percent in April-March 2018 over the same period last year.
- Three Wheelers sales grew by 24.19 percent in April-March 2018 over the same period last year. Within the Three Wheelers, Passenger Carrier & Goods Carrier sales registered a growth of 28.65 percent and 7.83 percent respectively in April-March 2018 over April-March 2017.

- Two Wheelers sales registered a growth at 14.80 percent in April-March 2018 over April-March 2017. Within the Two Wheelers segment, Scooters and Motorcycles grew by 19.90 percent and 13.69 percent respectively, while Mopeds declined by (-) 3.48 percent in April-March 2018 over April-March 2017.

Exports

In April-March 2018, overall automobile exports increased by 16.12 percent. Two and Three Wheelers Segments registered a growth of 20.29 percent and 40.13 percent respectively, while Passenger Vehicles and Commercial Vehicles declined by (-)1.51 percent and (-) 10.53 percent respectively in April-March 2018 over the same period last year

Opportunities & Threats

India's economy is gaining momentum, thanks to the implementation of several recent noteworthy policies—such as the enactment of the long-awaited goods and services tax, and the country opening up more to foreign investors. Therefore, we expect economic growth to pick up to about 7.3 percent for fiscal year 2018-19 from 6.7 percent in the year prior.

A reform and streamlining of the complicated web of labor laws would go in the same direction as the goods and services tax, by further promoting employment in the formal economy, and would help sustain growth.

Outlook

India can benefit from improving its integration with global markets. The country has made a lot of progress, in that most foreign investments are now allowed to enter sectors of the Indian economy under what is known as "the automatic route." This amounts to a meaningful reduction in bureaucratic oversight, and greatly increases access to the Indian market for foreign investors.

However, more can be done to sustain the recent foreign direct investment inflows and remove trade barriers—which remain significant in the country.

These include:

- reducing trade documentation requirements and procedures;
- lowering tariffs;
- continuing to improve the business climate; and
- improving governance

The Company expects a transformation in the industry with the paradigm shift expected in the auto industry including electric vehicles, digitization, focus sustainability, shift to more efficient engines and changing regulations. Automation is the need of the hour and the Company is encouraging and supporting its suppliers to move to full automation, wherever appropriate.

Cautionary Statement

Certain Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statues and incidental factors.

For and on behalf of the Board

Sd/-
Neeraj Munjal
Managing Director
DIN: 00037792

For and on behalf of the Board

Sd/-
Dr. Anil Kumar Gupta
Whole Time Director
DIN: 02643623

Place: New Delhi
Date: August 13, 2018

ANNEXURE 'B' TO BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR, 2015"), a report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's Corporate Governance philosophy derives from the values of integrity, excellence & responsibility. It emphasizes wealth creation for society, protection & interest enhancement for all stakeholders, without compromising the environment and health of society at large. This helps the company to perform better thus culminating into higher productivity of the corporate resources. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company adheres to the highest ethical standards which are combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, quality consciousness, customer satisfaction, and ethical governance practices.

The Company has complied with the requirements of Corporate Governance as stipulated under the SEBI LODR, 2015, as applicable, the details of which are as under:

2. BOARD OF DIRECTORS

(a) Composition of the Board

The strength of the Board as on March 31, 2018, is 7 (Seven) directors. The Chairman of the Board is a Non-Executive Director. The Board comprises of Non-Executive Chairman, a Managing Director, two Whole-time Directors and four Independent Directors including Chairman.

Mr. Sunil Kant Munjal has been elected as Chairman of the Company by the Board.

Mr. Neeraj Munjal, Managing Director belongs to the promoter family. Dayanand Munjal Investments Private Limited is holding Company under promoter category and owns 74.80% equity in the Company. Mrs. Charu Munjal and Dr. Anil Kumar Gupta are Whole Time Director(s) of the Company designated as "Executive Director" and "Director (Technical)" respectively. Mr. Neeraj Munjal, Managing Director and Mrs. Charu Munjal, Whole Time Director are related to each other. Apart from these, the Board constitutes of Independent Directors namely Mr. Bhagwan Dass Narang, Mr. Surrinder Lal Kapur and Dr. Vinayshil Gautam. These directors bring to the Board wide range of experience & skills.

(b) Board / Committee Meetings

Board Meetings and Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the Financial Year 2017-18, 4 (Four) meetings of the Board of Directors were held on May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI LODR, 2015.

The details of attendance of Directors in the Board meetings are as under:

Name of Directors	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Sunil Kant Munjal	4	2	Yes
Mr. Neeraj Munjal	4	4	Yes
Mrs. Charu Munjal	4	3	Yes
Mr. Bhagwan Dass Narang	4	4	Yes
Mr. Surrinder Lal Kapur	4	4	Yes
Dr. Vinayshil Gautam	4	4	Yes
Dr. Anil Kumar Gupta	4	4	Yes

The information as required under Schedule II of the SEBI LODR, 2015 is made available to the Board of Directors.

Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions.

During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

(c) Number of other board of directors or Committees in which the Director is a Member or Chairperson

None of the Directors holds directorship in more than 10 listed companies. Further none of them holds membership of more than 10 Committees of the Board nor any Director is a Chairman of more than 5 Committees of Board.

Name	Category	No. of Directorships in listed entities including this listed entity	No. of Committee Memberships in Audit/ Stakeholder Committee including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entity including this listed entity
Mr. Sunil Kant Munjal *Chairman*	Independent	2	2	-
Mr. Neeraj Munjal *Managing Director*	Executive	1	1	-
Mrs. Charu Munjal *Executive Director*	Executive	2	-	-
Dr. Anil Kumar Gupta *Director - Technical*	Executive	1	2	-
Mr. Bhagwan Dass Narang	Independent	3	2	1
Mr. Surrinder Lal Kapur	Independent	3	5	2
Dr. Vinayshil Gautam	Independent	1	2	-

None of the Independent Directors and Executive Directors holds any shares (as own or on behalf of other person on beneficial basis) in the Company as on March 31, 2018.

Notes:

1. Private Limited Companies, Foreign Companies and Companies u/s 8 of the Companies Act, 2013 are excluded for the above purposes.
2. Only Audit committee and Stakeholders' Relationship committee are considered for the purpose of committee positions in accordance with Regulation 26 of SEBI LODR, 2015.

(d) Re - Appointment of Directors

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Charu Munjal and Dr. Anil Kumar Gupta, Whole Time Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Relevant Information pursuant to Directors proposed to be re-appointed at the Annual General Meeting is given in the Notice of the Annual General Meeting.

(e) Performance Evaluation of Board Members

The Company has set up a formal mechanism to evaluate the performance of all Board members. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of all the Directors.

(f) Availability of Information to Board Members

The Board has unrestricted access to all Company-related information including that of our employees. At Board

meetings, managers and representatives who can provide additional insights on the items being discussed are invited. Regular updates provided to the Board include:

- Annual operating plans and budget, capital budgets and updates.
- Quarterly results of the Company
- Minutes of meeting of Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management and Corporate Social Responsibility Committees and abstracts of circular resolution passed.
- General notices of interest received from Directors
- Dividend Data
- Information on recruitment and remuneration of senior officers including appointment or removal of the Chief Financial Officer and Company Secretary.
- Materially important litigations, show cause, demand and penalty notices.
- Any issues that involves possible public or product liability claims of a substantial nature
- Any significant development involving human resource management
- Details of foreign exchange exposure and the steps taken by the management to limit risks of adverse exchange rate movement.
- Non Compliance with any regulatory, statutory or listing requirements

(g) Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held on 14-Feb-2018.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company www.shivamautotech.com.

(h) Prevention of Insider Trading

The Company has framed a code of Conduct for Prevention on trading based on SEBI (Insider Trading) Regulations 1992. This Code is applicable to all Board Members / Officers / Designated Employees. This Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

(i) Code of Conduct

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence. A copy of the Code has been put up on the Company's website and can be accessed at: http://www.shivamautotech.com/Uploads/image/34imguf_SHIVAMCodeofConductforBM.pdf

The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Chairman and Managing Director is published in this Report.

3. AUDIT COMMITTEE

The constitution, quorum, scope, etc. of the Audit Committee is in line with the Companies Act, 2013 and provisions of SEBI LODR, 2015. All the members of Audit Committee are qualified and having insight to interpret and understand financial statements. All these members have good knowledge of Corporate & Project Finance, Accounts and Corporate Laws.

(a) Composition of the Audit Committee and attendance of members

The Audit Committee comprises mainly of Independent Directors and the composition is compatible with the SEBI LODR, 2015. During the Financial Year 2017-18, 4 (four) meetings of the Audit Committee were held on May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018.

Name	Designation	Category of Directorship	Attendance out of 4 meetings held
Mr. Surrinder Lal Kapur	Chairman	Independent Director	4
Mr. Bhagwan Dass Narang	Member	Independent Director	4
Dr. Vinayshil Gautam	Member	Independent Director	4
Mr. Sunil Kant Munjal	Member	Independent Director	2
Dr. Anil Kumar Gupta	Member	Executive Director	4

The Company Secretary acts as the Secretary of the Committee.

The total strength of the Audit Committee is five members out of which four are Independent directors and one is Executive director. Mr. Surrinder Lal Kapur, Independent Director is the Chairman of the Audit Committee.

The Constitution of Audit Committee also meets with the requirement of Section 177 of the Companies Act, 2013 and the rules made thereunder.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company.

(b) Terms of Reference

The terms of reference of the Audit Committee are wide enough to cover the matters specified for the Audit Committee under Regulation 18 of the SEBI LODR, 2015 as well as Section 177 of the Companies Act, 2013 and are as follows:

(i) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditors.

(ii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(iii) Examining the financial statements and the auditors' report thereon;

(iv) Considering with the management approval or any subsequent modification of transactions of the company with related parties;

(v) Scrutinizing inter-corporate loans and investments;

(vi) Considering valuation of undertakings or assets of the company, wherever it is necessary;

(vii) Evaluating internal financial controls and risk management systems;

(viii) Monitoring the end use of funds raised through public offers and related matters.

(ix) Reviewing Foreign Exchange Exposure of the Company.

(x) 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.

(xi) Discussion with internal auditors any significant findings and follow up thereon.

(xii) 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

(xiii) Reviewing with the management, the annual financial statements 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 Section 134 of the Companies Act, 2013 are:

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 judgement 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.

4. NOMINATION AND REMUNERATION COMMITTEE

The "Nomination and Remuneration Committee" has been constituted as per Section 178(5) of the Companies Act, 2013.

(a) Terms of Reference

The Nomination and Remuneration Committee reviews and recommends the payment of annual salaries, commission and other employment conditions of Executive Directors to the Board for approval. The Committee takes into consideration performance parameters, growth in business as well as profitability and practices prevailing in the similar industry, while fixing appropriate remuneration packages. The Committee also lays out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

(b) Composition of the Nomination and Remuneration Committee and attendance of members

The Nomination and Remuneration Committee comprises mainly of Independent Directors. During the Financial Year 2017-18, 2 (two) meetings of the Nomination and Remuneration Committee were held on August 10, 2017 and February 14, 2018. The composition of the Nomination and Remuneration Committee is as follows:

Name	Designation	Category of Directorship	Attendance out of 2 meetings held
Dr. Vinayshil Gautam	Chairman	Independent	2
Mr. Bhagwan Dass Narang	Member	Independent	2
Mr. Surrinder Lal Kapur	Member	Independent	2
Mr. Sunil Kant Munjal	Member	Independent	1

5. REMUNERATION OF DIRECTORS

The remuneration is fixed considering various parameters such as qualification, expertise, experience, prevailing remuneration in the industry and financial position of the Company. The remuneration structure comprises of Basic Salary, Commission, Perquisites & Allowances and Contribution to Provident Fund etc.

The Independent Directors do not draw any remuneration from the Company except sitting fees of Rs. 30,000/- for each meeting of the Board and Rs. 30,000/- for each meeting of the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee attended by them.

However, in addition to the sitting fees, Independent Directors are entitled to remuneration by way of commission up to 0.30% p.a. of the net profits of the company or Rs.10 Lacs per annum, whichever is less for each year commencing from October 01, 2014 as approved by the shareholders through Postal Ballot conducted by the Company, the results of which was declared on December 29, 2014.

Details of Remuneration Paid to Managing Director & Executive Directors

(Amount in Rs. Lacs)

Executive Director(s)	Salary	Commission	Perquisites & Allowances	Contribution to PF Fund	Total
Mr. Neeraj Munjal	89.74	-	79.11	10.77	179.62
Mrs. Charu Munjal	44.32	-	32.46	5.32	82.10
Dr. Anil Kumar Gupta	25.93	-	38.41	3.15	67.49

Notes:

a) The agreement between the Company and the Managing Director is for a period of five years. Either party is entitled to terminate the Agreement by giving not less than 180 days' notice in writing to the other party.

b) Commission is payable @2.00% of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. However, Commission has not been paid to Mr. Neeraj Munjal and Mrs. Charu Munjal for year 2017-18.

c) Presently, the Company does not have Stock Option Scheme.

Details of Remuneration Paid to Non-Executive Directors

Name of Non-Executive Directors	Sitting fees Board Meeting	Committee Meeting	Independent Director's Meeting	Commission	Total
Mr. Sunil Kant Munjal	60,000	150,000	-	-	210,000
Mr. Bhagwan Dass Narang	120,000	450,000	30,000	-	600,000
Mr. Surrinder Lal Kapur	120,000	450,000	30,000	-	600,000
Dr. Vinayshil Gautam	120,000	450,000	30,000	-	600,000

(c) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that are evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted according to Section 178(5) of the Companies Act, 2013.

During the Financial Year 2017-18, 5 (five) meetings of the Stakeholders' Relationship Committee were held on May 06, 2017, May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Member	Designation	Category of Directorship	Attendance out of 5 meetings held
Mr. Bhagwan Dass Narang	Chairman	Independent	5
Mr. Surrinder Lal Kapur	Member	Independent	5
Mr. Neeraj Munjal	Member	Executive	5
Dr. Vinayshil Gautam	Member	Independent	5
Dr. Anil Kumar Gupta	Member	Executive	5

Scope of the Committee

Redressing of the Shareholders / Investors complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

Compliance Officer

Ms. Shivani Kakkar - Company Secretary

Details of shareholders' complaints received during the FY 2017-18 and their status are as follows:

Nature of Complaint / Query		Total Received	Total Replied / Resolved	Pending
1.	Inquiry pertaining to non-receipt of shares after transfer	25	25	---
2.	Request for issue of duplicate share certificates	1	1	---
3.	Non receipt of dividend / Revalidation of dividend warrants	6	6	---
4.	Communication relating to Transfer / Transmission / Name Deletion / Demat of Shares	1	1	---
5.	Miscellaneous i.e. Credit of Shares in Demat A/c's, non-receipt of Annual Report, Change of Address, Bank Details, etc.	1	1	---

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been constituted according to Section 135 of the Companies Act, 2013. CSR committee has met 4 (four) times during the financial year 2017-18 on the following dates: May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018.

The composition of the Corporate Social Responsibility Committee and details of the meetings attended by its members are given below:

Name	Designation	Category of Directorship	Attendance out of 4 meeting held
Mr. Bhagwan Dass Narang	Chairman	Independent	4
Dr. Anil Kumar Gupta	Member	Executive	4
Mrs. Charu Munjal	Member	Executive	3

(a) Terms of Reference

- Formulate and recommend to the board, a corporate social responsibility (CSR) policy;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR policy of the Company from time to time;
- Undertake projects/ initiatives resulting in enhancement in the quality of life and economic well-being of the community, in and around society at large

7. RISK MANAGEMENT COMMITTEE

The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

(a) Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

1. To ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e to ensure adequate systems for risk management.
2. To establish a framework for the company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability
5. Any other matter which may be considered from time to time.

(b) Composition of the Risk Management Committee and attendance of members

During the financial year 2017-18, 4 (four) meeting of the Risk Management Committee were held on May 30, 2017, August 10, 2017, November 13, 2017 and February 14, 2018. The composition of the Risk Management Committee and details of the meetings attended by its members are given below:

Name	Designation	Category of Directorship	Attendance out of 4 meeting held
Dr. Vinayshil Gautam	Chairman	Independent	4
Dr. Anil Kumar Gupta	Member	Independent	4
Mr. Surrinder Lal Kapur	Member	Independent	4

8. RELATED PARTY TRANSACTIONS (RPT)

All transactions entered into with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR), 2015, during the financial year under review were in the ordinary course of business and on arm's

length pricing basis. The omnibus approval of the Audit Committee is accorded to the Company to enter into contract/ arrangement for sale / purchase / services, etc. with the related parties on arm's length basis in the meeting held on 30-May-2017.

9. GENERAL BODY MEETINGS

a) Annual General Meeting

Date, time and location where the last three Annual General Meetings were held areas under:

Year	Type	Date	Venue	Time	Whether Special resolution passed in previous AGM
2014-15	**AGM**	**09.09.2015**	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074	**11.30 A.M.**	**Yes** 1. Amendment of incidental object clause of Memorandum of Association of the Company 2. Deletion of other object clause of Memorandum of Association of the Company 3. Amendment of liability clause IV of Memorandum of Association of the Company 4. Increase in Authorised Share Capital and alteration of Memorandum of Association of the Company 5. Adoption of new set of Articles of Association of the Company in accordance with the provisions of the Companies Act 2013 6. Issuance of Bonus Shares
2015-16	**AGM**	**29.09.2016**	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074	**11.30 A.M.**	1. Payment of minimum remuneration to Executive Directors
2016-17	**AGM**	**29.09.2017**	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074	**11.30 A.M.**	-

(b) Resolutions passed last year through Postal Ballot:

No Special Resolution was passed through Postal Ballot during FY2018.

As on the date of this report, your Company does not propose to pass any Special Resolution for the time being by way of Postal Ballot.

10. DISCLOSURES

a) All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI LODR, 2015 during the Financial Year 2017-18 were in the ordinary course of business and on arm's length pricing basis and do not attract provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the Financial Year which were in conflict with the interest of Company. Suitable disclosures as required by accounting standard (AS 18) have been made in the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company's website link http://www.shivamautotech.com.

b) The Company has complied with the requirements of the Stock Exchanges/ SEBI and Statutory Authorities on all matters related to the capital markets during the last three years except for the delay in submission of Shareholding Pattern pursuant to Regulation 31 of SEBI LODR, 2015 for the quarter ended March 31, 2016.

c) There has not been any change in accounting policies of the Company during the year.

d) The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of the SEBI LODR, 2015 for Directors and Employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been put up on the website of the Company on the link http://www.shivamautotech.com.

e) The Company has complied with the mandatory and discretionary requirements specified in SEBI LODR, 2015 relating to Corporate Governance.

f) The Company does not have any material subsidiary nor does the company is exposed to the commodity price risks and commodities hedging activities.

g) Unclaimed / Undelivered Shares to Suspense Account

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Suspense Account which were issued in demat form:

Particulars	Demat	
	Number of Shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the Suspense Account lying as on August 28, 2017	1406	798,620
Number of shareholders who approached the Company for transfer of shares and shares transferred from Suspense Account during the year	13	13,500
Aggregate Number of shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2018	1393	785,120

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

h) Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund

In terms of Section 124(6) of the Companies Act, 2013 ("Act") read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), members whose dividend amount has not been paid or claimed for seven consecutive years or more, shares held by them shall be credited to the DEMAT Account of the Investor Education and Protection Fund Authority (IEPFA). During FY2018, 204,080 equity shares of Rs. 2/- each held by aforesaid members, were transferred to the DEMAT Account of IEPF Authority constituted in accordance with the Rules.

The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2010-11. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. September 29, 2017) and details of shares transferred to IEPF during financial year 2017-18.

The aforesaid details are put on the Company's website and can be accessed at:

http://www.shivamautotech.com/cpage.aspx?mpgid=15&pgidtrail=39

The Company has also uploaded these details on the website of the IEPF Authority (www.iepf.gov.in). The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

i) **Disclosure in terms of Regulation 34 (3) read with Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

There are no inter-se relationships between the Board members except Mr. Neeraj Munjal and Mrs. Charu Munjal being Spouses.

11. MEANS OF COMMUNICATION

a) The Quarterly and Annual Financial Results of the Company are uploaded in NSE Electronic Application Processing System (NEAPS) and BSE Listing in accordance with the SEBI Listing Regulations. The quarterly results are published in widely circulating national and local newspapers such as The Business Standard/Mint in English and Jansatta/Hindustan, in Hindi.

b) The Company's results are displayed on the Company's website i.e. www.shivamautotech.com. The website also displays the Distribution Schedule and Shareholding Pattern pursuant to Regulation 31 of the SEBI (LODR) Regulations, 2015.

12. GENERAL SHAREHOLDER INFORMATION

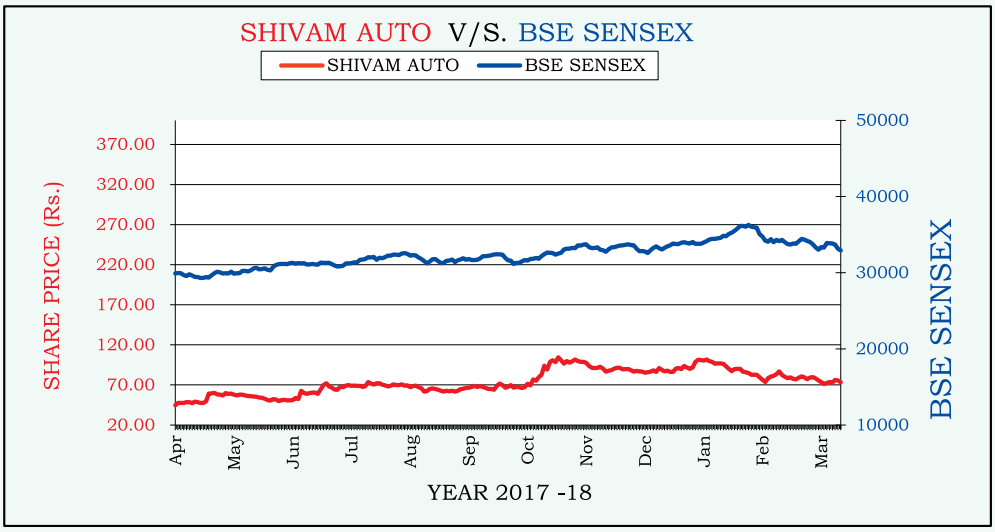
Annual General Meeting

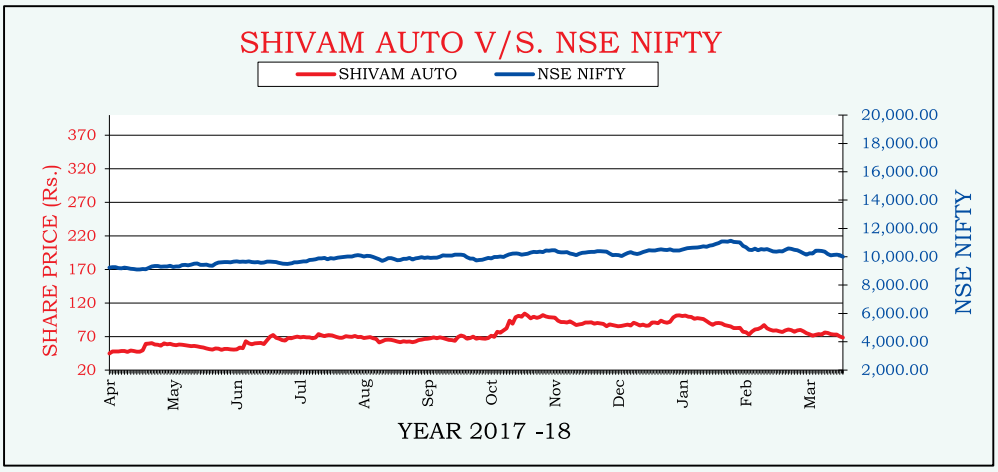
Date	29-Sep-2018	
Day	Saturday	
Time	11:30 A.M.	
Venue	Tivoli Garden Resort,	
	Near Chattarpur Mandir,	
	Chattarpur Road,	
	New Delhi – 110074.	
Financial Calender for FY 2018 - 19	Financial Year - April 1 to March 31	
	i)	First Quarter Results – on or before August 14, 2018
	ii)	Second Quarter Results – on or before November 14, 2018
	iii)	Third Quarter Results – on or before February 14, 2019
	iv)	Fourth Quarter Results – on or before May 30, 2019
	v)	Audited Results for the year ended March 31, 2019 – on or before May 30, 2019
Dates of Book Closure	Saturday, September 22, 2018 to Saturday, September 29, 2018 (both days inclusive)	
Listing on Stock Exchanges	The BSE Limited	
	The National Stock Exchange of India Limited	
	The Annual Listing Fees for 2017-2018 have been paid to both the Stock Exchanges.	
Unclaimed dividend	In terms of Section 124(5) of the Companies Act, 2013 ("Act") if a member does not claim the dividend amount for a consecutive period of seven years or more, the unclaimed amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.	
Stock Code	532776 – The Stock Exchange, Mumbai	
Demat ISIN Number for NSDL and CDSL	INE 637H01024	

MARKET PRICE DATA

The monthly high and low quotations as well as the volume of shares traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

	BSE Limited (BSE)				National Stock Exchange (NSE)			
Month	High (Rs.)	Date	Low (Rs.)	Date	High (Rs.)	Date	Low (Rs.)	Date
Apr' 2017	63.70	24-Apr-17	44.50	3-Apr-17	63.65	24-Apr-17	44.55	5-Apr-17
May' 2017	61.10	2-May-17	48.40	30-May-17	61.25	2-May-17	48.25	30-May-17
Jun' 2017	72.80	22-Jun-17	50.20	2-Jun-17	72.70	21-Jun-17	50.25	1-Jun-17
Jul' 2017	75.80	13-Jul-17	67.00	24-Jul-17	76.00	18-Jul-17	66.35	3-Jul-17
Aug' 2017	71.05	1-Aug-17	60.00	10-Aug-17	72.00	11-Aug-17	60.40	10-Aug-17
Sep' 2017	74.65	20-Sep-17	62.90	25-Sep-17	74.50	20-Sep-17	62.60	25-Sep-17
Oct' 2017	108.15	23-Oct-17	65.95	3-Oct-17	107.90	23-Oct-17	65.25	4-Oct-17
Nov' 2017	103.90	1-Nov-17	85.00	30-Nov-17	103.75	1-Nov-17	78.10	29-Nov-17
Dec' 2017	94.95	26-Dec-17	83.00	18-Dec-17	94.75	26-Dec-17	82.25	18-Dec-17
Jan' 2018	104.45	3-Jan-18	82.25	30-Jan-18	104.65	3-Jan-18	82.15	31-Jan-18
Feb' 2018	88.45	14-Feb-18	71.00	6-Feb-18	89.00	14-Feb-18	71.10	6-Feb-18
Mar' 2018	83.80	6-Mar-18	65.65	26-Mar-18	82.40	6-Mar-18	66.50	26-Mar-18





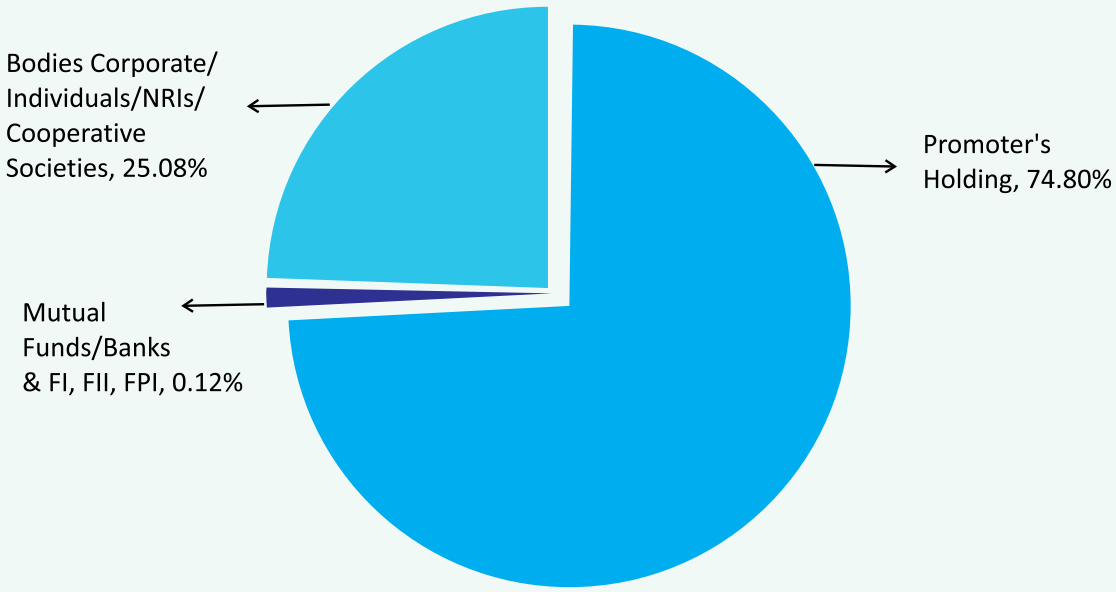
Distribution of Shareholding as on March 31, 2018

No. of shares held	No. of shareholders		No. of shares	
	Numbers	%	Numbers	%
Up to 500	21,757	79.13	3,735,765	3.74
501 – 1000	2,812	10.23	2,446,117	2.45
1001 – 2000	1,329	4.83	2,129,694	2.13
2001 – 3000	621	2.26	1,607,791	1.61
3001 – 4000	221	0.80	813,457	0.81
4001 – 5000	298	1.08	1,447,526	1.45
5001 – 10000	237	0.86	1,804,380	1.80
10001 – 50000	183	0.67	3,596,005	3.60
50001 – 100000	17	0.06	1,320,131	1.32
100001 & above	21	0.08	81,099,134	81.10
Total	**27,496**	**100.00**	**100,000,000**	**100.00**

Shareholding pattern as on March 31, 2018

S. No.	Categories	No. of Holders	No. of Shares	% Shareholding
A	**Promoter Holding**			
i	Dayanand Munjal Investments Pvt Ltd	1	74,795,950	74.80
	Total Promoter Holding	**1**	**74,795,950**	**74.80**
B	**Public Holding**			
	Institutions			
i	Mutual Funds	4	90,101	0.09
ii	Banks, FI & FII	2	29,882	0.03
iii	Foreign Portfolio Investors	1	1,000	0.00
	Sub Total	**7**	**120,983**	**0.12**
	Non Institutions			
i	**Individuals**			
	Individuals holding nominal sharecapital upto Rs. 2 Lacs	26,604	16,466,572	16.47
	Individuals holding nominal sharecapital in excess of Rs. 2 Lacs	15	4,938,228	4.94
ii	NBFC	2	400	0.00
iii	Others:			
	a. Other Corporate Bodies	502	2,790,879	2.79
	b (i). NRI with Repat	258	359,116	0.36
	b (ii). NRI without Repat	104	316,542	0.32
	c. Cooperative Societies	1	6,000	0.01
	d. Trust	1	1,250	0.00
	e. Govt - IEPF Suspense Account	1	204,080	0.20
	Sub Total	**27,488**	**25,083,067**	**25.08**
	Total Public Holding	**27,495**	**25,204,050**	**25.20**
	Grand Total	**27,496**	**100,000,000**	**100.00**

Categories of Shareholders as on March 31, 2018



Secretarial Audit

a) Satyender Kumar & Associates, Company Secretaries have conducted a Secretarial Audit of the Company for the year 2017-18. Their Audit Report (except observations, remarks, qualifications as stated in the report) confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, Listing Agreements with the Stock Exchanges, applicable SEBI LODR, 2015 and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

b) Pursuant to Regulation 40(9) of the SEBI LODR, 2015, certificates have been issued on a half-yearly basis, by Satyender Kumar & Associates, Company Secretaries, certifying due compliance of share transfer formalities by the Company.

Reconciliation of Share Capital Audit

As stipulated by SEBI, Satyender Kumar & Associates, Company Secretaries conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

Satyender Kumar & Associates, Company Secretaries conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

Dematerialisation of Shares and Liquidity

The process of conversion of Shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same alongwith the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialised and an electronic credit of Shares is given in the account of the Shareholder.

The Company has arrangements with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. As on March 31, 2018, 98.23% of the total Equity Capital is held in the demat form with NSDL and CDSL.

Physical and Demat Shares:

	As on March 31, 2018	%
No. of Shares held by NSDL	89,904,999	89.90
No. of Shares held by CDSL	8,330,091	8.33
Physical Shares	1,764,910	1.77
TOTAL	**100,000,000**	**100.00**

Registrar and Transfer Agents

MCS Share Transfer Agent Limited
F-65, 1st Floor, Phase-I, Okhla Industrial Area
New Delhi-110 020
Tel: 011-41406149-52, Fax No: 011-41709881
E-mail: **admin@mcsregistrars.com**

Share Transfer System

All the transfers received are processed by the Registrar and Transfer Agents and are approved by the Company Secretary pursuant to the authority given for affecting such transfers and noted in the meeting of Stakeholders' Relationship Committee. Share Transfers are registered and returned within the prescribed period if documents are complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in dematerialised form.

Credit Rating

For our bank facilities and other debt programs CARE has provided us a long-term rating of 'CARE BBB+/ Stable' and a short-term rating of 'CARE A2+'.

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

Not Issued

Plant Locations with address

I. **Binola Plant** – 58 Km Stone, Delhi - Jaipur Highway, Village - Binola, Gurugram – 122413, Haryana.

II. **Haridwar Plant** - Plot No. 3, Industrial Park 2, Phase I, Village Salempur, Tehsil Mehdood, Haridwar - 249401, Uttarakhand.

III. **Manesar Plant** - Plot No.- 1, Sector-5, IMT Manesar, Gurugram- 122050 Haryana.

IV. **Bengaluru Plant** - Plot No. 98, Vemagal Industrial Area, Kolar – 563101, Karnataka.

V. **Rohtak Plant** - Plot No. 9, Sector-30A, IMT Rohtak, District: Rohtak -124001, Haryana.

Address for correspondence

Ms. Shivani Kakkar
Company Secretary
303, 3rd Floor, Square One,
District Centre, Saket, New Delhi - 110017
Tel. Nos.: 011-49242100
shivani@shivamautotech.com

Compliance under SEBI LODR, 2015 pertaining to mandatory requirements and Auditors Certificate on Corporate Governance

As required under SEBI LODR, 2015, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

B. NON-MANDATORY REQUIREMENTS

The Company has not adopted the non-mandatory requirements as specified in the SEBI (LODR), 2015.

Annexure - C

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

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of Board's Report

A) Conservation of Energy:

The steps taken or impact on conservation of energy

The Company sets its own targets for energy conservation, reviews performance and takes appropriate actions, wherever required, at various levels in all its areas of operations. The Company is making continuous efforts to conserve and optimise energy wherever practicable by economising on fuel and power. Various avenues are being explored at periodic interval and after careful analysis and planning measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment.

During the year under review, following measures were initiated/adopted for conservation and optimum utilization of energy:

(a) Green Infrastructre

(b) Energy efficiency glazing,

(c) Use of Fly Ash Brick

(d) Gravients for natural Air Circulation

(e) High Performance VRV Air Conditioning

(f) Reduced Lighting Power Densities in Spaces

(g) Optimized Air cooling and air conditioned systems for the plant areas,

(h) New plants are designed to use natural day light to reduce the electricity consumption for illumination during the day time,

(i) Water conservation measures to minimize water intake

(j) Usage of recycle waste

(k) Onsite waste water treatment and its usage.

(l) Purchase of private power

The Company is following up the concept of Green Factory Building for its Bengaluru and Rohtak Plant. Various initiatives have been undertaken by the Company to use waste water, to recycle waste of steel scrap, wood scrap and others.

The measures have been taken to re-cycle water from effluent treatment plant for garden and reduce solid waste & adopt eco-friendly waste disposal system. We are conscious of our environmental impact across our operations and strive to reduce consumptions. New ideas are being adopted across the shop floor, factory area and even in office premises to conserve and promote efficiency of operations. Energy Audit is being conducted by the Company on various intervals.

B) Technology Absorption, adaption and innovation:

The Company is involved in supporting the MAKE IN INDIA initiative of Prime Minister by indigenizing various components as an import substitute in order to fulfill the continuous demand of the customers for price reduction. The Company continues to use the latest technologies for improving the productivity and quality of its services and products. Development and improvement of products has been an inbuilt and ongoing activity within the existing manufacturing facilities. These activities also enabled the Company to reduce process waste, lower the energy consumption and increase productivity.

Development and improvement of products has been an inbuilt and ongoing activity within the existing manufacturing facilities. R&D activities of the Company helped in development of novel materials & technologies resulting into enhanced product quality and to improve process capabilities.

Research & Development were carried in product development, process development, energy conservation, environment protection, cost reduction and automation. In this process design and material database are continuously improved and enhanced. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and materials to have cost savings without compromising quality.

The efforts of the Company are focused on catering the requirement of our existing customers for their new models and indigenization of various componentsThe research and development is an ongoing exercise and suitable efforts will continue to be made in future. The expenditure incurred on research, development and improvement of products is an indirect cost which is reflected in the financials of the company.

c) Foreign Exchange Earnings/ Outgo:	(Rupees In Lacs)
Earnings	327.53
Outgo	2001.79

Annexure – D

FORM No.MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year ended on 31st March, 2018

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Shivam Autotech Limited
303, 3rd Floor, Square-1, District Centre,
Saket New Delhi-110 017

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31st March, 2018 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)

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

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period)

   (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit the period)

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

vi) On the basis of representation received from the Company for the Financial Year 2017-18, we hereby confirm that the Company is only an auto ancillary industry, and that no industry specific laws are applicable to the company.

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

1. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
2. The Listing Agreements entered into by the Company with the Stock Exchange(s) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that a) eight forms were filed with additional fees with the Ministry of Corporate Affairs and b) transfer of shares pursuant to Rule 6 of Investor Education and Protection Authority (Accounting, Audit, Transfer and Audit) Rules, 2016 as amended to Demat Account of IEPF Authority beyond the prescribed date.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes (during the year under review there were no instance recorded in the minutes where any director has dissented to any particular resolution).

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

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

For **SATYENDER KUMAR & ASSOCIATES**
Company Secretaries
Sd/-
Satyender Kumar
(Proprietor)
C.P. No. 5189
FCS 4087

Place: Gurugram
Date : August 13, 2018

Note: This report is to be read with our letter of even date which is annexed as Annexure- 1 and forms an integral part of this report.

Annexure - 1

To,

The Members,
M/s Shivam Autotech Limited
303, 3rd Floor, Square-1, District Centre,
Saket, New Delhi-110 017

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

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

For **SATYENDER KUMAR & ASSOCIATES**
Company Secretaries
Sd/-
Satyender Kumar
(Proprietor)
C.P. No. 5189
FCS 4087

Place: Gurugram
Date : August 13, 2018

Annexure - E

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

   The Company had contributed requisite sums towards fulfilling its CSR obligations, by providing financial aid to some foundations, trusts etc. involved in the field of promoting education, healthcare, eradicating hunger and sanitation, especially for the benefit of differently abled person.

   The Company implement the CSR Programmes through Company personnel or through external implementing agencies and ensure proper governance, monitoring and reporting thereof. The CSR Policy can be accessed at the following link on the company's website; http://www.shivamautotech.com/pdf/CSR_POLICY.pdf

2. **The composition of the CSR Committee:** The Company has a CSR committee comprising of three directors

Name of Director	Designation	Category
Mr. Bhagwan Dass Narang	Chairman of the Committee	Non-Executive and Independent Director
Dr. Anil Kumar Gupta	Member	Whole Time Director
Mrs. Charu Munjal	Member	Whole Time Director

3. **Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs. 1690.68 Lacs

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 33.81 Lacs

5. **Details of CSR spent during the financial year:**

   a. Total amount to be spent for the financial year: Rs. 33.81 Lacs

   b. Amount unspent: Nil

   c. Manner in which the amount spent during the financial year:

Date	Institution/Authority/School name	Purpose	Location	Amount
26-05-2017	Govt. School - Binola	Renovation of School	Binola	1.48
30-06-2017	Poornanad College- Rishikesh	Renovation of Poornanad college	Rishikesh	15.98
26-07-2017	Poornanad School- Rishikesh	Renovation of Poornanad School	Rishikesh	0.06
31-08-2017	Government School in Kurgal Village	Sports Prizes Distribution at Kurgal School	Kurgal, Kolar, Karnataka	0.25
28-11-2017	Poornanad School	Renovation of School - 2nd Phase	Rishikesh	6.32
12-01-2018	Deputy Commissioner, Karwar Uttarkannada District	Renovation of School	Karnataka	17.60
15-02-2018	NITTE Meenakshi Institute of Technology	Promotion of Education	Karnataka	2.50
22-02-2018	Diya Foundation	Donation for Education	Delhi	0.08
	TOTAL			**44.27**

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

   Not Applicable.

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

   We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Sd/-
Neeraj Munjal
Managing Director
DIN: 00037792

Sd/-
Bhagwan Dass Narang
Chairman, Corporate Social Responsibility Committee
DIN: 00826573

August 13, 2018
New Delhi

Annexure - F

I. Information as per Section 197 of the Act read with rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2018.

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Ratio
Mr. Neeraj Munjal	72.42
Mrs. Charu Munjal	33.10
Dr. Anil Kumar Gupta	27.21

The Company pays only sitting fees and commission to Non-Executive Directors.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/ decrease
Mr. Neeraj Munjal	9.72%
Mrs. Charu Munjal	15.47%
Dr. Anil Kumar Gupta	4.73%
Mr. Davendra Ujlayan	1.36%
Ms. Shivani Kakkar	1.55%

c. The percentage decrease in the median remuneration of employees in the financial year: 39.91%

d. The number of permanent employees on the rolls of Company:

e. 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:

The average annual increase was around 7%-20%. However, during the course of the year, the total increase is approximately 12%, after accounting for promotions and other event based compensation revisions.

Increase in the managerial remuneration for the financial year was10%.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

II. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as mentioned below:

S. No	Name	Designation	Nature of employment	Remuneration (Rs. in Lacs)	Qualification & Experience (Yrs)	Age (Yrs)	Date of Commencement of Employment	Previous Employment & Designation	Shareholding
1.	Mr. Neeraj Munjal	Managing Director	Director	179.62	B.Com & DIBM 29 years	51	01.04.2006	Munjal Auto Industries Ltd. ***Executive Director***	Nil

Notes:

1. Remuneration includes Basic Salary, Commission, other allowances and taxable value of perquisites and Company's contribution to provident fund.
2. The abovementioned appointment is on contractual basis.

Names of Top 10 employees of the Company in terms of remuneration

S. No	Name	Designation	Remuneration Received (in Rupees)	Nature of employment (whether contractual or otherwise)	Qualification	Experience (in years)	Date of Commencement of employment	Age (In years)	Previous employment held by the employee before joining the company	Equity Shares of the Company held by the Employee	whether employee is relative of any director or manager, if yes, name such director or manager
1	Charu Munjal	Executive Director	8,209,664	Permanent	Diploma in Textile Management	18	28-05-2013	46	NIL	NIL	Yes, Spouse of Managing Director - Mr. Neeraj Munjal
2	Dr. Anil Gupta	Director - Technical	6,749,207	Permanent	Doctorate in Engineering	46	20-12-2011	67	Materials Research Society of India	NIL	NO
3	Davendra Ujlayan	VP - Finance	6,434,796	Permanent	CA & CS	29	12-03-2007	55	BOYSEN INDIA LTD	NIL	NO
4	Suresh Kumar	GM	4,008,726	Permanent	BE-Mechincal & Diploma	24	25-08-2010	45	SATA VIKASH INDIA PVT. LTD.	NIL	NO
5	Rakesh Kumar Shrivastava	GM	3,686,244	Permanent	Diploma Electrical Engineering, MBA	31	02-04-2007	51	Raunaq Automotive Component Ltd.	NIL	NO
6	Nitin Pawar	DGM	3,419,344	Permanent	B.E. - Produciton	23	10-05-2013	44	RBS Transmissions(I) Ltd.	NIL	NO
7	Sanjeev Goel	DGM	3,324,003	Permanent	B.Tech-Mechincal & Diploma	32.5	01-03-2000	49	AMTEK AUTO LTD.	NIL	NO
8	Vivek Sharma	DGM	3,169,470	Permanent	BE-Mechincal	21.5	01-03-2013	45	PUNJILOYD LIMITED.	NIL	NO
9	Manoj Kumar Agarwal	DGM	3,058,944	Permanent	B.Tech-Mechincal & Diploma	30	15-12-1999	51	BENDA AMTEK LTD.	NIL	NO
10	Balram Yadav	DGM	2,677,684	Permanent	B.Tech-Mechincal & Diploma	18	23-07-2016	42	MAUSASHI AUTO PARTS P LTD	NIL	NO

CEO & CFO CERTIFICATE

We hereby certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2018, and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We are responsible for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit committee:

(i) Significant changes in Internal Control over financial reporting during the year;

(ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

Place : New Delhi
Date : May 30, 2018

Sd/-
(NEERAJ MUNJAL)
Managing Director
DIN: 00037792

Sd/-
(DAVENDRA UJLAYAN)
VP – Finance
PAN: AAFPU2249C

CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT

I, **Neeraj Munjal**, Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2017-18.

Sd/-
(NEERAJ MUNJAL)
MANAGING DIRECTOR
DIN: 00037792

Place: New Delhi
Date: August 13, 2018

Shivam Autotech Ltd.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
SHIVAM AUTOTECH LIMITED

We have examined the compliance of conditions of Corporate Governance by Shivam Autotech Limited (the Company) for the financial year ended 31st March 2018, as per the Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable during the Financial Year ended 31st March, 2018.

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

For SATYENDER KUMAR & ASSOCIATES
Company Secretaries

Sd/-
Satyender Kumar
Proprietor
C.P. No. 5189
FCS 4087

Place: Gurugram
Date: August 13, 2018

Independent Auditors' Report

To The Members of Shivam Autotech Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Shivam Autotech Limited** ("**the Company**"), which comprise the Balance sheet as at March 31, 2018, Statement of Profit and Loss (including the statement of other comprehensive income), the Statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 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 thereof.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order Issued under Section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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, 2018, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Without qualifying we draw attention to Note no. 7 to the financial statements wherein management has recognized deferred tax assets on the assumption that there would be sufficient future taxable profits, more fully explained in the said note for reversal of such deferred tax assets.

Our opinion is not modified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in this Ind AS Financial Statements, are based on the previously issued statutory financial statement prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited and reported by S.S. Kothari Mehta & Co. having firm registration number 000756N who have issued an unmodified audit report dated May 30, 2017 and May 28, 2016, have been furnished to us by the management and which have been relied upon by us for the purpose of issuing the report on the financial statement as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which has been audited by us.

Our report is not modified in respect of this matter.

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c. The balance sheet, statement of profit and loss including statement of other comprehensive income, the statement of cash flow and statement of changes in equity dealt with by this Report are in agreement with the books of account;

    d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended thereof;

    e. On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

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

g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 Ind AS financial statements – Refer Notes 31 to the Ind AS financial statements;

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

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No: 095541

Place: New Delhi
Date: May 30, 2018

Annexure A to the Independent Auditor's Report to the members of Shivam Autotech Limited dated May 30, 2018.

Report on the matters specified in paragraph 3 of 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 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification, discrepancies has duly been adjusted in the financials.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the company.

(ii) The inventories of the Company (except stock lying with the third parties and in transit for which confirmations have been received / materials received) have been physically verified by the management at reasonable intervals. In our opinion and the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventory as compared to book records were not material and have been properly dealt with in the books.

(iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) to (c) of the Order are not applicable.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence, clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder .

(vi) We have broadly reviewed the Cost Accounting records maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.

(vii) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has generally deposited undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Goods and Service Tax, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues, as applicable, within the prescribed time with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues of Custom Duty, Excise Duty, Service Tax and Sales Tax/ Value Added Tax/Goods & Service Tax and Cess which have not been deposited on account of any dispute, except the following in respect of disputed Income Tax along with the forum where dispute is pending:

S. No	Name of the Statute	Nature of Dues	Amount (Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
1.	Income Tax Act, 1961	Demand raised on assessment	6.45	A.Y 2008-09	Commissioner of Income Tax (Appeals), New Delhi

(viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayments of its dues to banks and financial institution. The Company has not taken any loan from debenture holders and Government.

(ix) According to the information and explanations given by the management, the Company has not raised any monies by way of initial public offer or further public offer during the financial year, and the terms loans raised by the Company have been applied for the purpose for which they were obtained. Where such end use has been stipulated by the lender(s).

(x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.

(xi) In our opinion, and according to the information and explanations given to us that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) As the Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) In our opinion and on the basis of information and explanations given to us, the Company has not entered into non-cash transactions with directors and persons connected with him. Hence, the provisions of section 192 of Act are not applicable.

(xvi) In our opinion and on the basis of information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No: 095541

Place: New Delhi
Date: May 30, 2018

Annexure B to the Independent Auditor's Report to the members of Shivam Autotech Limited dated May 30, 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Shivam Autotech Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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". 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) 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

c) 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No: 095541

Place: New Delhi
Date: May 30, 2018

Shivam Autotech Ltd.

Balance Sheet as at 31 March 2018

(All amounts are in lakhs unless otherwise stated)

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A) ASSETS				
1) Non - current assets				
(a) Property, plant and equipment	4	44,276.57	35,109.44	24,854.34
(b) Capital work - in - progress	5	584.19	8,143.26	10,089.74
(c) Intangible assets	4	239.43	161.79	99.39
(d) Financial assets	6			
(i) Loans	6.1	303.76	287.20	225.48
(ii) Others	6.2	10.99	-	-
(e) Deferred tax assets (net)	7	2,060.32	1,386.96	410.94
(f) Current tax assets (net)	8	422.44	306.19	159.93
(g) Other non - current assets	9	1,005.80	1,368.53	3,643.31
		48,903.50	46,763.37	39,483.13
2) Current assets				
(a) Inventories	10	8,964.69	9,641.22	8,803.28
(b) Financial assets	11			
(i) Trade receivables	11.1	8,275.27	6,656.91	4,711.29
(ii) Cash and cash equivalents	11.2	20.37	295.11	82.49
(iii) Bank Balances other than (ii) above	11.3	564.76	170.35	239.15
(iv) Loans	11.4	51.29	40.18	41.02
(v) Others	11.5	294.73	228.68	39.67
(c) Other current assets	12	2,359.81	4,012.74	3,420.60
		20,530.92	21,045.19	17,337.50
Total assets		**69,434.42**	**67,808.56**	**56,820.63**
B) EQUITY AND LIABILITIES				
1) EQUITY				
(a) Equity share capital	13	2,000.00	2,000.00	2,000.00
(b) Other equity		17,094.78	17,201.72	18,057.56
		19,094.78	19,201.72	20,057.56
2) LIABILITIES				
Non - current liabilities				
(a) Financial liabilities				
Borrowings	14	21,079.19	21,637.11	16,956.59
(b) Provisions	15	385.17	335.73	401.00
(c) Other non-current liabilities	16	27.27	28.18	29.09
		21,491.63	22,001.02	17,386.68
Current liabilities				
(a) Financial liabilities	17			
(i) Borrowings	17.1	14,968.97	14,593.42	10,494.95
(ii) Trade payables				
-Dues of micro enterprises & small enterprises		-	-	-
-Other trade payable	17.2	5,435.14	6,009.27	4,556.28
(iii) Other financial liabilities	17.3	7,840.01	5,798.42	4,109.16
(b) Other current liabilities	18	576.64	192.17	188.93
(c) Provisions	19	27.25	12.54	27.08
		28,848.01	26,605.82	19,376.39
Total Equity & Liabilities		**69,434.42**	**67,808.56**	**56,820.63**
Corporate Information	1			
Basis of preparation of financial statement	2			
Significant accounting policies	3			

The accompanying notes form an integral part of the financial statement.

As per report of even date
For NSBP & Co.
Chartered Accountants
Firm Regn. No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No. 095541

For & on behalf of the Board of Directors of Shivam Autotech Limited

Sd/-
Neeraj Munjal
Managing Director
DIN : 00037792

Sd/-
Anil Kumar Gupta
Director
DIN : 02643623

Sd/-
Davendra Ujlayan
VP- Finance
PAN: AAFPU2249C

Sd/-
Shivani Kakkar
Company Secretary
M No 25097

Place : New Delhi
Dated : May 30, 2018

Statement of Profit and Loss for the year ended 31 March 2018

(All amounts are in lakhs unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I.	Revenue from operations (inclusive of excise duty)	20	56,587.63	48,529.68
II.	Other income	21	97.52	36.19
III.	**Total income (I + II)**		56,685.15	48,565.87
IV	Expenses			
	Cost of materials consumed	22	18,784.07	16,463.47
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(199.72)	64.19
	Consumptions of Stores		6,925.21	5,207.60
	Job work charges		5,073.47	4,037.82
	Excise duty on sale		909.23	2,960.54
	Employee benefit expenses	24	5,449.11	4,409.04
	Finance cost	25	4,570.45	2,903.14
	Depreciation and amortization expenses	26	4,126.90	3,220.16
	Other expenses	27	11,803.46	10,625.13
	Total expenses		57,442.18	49,891.09
V.	**Profit/(Loss) before exceptional item and tax (III - IV)**		(757.03)	(1,325.23)
VI	**Exceptional Item**		-	-
VII	**Profit/(Loss) before tax (V+VI)**		(757.03)	(1,325.23)
VIII	**Tax expense:**	28		
	(1) Current tax		-	-
	(2) Deferred tax		(682.07)	(967.29)
	(3) Earlier year tax adjustment		48.18	-
IX.	**Net Profit/(Loss) for the year after tax (VII - VIII)**		(123.13)	(357.93)
X	**Profit / (Loss) from discountinued operation after tax**		-	-
XI	**Profit / (Loss) for the year**		(123.13)	(357.93)
XII	**Other comprehensive income**			
	Item that will not be reclassified to profit or loss	29	24.91	(25.20)
	Income tax relating to items that will not be reclassified to profit or loss	28	8.72	(8.72)
	Items that will be reclassified to profit or loss	29	-	-
	Income tax relating to items that will be reclassified to profit or loss	28	-	-
	Other comprehensive income total		16.19	(16.48)
XIII	Total Comprehensive income		(106.94)	(374.42)
XIV	**Earning per equity share (Face value of Rs 2/-each)**	30		
	(1) Basic		(0.12)	(0.36)
	(2) Diluted		(0.12)	(0.36)

Corporate Information	1
Basis of preparation of financial statement	2
Significant accounting policies	3

The accompanying notes form an integral part of the financial statement.

As per report of even date
For NSBP & Co.
Chartered Accountants
Firm Regn. No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No. 095541

Place : New Delhi
Dated : May 30, 2018

For & on behalf of the Board of Directors of Shivam Autotech Limited

Sd/-
Neeraj Munjal
Managing Director
DIN : 00037792

Sd/-
Anil Kumar Gupta
Director
DIN : 02643623

Sd/-
Davendra Ujlayan
VP- Finance
PAN: AAFPU2249C

Sd/-
Shivani Kakkar
Company Secretary
M No 25097

Shivam Autotech Ltd.

Cash Flow Statement for the year ended March 31, 2018

(All amounts are in lakhs unless otherwise stated)

		Year ended March 31, 2018	Year ended March 31, 2017
A	**Cash flow from operating activities**		
	Net Profit/(Loss) Before Taxation and Extraordinary activities	(757.03)	(1,325.22)
	Adjustments for:		
	Depreciation & Amortisation	4,126.90	3,220.16
	Loss on fixed asset sold / discarded	0.96	-
	Interest income on deposits	(18.58)	(8.60)
	Finance cost	4,570.45	2,903.14
	Operating profit before working capital changes	**7,922.70**	**4,789.48**
	Adjustment for changes in Working Capital:		
	(Increase)/Decrease in trade receivables	(1,618.36)	(1,945.62)
	(Increase)/Decrease in inventories	676.53	(837.93)
	Increase/(Decrease) in trade payables	(574.13)	1,452.98
	(Increase)/Decrease in loans & advances/ Other current assets	1,144.66	(802.41)
	Increase/ (Decrease) in current liabilities & provisions	431.44	146.58
	Cash generated from operations	**7,982.84**	**2,803.09**
	Direct taxes paid (net of refunds)	(116.25)	(146.26)
	Net cash from operating activities	**7,866.58**	**2,656.84**
B	**Cash flow from investing activities**		
	Purchase of property, plant & equipment (including capital advance)	(4,850.08)	(8,641.02)
	Proceeds from sale of property, plant & equipment	1.63	-
	Interest received on deposits	5.42	18.99
	Net cash used in investing activities	**(4,843.03)**	**(8,622.03)**
C	**Cash flow from financing activities**		
	Proceeds/(repayment) from short term borrowings (net)	375.55	4,098.47
	Proceeds/(repayment) from long term borrowings (net)	942.13	5,413.66
	Dividend paid	-	(400.00)
	Tax on dividend	-	(81.43)
	Finance cost	(4,615.97)	(2,852.89)
	Net cash used in/from financing activities	**(3,298.30)**	**6,177.81**
	Net increase/(decrease) in cash or cash equivalents	**(274.74)**	**212.62**
	Cash or cash equivalents at beginning of the year	295.11	82.49
	Cash or cash equivalents at the end of the year	**20.37**	**295.11**
	Note:	**As at 31-Mar-18**	**As at 31-Mar-17**
1	**Components of cash and cash equivalents**		
	Cash and cash equivalents:		
	Cash and cash equivalents	20.37	295.11
	Cash & bank balances	20.37	295.11
	2) Previous year figures have been regrouped/restated wherever considered necessary		
	3) Figures in bracket indicates cash outflow		
	4) The above cash flow statement has been prepared under the indirect method set out in Ind As-7 specified under section 133 of the companies Act 2013,		
	Corporate Information		
	Basis of Preparation of financial Statement		
	Significant accounting policies		
	Accompanying notes form & integral part of the financial statement.		

As per report of even date
For NSBP & Co.
Chartered Accountants
Firm Regn. No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No. 095541

Place : New Delhi
Dated : May 30, 2018

For & on behalf of the Board of Directors of Shivam Autotech Limited

Sd/-
Neeraj Munjal
Managing Director
DIN : 00037792

Sd/-
Anil Kumar Gupta
Director
DIN : 02643623

Sd/-
Davendra Ujlayan
VP- Finance
PAN: AAFPU2249C

Sd/-
Shivani Kakkar
Company Secretary
M No 25097

Statements of changes in equity as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

A Equity Share capital	Balance		Balance		Balance
	As at 31st March, 2018	Changes during the year	As at 31st March, 2017	Changes during the year	As at 1 April, 2016
Balance of Equity Share Capital	2,000	-	2,000	-	2,000

B. Other Equity for the year ended March 31,2018

	Reserves and Surplus			Other comprehensive income	Total
	Capital Redemption Reserve	General Reserve	Retained earnings	Acturial loss / gain on defined benefit obligation	
Restated balance as at 1.04.2016	**5.00**	**5,068.62**	**12,983.94**	**-**	**18,057.56**
Profit of the year			(357.93)		(357.93)
Acturial Loss on gratuity	-	-	-	**(16.48)**	(16.48)
Dividend Distributed For FY 15-16			(481.43)		(481.43)
As at 31.3.2017	**5.00**	**5,068.62**	**12,144.58**	**(16.48)**	**17,201.72**
Profit of the year			(123.13)		(123.13)
Acturial Loss on gratuity	-	-	-	**16.19**	16.19
As at 31.3.2018	**5.00**	**5,068.62**	**12,021.44**	**(0.28)**	**17,094.78**

The description of the nature and purpose of each reserve within equity is as follows:

i Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.

ii Capital Redemption Reserve was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

iii Other Comprehensive Income represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into (i) items that will not be reclassified to statement of profit and loss, and (ii) items that will be reclassified to statement of profit and loss.

iv General reserve: The general reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.

Corporate Information	1
Basis of preparation of financial statement	2
Significant accounting policies	3

The accompanying notes form an integral part of the financial statement.

As per report of even date
For NSBP & Co.
Chartered Accountants
Firm Regn. No. 001075N

Sd/-
Deepak K. Aggarwal
Partner
Membership No. 095541

Place : New Delhi
Dated : May 30, 2018

For & on behalf of the Board of Directors of Shivam Autotech Limited

Sd/-
Neeraj Munjal
Managing Director
DIN : 00037792

Sd/-
Anil Kumar Gupta
Director
DIN : 02643623

Sd/-
Davendra Ujlayan
VP- Finance
PAN: AAFPU2249C

Sd/-
Shivani Kakkar
Company Secretary
M No 25097

Notes to Financial Statements for the year ended March 31, 2018

1 Corporate Information

Shivam Autotech Limited (the 'Company') was established in the year 1999, and was initially known as Munjal Auto Components till July, 2005. The Company got converted to a separate Public Limited Company w.e.f. 29th July, 2005. In pursuant to the scheme of Demerger & arrangement, the Gurgaon Unit was transferred to Shivam Autotech Limited on 1st August, 2005. The Company has been engaged in the manufacturing of Near-Net- Shaped, auto transmission components mainly for Original Equipment Manufacturers (OEMs). The product range includes various types of transmission gears, transmission shafts, spline shafts, plunger, power train components, and employing cold/ warm/hot forging techniques. The Company has five state-of-the-art manufacturing facilities, located at Binola, Manesar, Haridwar, Bengaluru & Rohtak. The Company is listed on the National Stock Exchange and the BSE Ltd. These financial statements are presented in Indian Rupees (Rs.).

2 Basis of preparation

a) Statement of compliance

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from the financial year beginning on or after April 1, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with Ind AS. For all the periods up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with Companies (Accounts) Rules, 2014 (Indian GAAP) as amended. These financial statements for the year ended March 31, 2018 are the first financial statements which the company has prepared in accordance with Ind AS.

An explanation of how the transition to Ind AS has effected the previously reported financial position and financial performance of the Company is provided in note no 51.

b) Basis of measurement

The financial statements have been prepared accrual basis on historical cost convention, except as stated otherwise. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use."

c) Functional and presentation currency

The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the

Notes to the financial statements as at March 31, 2018

period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgments having the most significant effect on the amounts recognized in the financial statements are:

- Measurement of defined benefit obligations:
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Impairment test of financial and non-financial assets;
- Recognition and measurement of provisions and contingencies;
- Fair value measurement of financial instruments;

3 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price,and any directly attributable cost of bringing the asset to working condition for its intended use. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost."

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred. Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. An item of property, plant and equipment is derecognized when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit or loss.

Subsequent Expenditure

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gain or losses are recognized in the statement of profit and loss.

ii) Transition to Ind AS

On transition to Ind AS, the Company has decided to capitalise machinery spares amounting to Rs. 312.76 Lacs as Property, plant and equipment regarding rest of assets falling under the category Property, plant and

equipment company elected to continue with the carrying value recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment."

iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on Straight Line Method at the rates determined on the basis of useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

	Useful Life as per Schedule II of the Companies Act 2013 (in years)
- Plant & Machinery	15
- Buildings	30
- Computers	3
- Office equipment	5
- Furniture & fixtures	10
- Vehicles	8
- Lease hold Improvements	Amortised over the period of lease

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off). Property, Plant and Equipment individually costing below Rs. 5,000 are fully depreciated during the year they are put to use.

b) Intangible assets

i) Recognition & measurement and amortization

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortized over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method. The estimated useful lives are as follows:

Computer Software – 4 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. All impairment losses are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value

Notes to the financial statements as at March 31, 2018

in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) Financial instruments

i) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at fair value of the consideration received or receivable. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Subsequent measurement

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to profit and loss.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

iii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

iv) Derecognition

Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized."

Financial liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

v) Reclassification of Financial Assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

vi) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Notes to the financial statements as at March 31, 2018

vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair values for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows.

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instruments that are not traded in an active market 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. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale of goods

Sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and sales is inclusive of excise duty but net of returns, rebates and value added tax (VAT). Materials returned/ rejected are accounted for in the year of return/rejection. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

ii) Dividends

Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.

iii) Insurance claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

iv) Interest

Income Interest income is recognised on time proportion basis taking in to account the amount outstanding and the rate applicable.

v) Government Grant & Subsidies

Grant/subsidies is recognised when there is reasonable assurance that the Grant/subsidy will be received and all attaching condition will be complied with.

h) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Family Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period. The Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

iii) Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Notes to the financial statements as at March 31, 2018

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise. The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

i) Valuation of inventories

i) Finished goods are valued at lower of cost or net realizable value. Scrap is valued at net realizable value. cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. cost of Finished goods includes excise duty.

ii) Work in progress is valued at lower of cost or net realizable value. cost is determined on average basis.

iii) Stores, spares and raw materials are valued at lower of cost or net realizable value. However materials & other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. cost of purchases is assessed on first in first out (FIFO) method.

iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j) Foreign Exchange Transactions / Translations / Hedge Accounting

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Financial instruments designated as Hedge Instruments are mark to market using the valuation given by the bank on the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

k) Borrowing costs

Borrowing costs are interest and other ancillary costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset.All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

l) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognized as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

m) Segment Reporting

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate. The reportable segments have been identified based on the significant components of the

Notes to the financial statements as at March 31, 2018

enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.Refer Note -40.

n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits 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.

o) Cash flow statement

Cash flows are reported using the indirect method as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7), whereby 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.

p) Lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

i) Finance Lease

Finance Lease that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

ii) Operating Lease

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset. Payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

q) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements for the year ended March 31, 2018

4 Property, plant & equipment

(All amounts are in lakhs unless otherwise stated)

Particulars	Freehold Land	Building	Plant & Equipment	Computers	Office equipment	Furniture & fixtures	Vehicles	Lease hold Improvements	Total Tangible assets	Intangible assets	Grand Total
Gross Block											
As at 01 April 2016	**5,754.84**	**3,717.53**	**37,554.13**	**222.41**	**259.30**	**201.22**	**442.16**	**127.05**	**48,278.64**	**302.14**	**48,580.78**
IND AS Adjustment			312.76						312.76		312.76
Reinstated Balance as on 1-4-2016	5,754.84	3,717.53	37,866.89	222.41	259.30	201.22	442.16	127.05	48,591.40	302.14	48,893.54
									-		-
Additions		2,644.02	10,708.10	35.44	17.19	5.46	17.03	0.00	13,427.24	115.88	13,543.12
Disposals									-		-
As at 31 March 2017	**5,754.84**	**6,361.55**	**48,574.99**	**257.85**	**276.49**	**206.68**	**459.19**	**127.05**	**62,018.65**	**418.02**	**62,436.67**
Additions	-	4,115.11	8,688.49	49.53	65.90	124.63	145.30	22.53	13,211.49	162.77	13,374.26
Disposals							(7.37)		(7.37)		(7.37)
As at 31 March 2018	**5,754.84**	**10,476.66**	**57,263.48**	**307.38**	**342.39**	**331.31**	**597.12**	**149.58**	**75,222.77**	**580.79**	**75,803.56**
Depreciation/ Amortisation									-		-
As at 01 April 2016	-	911.11	22,119.07	170.13	197.79	121.48	174.86	42.61	23,737.06	202.74	23,939.80
Charge for the year	-	150.51	2,861.41	30.22	18.64	17.63	54.12	14.34	3,146.87	53.49	3,200.36
Depreciation charge to other account	-	-	2.89	2.15	0.42	0.02	-	-	5.48	-	5.48
on Disposals									-		-
As at 31 March, 2017	**-**	**1,061.62**	**25,003.17**	**202.50**	**216.85**	**139.13**	**228.98**	**56.95**	**26,909.21**	**256.23**	**27,165.44**
Charge for the year	**-**	**330.65**	**3,539.52**	**34.27**	**29.60**	**26.93**	**63.06**	**17.94**	**4,041.77**	**85.13**	**4,126.90**
Depriciation charge to other accounts**									-		-
Disposals							(4.78)		(4.78)		(4.78)
As at 31 March, 2018	**-**	**1,392.27**	**28,542.49**	**236.77**	**246.45**	**166.06**	**287.26**	**74.89**	**30,946.20**	**341.36**	**31,287.56**
Net Block											
As at 1st April, 2016 (Reinstated)	**5,754.84**	**2,806.42**	**15,747.82**	**52.28**	**61.50**	**79.73**	**267.30**	**84.43**	**24,854.34**	**99.39**	**24,953.74**
									-		-
As at 31 March, 2017	**5,754.84**	**5,299.93**	**23,571.82**	**55.34**	**59.63**	**67.55**	**230.21**	**70.10**	**35,109.44**	**161.79**	**35,271.23**
As at 31 March, 2018	**5,754.84**	**9,084.39**	**28,720.99**	**70.60**	**95.93**	**165.25**	**309.86**	**74.69**	**44,276.57**	**239.43**	**44,516.00**

Note: Leasehold improvements have been amortised over period of lease.

*Depreciation capitalised during the year Rs. NIL (Previous Year Rs. 5.48 Lakhs)

Refer note no. 45 for charges.

Notes to the financial statements as at March 31, 2018

5 Capital- Work-In-Progress

(All amounts are in lakhs unless otherwise stated)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Opening CWIP	8,143.26	10,089.74	592.55
Add: Additions during the year	-	8,670.75	9,497.19
Less: capitalised during the year	7,559.07	10,617.23	-
Total Capital Work in Progress *	584.19	8,143.26	10,089.74

* includes pre-operative expenditure pending capitalisation of Rs. 54.89 lakhs(Previous Year Rs. 2259.84 Lakhs) refer note 44.

6 Financial Asset: Non Current

6.1 Loans

Unsecured considered good			
-Security Deposits	303.76	287.20	225.48
Total	**303.76**	**287.20**	**225.48**

6.2 Other Financial Assets

Bank Deposit with Maturity above 12 months*	10.99	-	-
Total	**10.99**	**-**	**-**

* Pledged against Yes Bank Term Loan

7 Deferred Tax Liability/assets

Deferred tax liability	3,264.89	2,104.98	1,345.49
Deferred tax assets	(3,645.13)	(1,860.06)	(124.55)
MAT Credit Entitement (due to last year tax adjustments)	(1,680.06)	(1,631.88)	(1,631.88)
Total	**(2,060.32)**	**(1,386.96)**	**(410.94)**

(i) Movement in deferred tax items

FY 17-18	Balance as on 01-04-2017	Recognised in Statement of Profit & Loss	Recognised in other comprehensive income	Balance as on 31-03-2018
Deferred tax liability / (asset) in realation to Depreciation on Property, plant & equipment	2,065.47	1,157.11		3,222.58
Recognition of ECL	(1.23)	(0.28)		(1.50)
Borrowings - Processing Fees	39.51	2.80		42.30
Expenses allowed on payment basis	(109.98)	(92.66)	8.72	(193.92)
recognition of DTA on unabsorbed depreciation	(1,748.84)	(1,700.86)		(3,449.70)
Deferred tax Assets (Liability)	**244.93**	**(633.89)**	**8.72**	**(380.26)**
MAT Credit Entitlement	(1,631.88)	(48.18)		(1,680.06)
Net Deferred tax Assets (Liability)	**(1,386.96)**	**(682.07)**	**8.72**	**(2,060.32)**

Notes to Financial Statements for the year ended March 31, 2018

(All amounts are in lakhs unless otherwise stated)

FY 16-17	Balance as on 01-04-2016	Recognised in Statement of Profit & Loss	Recognised in other comprehensive income	Balance as on 31-03-2017
Deferred tax liability / (asset) on account of				
Depreciation on Property, plant & equipment	1,313.54	751.93		2,065.47
Recognition of ECL	(1.41)	0.18		(1.23)
Borrowings - Processing Fees	33.36	6.15		39.51
Expenses allowed on payment basis	(124.55)	23.29	(8.72)	(109.98)
Recognition of DTA on unabsorbed depreciation		(1,748.84)		(1,748.84)
Deferred tax Assets(Liability)	1,220.94	(967.29)	(8.72)	244.93
MAT Credit Entitlement	(1,631.88)	-	-	(1,631.88)
Net Deferred tax Assets(Liability)	**(410.94)**	**(967.29)**	**(8.72)**	**(1,386.96)**

Deferred tax includes an amount of Rs. 3,449.70 Lakhs which relates to carried forward unabsorbed depreciation which can be carried forward for indefinite period. Company has incurred losses from last two financial years following the capitalization of the two manufacturing facilities at Rohtak, Haryana and Bengaluru, Karnataka. The company has estimated that the deferred tax assets will be recovered in future based on the future taxable income based on the approved business plan of the company.

	Current Tax Asset (Net)	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
8	Income Tax Assets			
	Tax refund receivable (net of provision)	422.44	306.19	159.93
	Total	**422.44**	**306.19**	**159.93**
9	**Other Non Current Assets**			
	Capital advance			
	- Suppliers / Contractors	1,002.37	1,364.15	3,637.96
	Others	3.43	4.39	5.35
	Total	**1,005.80**	**1,368.53**	**3,643.31**
10	**Inventories** (Valued at cost or net realisable value, unless otherwise stated)			
	a) Raw materials	916.07	1,134.19	1,513.97
	b) Work-in-progress	2,642.63	2,400.16	2,448.13
	c) Finished goods	91.13	130.67	139.85
	d) Stores and spares	5,297.56	5,955.70	4,684.57
	e) Others (Scrap) (Refer note no. 45 for charges)	17.30	20.50	16.76
	Total	**8,964.69**	**9,641.22**	**8,803.28**

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

11. Financial Asset: Current	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
11.1 Trade Receivables			
Unsecured considered good			
-From related party	238.01	181.29	193.45
-From others	8,037.26	6,475.62	4,517.84
Doubtful	4.35	3.56	4.07
Less: Allowence for doubtful debts	(4.35)	(3.56)	(4.07)
Total	**8,275.27**	**6,656.91**	**4,711.29**
11.2 Cash & cash equivalents			
Balances with banks			
- in Current Accounts	6.95	285.75	69.02
Cash in hand	10.42	9.36	13.47
Cheques in hand	3.00		
Total	**20.37**	**295.11**	**82.49**
11.3 Bank Balance, other than cash & cash equivalents			
Earmarked Balance with Bank for Unpaid Dividends	39.55	43.48	39.37
Other Balance			
- in fixed deposit (original maturity exceeding three months but upto one year)*	525.21	126.87	199.78
Total	**564.76**	**170.35**	**239.15**
* Lodged as security with banks for credit limit.			
11.4 Loans			
Unsecured considered good			
-Loans to empoyees	51.29	40.18	41.02
Total	**51.29**	**40.18**	**41.02**
11.5 Others Financial Asset			
Unsecured considered good			
- Interest receivable on deposit with bank	13.17	-	10.40
Unbilled Revenue	281.56	228.68	29.27
Total	**294.73**	**228.68**	**39.67**
12 Other Current Asset			
Prepaid Expenses	101.86	90.23	80.23
Advances to employee	7.61	6.68	0.37
Advances to Suppliers/Contractors	709.50	1,089.92	1,375.62
Balance with Statutory Authorities	1,432.60	2,025.05	1,385.55
Power Open Access Receivable	107.28	799.91	577.88
Others	0.96	0.96	0.96
Total	**2,359.81**	**4,012.74**	**3,420.60**

Notes to Financial Statements for the year ended March 31, 2018

13. Equity Share Capital

(All amounts are in lakhs unless otherwise stated)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised Share Capital						
Equity Share of Rs. 2/- each	12,50,00,000	2,500.00	12,50,00,000	2,500.00	12,50,00,000	2,500.00
	12,50,00,000	2,500.00	12,50,00,000	2,500.00	12,50,00,000	2,500.00
Issued, Subscribed and Equity Paid Up						
Equity Share of Rs. 2/- each	10,00,00,000	2,000.00	10,00,00,000	2,000.00	10,00,00,000	2,000.00
Total	10,00,00,000	2,000.00	10,00,00,000	2,000.00	10,00,00,000	2,000.00

		No. of shares	In Rs. Amount
(i)	**Reconcillation of number and amount of equity share outstanding:**		
	As at 1st April 2016	10,00,00,000	20,00,00,000.00
	Changes during the year	-	-
	As at 31st March, 2017	10,00,00,000	20,00,00,000.00
	Changes during the year	-	-
	As at 31st March, 2018	10,00,00,000	20,00,00,000.00

Terms & right attached to equity shares

a) The Company has only one class of equity shares having par value of Rs. 2/- per share. Each shareholder equity shares is entitled to one vote per share. The company declares dividends in Indian Rupees. During the year ended March 31, 2018, the amount of dividend per share recognised as distributed to equity shareholder was Rs. NIL (March 31, 2017 Rs. NIL)

b) Aggregate number of bonus share issued, shares issued for consideration other than cash and shares brought back during the period of five year immediately preceding the reporting date are as under:

i) The company has issued 5,00,00,000 fully paid up equity shares of face: value: of Rs. 2/- each, in financial year 2015-2016 pursuant to bonus approved by the shareholders through postal ballot.

ii) The company has neither issued any share for consideration other than cash nor bought back any shares during five years immediately preceding the date at which the Balance Sheet is prepared.

c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of the preferential amount, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the company	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Dayanand Munjal Investments Pvt. Ltd (holding)			
No. of Shares	7,47,95,950	7,47,95,950	7,47,95,950
% of Holding	74.80%	74.80%	74.80%

As per the records of the company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares

14

Financial Liability: Non Current	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	Non-Current	Current Maturities*	Total	Non-Current	Current Maturities*	Total	Non-Current	Current Maturities*	Total
Borrowing Secured									
i. From banks	16,966.40	3,639.07	20,605.47	18,456.72	2,587.07	21,043.79	15579.6	1747.35	17326.95
Unsecured									
ii. Loan from others	4,235.03	1,559.53	5,794.56	3,294.56	1,111.48	4,406.04	1473.38	1218.06	2691.44
Ind as impact (Amortisation)	(122.24)	-	(122.24)	(114.17)	-	(114.17)	(96.39)	-	(96.39)
Total	21,079.19	5,198.60	26,277.79	21,637.11	3,698.55	25,335.66	16,956.59	2,965.41	19,922.00

* Amount disclosed under the head 'other financial Liabilities' note no. 17.3

Note: Refer note -45 for borrowing terms.

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
15 Provision			
Provision for employee benefits			
- Gratuity	113.27	147.95	142.17
- Leave Encashment	271.90	187.78	258.83
Total	**385.17**	**335.73**	**401.00**
16 Other non-current liabilities			
Deferred Income - Government Grant	27.27	28.18	29.09
Total	**27.27**	**28.18**	**29.09**
17 Financial Liability : Current			
17.1 Short Term Borrowings			
Secured - at amortised cost			
Bank			
- Cash Credit	14,968.97	14,593.42	10,494.94
Total	**14,968.97**	**14,593.42**	**10,494.94**
Refer note no. 45 for borrowing terms			
17.2 Other Trade Payables			
a) Micro, small and medium enterprises*	-	-	-
b) Due to related party	360.01	596.00	420.15
c) Others	5,075.13	5,413.27	4,136.13
Total	**5,435.14**	**6,009.27**	**4,556.28**

* There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2018. (Previous Year- NIL). The information required to be disclosed under "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. Further, during the year Company has not paid any interest to any such parties.

17.3 Other Financial Liabilities	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Current maturities of long term debt			
a) From Banks	3,639.07	2,587.07	1,747.35
b) From others	1,559.53	1,111.48	1,218.06
Security Deposit	28.70	25.85	15.79
Interest Accrued But Not Due on Borrowings	103.80	149.32	99.07
Retention Money	23.40	119.87	60.75
Unpaid Dividend*	39.55	43.48	39.38
Other Payables			
a) Capital Creditors	1,582.85	979.51	297.70
b) Accured salary & Benefits**	471.83	419.35	371.07
c) Expenses Payable	391.28	349.32	243.60
d) Others	-	13.17	16.39
Total	**7,840.01**	**5,798.42**	**4,109.16**

* There are no amounts outstanding in respect of unpaid dividend for more than seven years to be transferred to Investor Education and Protection Fund.

** Includes 25.63 lakhs due to related party(previous year NIL)

Notes to Financial Statements for the year ended March 31, 2018

(All amounts are in lakhs unless otherwise stated)

18	Other current Liability	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Withholding and other taxes	575.73	191.26	188.03
	Deferred Income - Government Grant	0.91	0.91	0.91
	Total	576.64	192.17	188.93
19	**Provision for employee benefits**			
	- Gratuity	4.40	5.51	4.26
	- Leave Encashment	22.85	7.03	22.82
	Total	27.25	12.54	27.08

	Particulars	For the year Ended 31 March 2018	For the year Ended 31 March 2017
20	**Revenue From Operation**		
	a) Sales of products(including excise duty)	54,944.76	47,408.56
	b) Other operating revenues		
	From scrap sale	1,459.81	1,062.80
	From Job work	183.07	127.36
		1,642.88	1,190.17
	Less Income Capitalized		(69.05)
	Gross Revenue From Operations	**56,587.63**	**48,529.68**
21	**Other Income**		
	a) Interest Income from bank deposits and others	17.71	9.38
	b) Gain on foreign exchange fluctuation (net)	-	32.82
	c) Miscellaneous receipts	78.03	150.98
	d) Interest income at amortized cost	0.87	0.78
	e) Government grant	0.91	0.91
	Less Income Capitalized	-	(158.68)
	Total Other Income	**97.52**	**36.19**
22	**Cost of Material Consumed**		
	Opening balance of the raw material inventory	1,134.19	1,513.97
	Add : Purchases during the year	18,565.95	16,105.52
		19,700.14	17,619.49
	Closing balance of the raw material inventory	916.07	1,134.19
	Less: Raw material consumption capitalised	-	(21.83)
	Total Cost Of Materials Consumed	18,784.07	16,463.47

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

	Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
23	**(Increase) / Decrease in Stocks**		
	Opening balance of the Inventories		
	Work - in - process	2,400.16	2,448.13
	Finished goods	130.67	139.85
	Process scrap	20.50	16.76
		2,551.34	**2,604.74**
	Closing balance of the Inventories		
	Work - in - process	2,642.63	2,400.16
	Finished goods	91.13	130.67
	Process scrap	17.30	20.50
		2,751.06	**2,551.33**
	Less: Expense capiatlised	-	(10.78)
	Net (Increase) / Decrease in Stocks	(199.72)	64.19
24	**Employee Benefit Expense**		
	Salaries, wages, allowances & commission	4,431.13	3,915.01
	Contribution to provident and other funds	297.92	255.10
	Staff welfare expenses	466.27	431.78
	Gratuity and Earned leave expenses	253.80	59.11
	Less: Expenses capitalised	-	(251.96)
	Total Employee Benefit Expenses	**5,449.11**	**4,409.04**
25	**Finance Cost**		
	Interest on term loans	2,500.71	2,527.61
	Interest on cash credit	1,555.15	1,102.83
	Interest others (including cash discount)	389.18	247.14
	Other Borrowing cost *	125.41	152.21
	Less: Expenses capitalised	-	(1,126.65)
	Total Finance cost	**4,570.45**	**2,903.14**
	* Mainly consist of loan processing facilities from bank.		
26	**Depreciation and Amortization**		
	a) Depreciation of tangible assets	4,041.77	3,172.15
	b) Amortization of intangible assets	85.13	53.49
		4,126.90	3,225.64
	Less : Amount capitalised (included in the cost of property, plant and equipment)	-	(5.48)
	Total Depreciation and Amortization Expenses	**4,126.90**	**3,220.16**

Notes to Financial Statements for the year ended March 31, 2018

27 Other Expense

(All amounts are in lakhs unless otherwise stated)

	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Power and fuel consumption	3,854.31	3,306.47
Packing material consumption	217.09	245.07
Repair and maintenance on	-	-
- Machinery	773.51	999.62
- Building	276.59	400.33
- Others	161.86	146.90
Lease rent	176.21	182.35
Wages to contractors	4,156.62	3,911.67
Rates and taxes	28.43	16.37
Charity and donation	1.08	0.26
Corporate social responsibility expenses	44.27	37.63
Insurance	220.56	221.26
Legal and professional	117.63	399.69
Foreign Exchange losses (net)	37.53	-
Travelling and conveyance	675.34	659.11
Printing and stationery	2.06	3.29
Postage, telegram and telephones	36.40	40.29
Selling expenses	73.56	120.62
Board & secretarial expenses	53.18	64.00
Security expenses	217.07	181.76
Freight and forwarding charges	328.61	245.14
Excise duty difference on stocks of finished goods (net)	(9.22)	(0.78)
Loss on sale of fixed assets	0.96	-
Provision for ECL	0.80	(0.51)
Miscellaneous expenses	359.01	234.49
Less: Expenses capitalised	-	(789.89)
Total Other Expenses	**11,803.46**	**10,625.13**

28 Tax Expense

Current period	-	-
Less: MAT credit entitlement	-	-
Deferred Tax	(677.74)	(967.29)
Deferred Tax - Ind AS	(4.33)	-
	(682.07)	**(967.29)**

(i) Income tax recognised in other comprehensive income	For FY 17-18	For FY 16-17
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	8.72	(8.72)
Total income tax expense recognised in other comprehensive income	**8.72**	**(8.72)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	8.72	(8.72)
Total income tax expense recognised in other comprehensive income	**8.72**	**(8.72)**
Total income tax expense recognised	(673.35)	(976.01)

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

(ii) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:	For FY 17-18	For FY 16-17
Profit / (loss) before tax	**(732.11)**	**(1,350.42)**
Income tax expense calculated at 34.608% (including surcharge and education cess) (2016: 34.608%)	**(255.83)**	**(467.35)**
Effect of income that is exempt from taxation		
Effect of income Chargeable at different rate of tax		
Effect of deduction under chapter VI of Income Tax Act 1961	**(774.35)**	**(304.88)**
Effect of expenses that are deductible in determining taxable profit		**(557.46)**
Effect of expenses that are non-deductible in determining taxable profit	(839.39)	(419.67)
Effect of current year losses for which no deferred tax asset is recognised	-	-
Recognition of unutilised tax cedits	-	-
Other Differnce due to Temporary Differences in Tax Base	1,196 .22	773.36
Total income tax expense recognised in profit & loss account	**(673.35)**	**(976.01)**

29 Other Comprehensive Income

Item that will not be reclassified to profit or loss		
Acturial gain / (loss) on defined benefit obligation	24.91	(25.20)
Fair valuation of equity instruments at FVTOCI		
Total Other Comprehensive Income	**24.91**	**(25.20)**

30 Earning per Share

Net profit for calculation of basic and diluted EPS (Rs. In Lakhs)	(123.13)	(360.46)
Total number of equity shares outstanding at the end of the year	10,00,00,000	10,00,00,000
Weighted average number of equity shares in calculating basic and diluted EPS	10,00,00,000	10,00,00,000
Earning per Share	(0.12)	(0.36)

31 Contingent Liabilities (not provided for) in respect of:

Particulars	2017-18	2016-17	2015-16
a) Letter of credit opened by banks	2,888.34	1,543.45	2,228.44
b) Disputed excise duty and other demands	-	-	8.95
c) Income tax demands where the cases are pending at various stages of appeal with the authorities	6.45	6.45	6.45

Based on legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of decisions in favour of the Company in respect of the items listed above and hence no provision is considered necessary against the same.

32 Commitments:

Particulars	2017-18	2016-17	2015-16
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,362.33	1,677.69	4,971.38
b) Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	-	-	-

33 Remuneration paid to Auditors (included in Miscellaneous Expenses) :

Particulars	2017-18	2016-17
Statutory Auditor		
Audit Fee	10.63	9.08
Limited review	1.54	1.54
Reimbursement of expenses	1.23	2.84
Total	13.40	13.46

Notes to Financial Statements for the year ended March 31, 2018

34 Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006 to the extent of information available with the Company

(All amounts are in lakhs unless otherwise stated)

S.N.	Particulars	2017-18	2016-17	2015-16
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year	-	-	-
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
d)	the amount of interest accrued and remaining unpaid	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-
	Total	-	-	-

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.

35 Details of Opening and Closing Inventory of Finished Goods:

S.N.	Class of Product	2017-18	2016-17	2015-16
a)	**Opening stock**			
	Gear Components	130.67	139.85	210.92
b)	**Closing stock**			
	Gear Components	91.13	130.67	139.85

36 CIF Value of Imports

S.N.	Particulars	2017-18	2016-17
a)	Stores & Spares	469.32	610.76
b)	Capital goods	1,377.72	2,276.65
c)	Raw Material	55.17	6.95
	Total	**1,902.21**	**2,894.36**

37 Expenditure in Foreign Currency (Accrual basis):

a)	Foreign travelling	79.22	98.41
b)	Consultancy charges	20.36	23.51
	Total	**99.58**	**121.92**

38 Earnings in Foreign Currency :

a)	Export of goods at FOB value	327.53	269.92

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

39 Details regarding imported and indigenous materials consumed during the year:

Class of Goods	Imported		Indigenous		Value of total consumption
	Value (Rs. in lakhs)	% to total consumption	Value (Rs. in lakhs)	% to total consumption	Value (Rs. in lakhs)
Raw materials & components	55.17	0.29%	18,728.90	99.71%	18,784.07
	6.95	0.04%	16,456.52	99.96%	16,463.47
Stores, spares, tools & dies Consumed	469.32	6.78%	6,455.89	93.22%	6,925.21
	610.76	11.73%	4,596.84	88.27%	5,207.60

The Figures in below rows are of previous year

40 Segment Information

(i) General Disclosure

The Company is primarily in the business of manufacture and sale of components to automotive original equipment manufacturers. Hence there is only one identified reportable segments as per Ind As 108 - Segment eporting.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

(ii) Entity wide disclosure required by IND AS 108 are made as follows:

a) Revenues from sale of products to external customers

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
India	56,357.62	48,259.68
Outside India	230.01	270.00
	56,587.63	48,529.68

b Segment Assets

Total of non-current assets other than FInancial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 1, 2016
India	46,105.99	44,783.02	38,686.78
Outside India	-	-	-

(iii) Information about major customers:

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Amount	Percentage	Amount	Percentage
Hero Moto corp Limited	35,915.97	63%	31,010.72	64%

41 Employee Benefits - Gratuity & Post employement benefits

The Company has classified the various benefits provided to employees as under:-

A. Defined Contribution Plan

The Company makes contribution to statutory Provident Fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 and Employee State Insurance Act, 1948 respectively. This is post-employment benefit and is in the nature of defined contribution plan.

Notes to Financial Statements for the year ended March 31, 2018

B. Defined Benefit Plan

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every recognized retirement/ termination / resignation. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of profit and loss.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

A. Statement of profit and loss

Net employee benefit expense

(All amounts are in lakhs unless otherwise stated)

Particulars	2017-18		2016-17	
	Gratuity (Funded)	Leave encashment	Gratuity (Funded)	Leave encashment
Current Service cost	74.07	59.40	62.17	27.10
Net Interest cost	11.50	14.60	11.71	22.52
Expenses Recognized in the statement of Profit & Loss	101.46	177.25	73.88	(58.14)

B. Balance Sheet

(i) Details of Plan assets/ (liabilities) for gratuity and Leave Encashment

Particulars	2017-18		2016-17	
	Gratuity (Funded)	Leave encashment	Gratuity (Funded)	Leave encashment
Defined benefit obligation	732.79	294.75	638.91	194.82
Fair value of plan assets	615.11	-	485.46	-
Net Asset/(Liability) recognized in the Balance Sheet	(117.68)	(294.75)	(153.45)	(194.82)

(ii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	2017-18		2016-17	
	Gratuity (Funded)	Leave encashment	Gratuity (Funded)	Leave encashment
Opening defined benefit obligation	638.91	194.82	523.12	281.65
Interest cost	47.88	14.60	41.82	22.52
Current service cost	74.07	59.40	62.17	27.10
Past service cost	15.89	-	-	-
Benefit paid	(21.46)	(77.32)	(17.14)	(28.70)
Actuarial (gains)/losses on obligation	(22.51)	103.25	28.94	(107.76)
Closing defined benefit obligation	732.79	294.75	638.91	194.82

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

Particulars	2017-18	2016-17
Opening fair value of plan assets	485.46	376.69
Actual return on Plan Assets	36.38	30.11
Contribution during the year	112.53	92.05
Benefit paid	(21.67)	(17.14)
Return on plan assets , excluding amount recognised in net interest expense	2.40	3.74
Closing fair value of plan assets	615.11	485.46

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2017-18 %	2016-17 %
Discount rate (%)	7.80%	7.50%
Expected salary increase (%)	6.00%	6.00%
Demographic Assumptions		
Mortality rate (% of IALM 06-08)	100%	100%
Retirement Age (year)	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

v. Contribution to defined contribution plans:

Particulars	2017-18	2016-17
Provident fund	256.72	243.62
Employee State Insurance	39.40	10.07

vi Sensitivity analysis of the defined benefit obligation:

Particulars	2017-18		2016-17	
	Gratuity (Funded)	Leave encashment	Gratuity (Funded)	Leave encashment
Impact of the change in discount rate				
Present value of obligation at the end of the period	732.79	294.75	638.91	194.82
Impact due to increase of 0.50%	319.27	129.42	276.19	84.43
Impact due to decrease of 0.50%	423.14	169.01	372.02	113.18
Impact of the change in salary increase	-	-	-	-
Present value of obligation at the end of the period	732.79	294.75	638.91	194.82
Impact due to increase of 0.50%	423.50	169.19	369.74	113.27
Impact due to decrease of 0.50%	318.13	128.98	276.32	84.15

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

Notes to Financial Statements for the year ended March 31, 2018

vii Other comprehensive income (OCI): (All amounts are in lakhs unless otherwise stated)

Particulars	2017-18		2016-17	
	Gratuity (Funded)	Leave encashment	Gratuity (Funded)	Leave encashment
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	(31.83)	-	45.35	-
- experience variance (i.e. Actual experience vs assumptions)	9.32	-	(16.41)	-
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net expense	(2.40)	-	(3.74)	-
Re-mearurement (or Actuarial) (gain)/ loss arising because of change in effect of asset ceiling	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	(24.91)	-	25.20	-

42 Related Party Transaction

a) List of Related Parties

(i) Key Managerial Personnel

Mr. Neeraj Munjal, Managing Director

Dr. Anil Kumar Gupta, Technical Director

Mrs. Charu Munjal, Whole Time Director

Mr. Davendra Ujlayan, VP- Finance

Ms. Shivani Kakkar, Company Secretary

Dr. Vinayshil Gautam- Independent Director

Mr. Sunil Kant Munjal- Independent Director

Mr Bhagwan das Narang-Independent Director

Mr. Surrinder lal Kapur-Independent Director

(ii) Holding Company

Dayanand Munjal Investments Private Limited

(iii) Enterprises over which key management personnel and their relatives are able to exercise significant influence

Munjal Showa Limited

Pushti Metal Industries LLP

Earthly Possessions

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

b) The following transactions were carried out with related parties in the ordinary course of business:

Nature of transaction	Key management personnel		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sale of Goods & Services						
Munjal Showa Limited	-	-	1630.41	1277.04	1630.41	1277.04
Pushti Metal Industries LLP	-	-	1.03	0.00	1.03	0.00
Purchase of goods and services						
Munjal Showa Limited	-	-	-	0.63	0.00	0.63
Pushti Metal Industries LLP	-	-	991.22	899.65	991.22	899.65
Earthly Possessions	-	-	1611.73	1101.41	1611.73	1101.41
Salary & perquisites						
Neeraj Munjal	168.85	154.44	-	-	168.85	154.44
Anil Kumar Gupta	64.34	61.48	-	-	64.34	61.48
Charu Munjal	76.78	66.88	-	-	76.78	66.88
Davendra Ujlayan	52.11	51.41	-	-	52.11	51.41
Shivani Kakkar	9.17	9.03	-	-	9.17	9.03
Sitting fees						
Dr. Vinayshil Gautam	5.93	6.30	-	-	5.93	6.30
Mr. Sunil Kant Munjal	1.50	2.10	-	-	1.50	2.10
Mr Bhagwan das Narang	5.93	4.80	-	-	5.93	4.80
Mr. Surrinder lal Kapur	5.93	6.30	-	-	5.93	6.30

c) Balances Outstanding at Year End:

Nature of transaction	Key management personnel		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Receivable :-						
Munjal Showa Limited	-	-	-	236.98	181.29	193.45
Pushti Metal Industries LLP	-	-	-	1.03	-	-
Payable:-						
Munjal Showa Limited	-	-	-	0.68	0.58	0.14
Pushti Metal Industries LLP	-	-	-	122.95	340.70	118.81
Earthly Possessions	-	-	-	236.38	254.72	301.20
Neeraj Munjal	7.70	12.23	6.36	-	-	-
Charu Munjal	4.83	3.72	2.55	-	-	-
Anil Kumar Gupta	13.10	11.57	5.72	-	-	-

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

Notes to Financial Statements for the year ended March 31, 2018

43 Operating Lease(Ind AS 17)

(a) Operating lease arrangements

Office premises are taken on operating lease. There is no escalation clause in the lease agreement

(b) Future minimum rentals payables under non-cancellable operating lease:

(All amounts are in lakhs unless otherwise stated)

	As at March 31, 2018	As at 31st March, 2017
Not later than one year	142.07	155.32
Later than one year and not later than five years	360.33	395.64
Later than five years	-	40.32
Total	502.40	591.28

Operating lease payment recognised in the Statement of Profit and Loss amounting to Rs. 176.21 lakhs (March 31, 2017 Rs.182.35 lakhs)

44 Capital - Work - In - Process

The Company had incurred some expenditure related to acquisition/construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

Particulars	2017-18	2016-17	2015-16
Carried forward as part of Capital Work in Progress (A)	2,259.85	3,361.61	326.66
Income During the Year			
Sale of Components	-	69.05	106.75
Other income	-	158.68	13.52
Total income earned during the year	-	227.73	120.27
Expenditure incurred during the year			
Raw material consumption	-	21.83	125.94
Changes in inventories	-	10.78	-23.71
Packing material consumption	-	6.68	10.87
Consumption of stores	-	698.96	1,320.84
Salary and wages	-	251.96	143.53
Finance cost	-	1,126.65	977.77
Power & fuel	-	43.40	144.86
Travelling expenses	-	66.79	169.89
Security expenses	-	18.25	22.19
Wages to contractors	-	53.93	75.44
Repair & maintenance	-	384.82	80.16
Depreciation	-	5.45	3.22
Miscellaneous expenditure	-	222.42	104.22
Total Expenditure incurred during the year (B)	-	2,911.92	3,155.22
Net expenditure incurred during the year	-	2,684.19	3,034.95
Less : Capitalised as Fixed Assets	2204.95	3,785.95	-
Carried forward as part of Capital Work in Progress	54.90	2,259.85	3,361.61

Notes to the financial statements as at March 31, 2018

45 Summary of borrowing arrangement

(All amounts are in lakhs unless otherwise stated)

Particulars	As at 31st, March 2018	As at 31st, March 2017	As at 1st, April 2016	Rate of interest	Security	Repayment terms
I Long Term Borrowings From Bank						
Karnataka bank (Manesar) - 10 Cr.	246.10	496.72	750.00	10.90%-11%	Secured against hypothecatin of specific movable machineries located at Binola & Manesar Plant along with other lenders.	Repayable in Eight half yearly equal instalment beginning from June, 2015
Karnataka bank (Binola) - 10Cr.	246.10	496.72	750.00	10.90%-11%	Secured against hypothecatin of specific movable machineries located at Binola & Manesar Plant along with other lenders.	Repayable in Eight half yearly equal instalment beginning from June,2015
Axis Bank Limited	-	-	77.73	11%-12.50%	Exclusive charge on specific movable machineries of Binola Plant respectivly with other lenders	Repayable in 12 quarterly installments beginning from October, 2014
Ing Vysya 10 Cr.	-	-	86.29	11%-12.50%	Exclusive charge on the specific machinery created at Haridwar plant along with other lenders	Repayable in 20 quarterly installments beginning from June, 2013
IDBI Bank	-	264.41	1,014.41	9.68%-12%	Exclusive charge on the specific machinery created under expansion project of Binola & Haridwar plant alongwith other lenders	Repayable in 8 quarterly installments beginning from January, 2016
IDFC bank	4113.28	4,935.94	2,648.52	10%-11%	First pari passu on entire fixed assets of Rohtak & Bengaluru Plant, respectivly with other lenders.	Repayable in 18 quarterly installments beginning from August, 2017
ICICI Bank	3,000.00	3,000.00	3,000.00	9.68%-12%	First pari passu on entire fixed assets of Haridwar plant upto 1.25 times cover of loan amount	Repayable in 20 quarterly installments beginning from April, 2018
ING Vysya	2,950.00	3,650.00	4,000.00	10.52%-11%	First pari passu on entire fixed assets of Rohtak & Banglore Plant, respectivly with other lenders.	Repayable in 19 quarterly installments beginning from December, 2016
Yes Bank - 50Cr	4,850.00	5,000.00	5,000.00	9%-10.5%	First pari passu on entire fixed assets of Rohtak & Banglore Plant, respectivly with other lenders.	Repayable in 22 quarterly installments beginning from June, 2018
Yes Bank - 50Cr	4,850.00	3,200.00	-	9.25%-9.50%	First pari passu on specific fixed assets of all plants respectivly with other lenders.	Repayable in 24 quarterly installments beginning from December,2018
Yes Bank - 100Cr	350.00	-	-	9.50%-10.5%	First pari passu on specific fixed assets of all plants respectivly with other lenders.	Repayable in 24 quarterly installments beginning from June, 2020
Total	**20,605.47**	**21,043.79**	**17,326.95**			
From Others Binola Plant						
Hero Fin Corp	875.18	1,406.04	1,874.82	13.00%	Unsecured	Repayable in 60 monthly installment beginning from September, 2014.
Hero Fin Corp	2,419.38	3,000.00	816.62	11.50%	Unsecured	Repayable in 36 monthly installment beginning from August, 2017
Hero Fin Corp	2,500.00	-	-	11.90%	Unsecured	Repayable in 8 quarterly installment beginning from July, 2019
	5,794.56	**4,406.04**	**2,691.44**			
Ind As Impact	(122.24)	(114.17)	(96.39)			
Total	**26,277.79**	**25,335.66**	**19,922.00**			

Notes to Financial Statements for the year ended March 31, 2018

(All amounts are in lakhs unless otherwise stated)

	Particulars	As at 31, March 2018	As at 31, March 2017	As at 1, April 2016	Security
II	**Short Term Borrowings**				
	From Bank - Cash Credit				
	Binola				
	IDBI Bank	(81.09)	440.66	292.59	First Pari Pasu charge on current assets of the Company.
	Axis Bank	-	-	12.66	
	Karnataka Bank	-	-	1,206.75	First charge on entire current assets of the Binola plant and second charge on the machineries proposed to be purchased out of Term Loan of Rs. 10 Crores for Binola Plant
	Kotak Mahindra Bank	367.04	-	180.67	First pari passu charges on the current asset of binola plant along with the other working capital bankers
	Haridwar				
	Punjab National Bank	-	-	1,976.58	First pari passu charge on the current assets of Haridwar Plant along with the other working capital bankers.
	IDBI Bank	4,980.24	7,300.00	1,029.45	
	IDFC Bank	692.79	158.31	2436.91	
	Others				
	ICICI Bank	1,153.68	947.95	839.33	First Pari Passu charge on Current Assets Haridwar Plant
	HDFC Bank	1,031.19	1,876.63	2520.01	First pari passu charges on the current asset of Binola & Haridwar plant along with the other working capital bankers.
	Yes bank	6,825.12	3,869.87	-	Exclusive charges on all the current assets of Bengaluru plant and first pari pasu charge on all the current assets of Binola plant of the Borrower (Present & future)
Total		**14,968.97**	**14,593.42**	**10,494.95**	

46 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

Notes to the financial statements as at March 31, 2018

47 Events occurring After the Balance Sheet date

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

48 Financial Risk Management

Financial risk management objectives and policies:

The Company, as an internationally active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise approrpiate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

A Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash follows of the financial instruments will luctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2018 and March 31, 2017, the Company's borrowings at variable rate were mainly denominated in INR.

Interest rate risk exposure - The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(All amounts are in lakhs unless otherwise stated)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable Rate Borrowing	35,574.44	35,637.21	27,821.90
Fixed Rate Borrowing	5,794.56	4,406.04	2,691.44
Ind as Adjustment	(122.24)	(114.17)	(96.39)
Total	41,246.76	39,929.08	30,416.95

An analysis by maturities is provided in Note (C) Maturities of financial liabilities below.

Sensitivity analysis - For Floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended 31-03-2018	For the year ended 31-03-2017
Interest rate increase by 0.25%	88.94	89.09
Interest rate decrease by 0.25%	(88.94)	(89.09)

Notes to Financial Statements for the year ended March 31, 2018

b) Price Risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company.

Key Raw material - As per the agreement with the customers, any increase in the raw materials prices is passed on to the customer. But in some cases where the customer was already asking for reduction in prices, the company has to absorb the price increase.

c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an foreign 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 export revenue and import of raw materials and other consumables.

The unhedged foreign currency exposure is as follows:

(All amounts are in lakhs unless otherwise stated)

Particulars	Trade Receivable/ Advances to supllier		Trade Payables	
	Foreign Currency	Rs in lacs	Foreign Currency	Rs in lacs
Foreign Exposure as at 31st March 2018				
CHF	1,25,984	84.76	-	-
EUR	2,07,802	166.75	20,899	29.23
GBP	14,392	13.32	-	-
JPY	2,97,44,003	146.46	9,50,12,878	548.35
SGD	-	-	96,871	49.07
USD	2,94,602	193.74	3,130	2.41
Foreign Exposure as at 31st March 2017				
Euro	61,303	46.69	1,70,119	136.39
CHF	-	-	64,331	44.55
GBP	-	-	22,080	22.25
JPY	-	-	94,88,042	58.03
USD	-	-	72,520	48.68
Foreign Exposure as at 1st April 2016				
Euro	1,06,484	76.64	-	-

The hedged foreign currency risk is Nil on respective dates.

Notes to the financial statements as at March 31, 2018

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant.

(All amounts are in lakhs unless otherwise stated)

Particulars	Change in FCR / INR Rate	Impact on Profit & Loss Statements	
		For the year ended 31-03-2018	For the year ended 31-03-2017
USD	+ 50 basis points	1.46	(0.36)
	- 50 basis points	(1.46)	0.36
EURO	+ 50 basis points	0.93	(0.54)
	- 50 basis points	(0.93)	0.54
CHF	+ 50 basis points	0.63	(0.32)
	- 50 basis points	(0.63)	0.32
GBP	+ 50 basis points	0.07	(0.11)
	- 50 basis points	(0.07)	0.11
JPY	+ 50 basis points	(326.34)	(47.44)
	- 50 basis points	326.34	47.44
SGD	+ 50 basis points	(0.48)	-
	- 50 basis points	0.48	-

B Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 49. The Company does not hold collateral as security except in case of few customers. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	7,844.62	435.00	6,304.77	355.71	4,308.37	406.99
Expected Credit Losses (B)	-	4.35	-	3.56	-	4.07
Net Carrying Amount (A-B)	7,844.62	430.65	6,304.77	352.15	4,308.37	402.92

Credit risk from balances with banks and other financial asset is managed in accordance with the Company's approved investment policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on regular basis and the said limits gets revised as and when appropriate. The limits are set to minimise the concentration of risks and therefore

Notes to the financial statements as at March 31, 2018

mitigate financial loss through counterparty's potential failure to make payments. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment gradeAlso, no impairment loss has been recorded in respect of ixed deposits that are with recognised commercial banks and are not past due.

C Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Table hereunder provides the current ratios of the Company as at the year end

(All amounts are in lakhs unless otherwise stated)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Total current assets	20,530.92	21,045.19	17,337.50
Total current liabilities	28,848.01	26,605.82	19,376.39
Current ratio	**0.71**	**0.79**	**0.89**

The table below summarises the maturity profile of the Company's financial liabilities (Current and Non current):

	Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
I	**As at 31st March, 2018**				
(i)	Borrowings	20,167.57	18,199.45	3,001.98	41,369.00
(ii)	Other Financial Liability	2,641.41	-	-	2,641.41
(iii)	Trade and other payable	5,435.14	-	-	5,435.14
	Total	**28,244.12**	**18,199.45**	**3,001.98**	**49,445.55**
II	As at 31st March, 2017				
(i)	Borrowings	18,291.97	18,847.94	2,903.34	40,043.25
(ii)	Other Financial Liability	2,099.87	-	-	2,099.87
(iii)	Trade and other payable	6,009.27	-	-	6,009.27
	Total	**26,401.11**	**18,847.94**	**2,903.34**	**48,152.39**
III	As at 1st April, 2016				
(i)	Borrowings	13,460.35	11,421.13	5,631.85	30,513.33
(ii)	Other Financial Liability	1,143.75	-	-	1,143.75
(iii)	Trade and other payable	4,556.28	-	-	4,556.28
	Total	**19,160.38**	**11,421.13**	**5,631.85**	**36,213.36**

Notes to the financial statements as at March 31, 2018

49 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. 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.

Financial Asset

(All amounts are in lakhs unless otherwise stated)

Sl. No.	Particulars	Note	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April1, 2016	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Financial assets designated at amortised cost	D	Level 2						
(a)	Non Current								
	- Loans			303.76	303.76	287.20	287.20	225.48	225.48
	- Others Financial Asset			10.99	10.99		-		-
(b)	Current								
	- Trade receivables			8,275.27	8,275.27	6,656.91	6,656.91	4,711.29	4,711.29
	- Cash and cash equivalents			20.37	20.37	295.11	295.11	82.49	82.49
	- Bank Balances			564.76	564.76	170.35	170.35	239.15	239.15
	- Loans			51.29	51.29	40.18	40.18	41.02	41.02
	- Others Financial Asset			294.73	294.73	228.68	228.68	39.67	39.67
	Total			**9,521.17**	**9,521.17**	**7,678.43**	**7,678.43**	**5,339.09**	**5,339.09**
Financial Liability									
	Financial liability designated at amortised cost	D	Level 2						
(a)	Non Current								
	- Borrowings			21,079.19	21,079.19	21,637.11	21,637.11	16,956.59	16,956.59
(b)	Current								
	- Borrowings			14,968.97	14,968.97	14,593.42	14,593.42	10,494.94	10,494.94
	- Trade payables			5,435.14	5,435.14	6,009.27	6,009.27	4,556.28	4,556.28
	- Other financial liabilities			7,840.01	7,840.01	5,798.42	5,798.42	4,109.16	4,109.16
	Total			**49,323.31**	**49,323.31**	**48,038.23**	**48,038.23**	**36,116.98**	**36,116.98**

A - Company has opted to fair value its mutual fund investment through profit & loss

B - Company has opted to fair value its quoted investments in equity share through OCI

C - As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.

D - Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the financial statements as at March 31, 2018

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

50 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic & financial conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2017 and 31st March, 2018.

(All amounts are in lakhs unless otherwise stated)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Debt (i)	39,687.23	36,230.53	29,198.89
Cash and cash equivalents	(20.37)	(295.11)	(82.49)
Net Debt	39,666.86	35,935.42	29,116.41
Total Equity	19,094.78	19,201.72	20,057.56
Net debt to equity ratio (Gearing Ratio)	2.08	1.87	1.45

(i) Debt is defined as long-term and short-term borrowings.

Recently the company has set up new plants for business expansion

51 Transition to Ind As

First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements for the year ended 31st March, 2017.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind - AS:

Notes to the financial statements as at March 31, 2018

a. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying gross & net value as it is for all of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost on the date of transition.

The Company has elected to continue with the carrying gross & net value as it is for all classes of its property, plant and equipment and intangible assets, including capital wok-in-progress, recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Material items such as spare parts,stand by equipment and service equipments are classified as property, plant and equipment when they meet the identification of property, plant and equipment. as specified in Ind AS 16-Property Plant and Equipment.

b Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing on the date of transition to Ind AS, except where the effect is expected to be not material.

c Investment in subsidiary, associate, joint venture

Ind AS 27 requires an entity to account for its investments in subsidiaries and associates either at cost or in accordance with Ind AS 109. Ind AS 101 provides an option to measure such investments as at the date of transition to Ind AS either at cost determined in accordance with Ind AS 27 or deemed cost, where deemed cost shall be its fair value as at date of transition to Ind AS or previous GAAP carrying amount as at that date.

d. Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances on the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

e Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

f De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

g Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

h Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Notes to the financial statements as at March 31, 2018

i **Government Grant**

Ind As 101 requires a first time adopter to recognise the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind AS and shall not recognise the corresponding benefit of the government loan at a below-market rate of interest as a government grant. Consequentially the comapny has recognised and measured government grant on a government loan at a below-market rate of interest prospectively.

Reconciliation of equity as previously reported under IGAAP to IND AS as at April 01, 2016

(All amounts are in lakhs unless otherwise stated)

	As at April 1, 2016 IGAAP	As at April 1, 2016 Adjustment	As at April 1, 2016 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	24,541.59	312.75	24,854.34
Capital work - in - progress	10,089.74	-	10,089.74
Other intangible assets	99.39	0.00	99.39
Financial assets			
Loans	5,429.77	(5,204.29)	225.48
Others		-	-
Deferred tax assets (net)	-	410.94	410.94
Other non - current assets	-	3,643.31	3,643.31
	40,160.49	**(837.29)**	**39,323.20**
Current assets			
Inventories	9,116.04	(312.76)	8,803.28
Financial assets			
Trade receivables	4,715.36	(4.07)	4,711.29
Cash and cash equivalents	321.64	(239.15)	82.49
Bank Balances		239.15	239.15
Loans	3,703.58	(3,662.56)	41.02
Others	-	39.67	39.67
Current tax assets (net)	-	159.93	159.93
Other current assets	29.27	3,391.33	3,420.60
	17, 885.89	**(388.46)**	**17,497.43**
Total Assets	**58,046.38**	**(1,225.75)**	**56,820.63**
Equity and liabilities			
Equity			
Equity share capital	2,000.00	-	2,000.00
Other equity	17,546.49	511.07	18,057.56
	19,546.49	**511.07**	**20,057.56**
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	17,052.98	(96.38)	16,956.59
Provisions	401.00	-	401.00
Deferred tax liabilities (Net)	1,188.99	(1,188.99)	-
Other non-current liabilities	-	29.09	29.09
	18,642.97	**(1,256.28)**	**17,386.69**
Current liabilities			
Financial liabilities			
Borrowings	10,494.95	-	10,494.94
Trade payables	4,556.28	-	4,556.28
Other financial liabilities	297.70	3,811.46	4,109.16
Provisions	508.51	(481.43)	27.08
Other current liabilities	3,999.48	(3,810.55)	188.93
	19,856.92	**(480.54)**	**19,376.40**
Total Equity & Liabilities	**58,046.38**	**(1,225.75)**	**56,820.65**

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

	As at March 31, 2017 IGAAP	As at March 31, 2017 Adjustment	As at March 31, 2017 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	34,816.48	292.96	35,109.44
Capital work - in - progress	8,143.26	-	8,143.26
Other intangible assets	161.79	-	161.79
Financial assets			
Loans	3,302.22	(3,015.02)	287.20
Others	-	-	-
Deferred tax assets (net)	-	1,386.96	1,386.96
Current tax assets (net)	-	306.19	306.19
Other non - current assets	-	1,368.53	1,368.53
	46,423.75	**339.62**	**46,763.37**
Current assets			
Inventories	9,953.98	(312.76)	9,641.22
Financial assets			
Trade receivables	6,660.48	(3.58)	6,656.91
Cash and cash equivalents	465.46	(170.34)	295.11
Bank Balances	-	170.35	170.35
Loans	4,345.42	(4,305.24)	40.18
Others		228.68	228.68
Other current assets	228.68	3,784.07	4,012.74
	21,654.01	**(608.82)**	**21,045.19**
Total Assets	**68,077.76**	**(269.20)**	**67,808.56**
Equity And Liabilities			
Equity			
Equity share capital	2,000.00	-	2,000.00
Other equity	17,163.63	38.09	17,201.72
	19,163.63	**38.09**	**19,201.72**
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	21,751.28	(114.16)	21,637.11
Provisions	335.73	-	335.73
Deferred Tax Liability	222.22	(222.22)	-
Other non-current liabilities		28.18	28.18
	22,309.23	**(308.20)**	**22,001.02**
Current liabilities			
Financial liabilities			
Borrowings	14,593.42	-	14,593.42
Trade payables	6,009.27	-	6,009.27
Other financial liabilities	4,050.25	1,748.17	5,798.42
Provisions	12.54	-	12.54
Other current liabilities	1,939.44	(1,747.27)	192.17
	26,604.91	**0.90**	**26,605.82**
Total Equity & Liabilities	**68,077.76**	**(269.20)**	**67,808.56**

Equity Reconcilation

	As at March 31, 2016	As at March 31, 2017
As Per IGAAP	17,546.49	17,163.63
Impact due to recognisation of the of borrowing at amortised Cost	96.38	114.16
Reversal of Proposed Dividend	481.43	-
Provision of Expected Credit Losses	(4.07)	(3.56)
Security Deposit - Lease	(0.73)	(0.90)
Depreciation on Spare Parts	-	(19.80)
Grant received capitalized	(30.00)	(29.09)
Deferred Tax on remeasurement	(31.95)	(22.71)
As Per IND AS	**18,057.56**	**17,201.72**

Notes to the financial statements as at March 31, 2018

(All amounts are in lakhs unless otherwise stated)

Statement of profit and loss for the year ended 31.03.2017

	As at March 31, 2017 IGAAP	As at March 31, 2017 Adjustment	As at March 31, 2017 As Per IND AS
Revenue from operations	45,569.15	2,960.53	48,529.68
Other income	34.50	1.69	36.19
Total income	**45,603.64**	**2,962.23**	**48,565.87**
Expenses			
Cost of materials consumed	16,463.47	0.00	16,463.47
Changes in inventories of finished goods, stock - in - trade and work - in - progress	64.20	(0.00)	64.19
Stores Consumables	5,207.60	-	5,207.60
Job work on components	4,037.82	-	4,037.82
Excise Duty on sale of Goods	-	2,960.54	2,960.54
Employee benefits expenses	4,468.45	(59.41)	4,409.04
Finance costs	2,886.70	16.44	2,903.14
Depreciation and amortization expenses	3,200.36	19.80	3,220.16
Other expenses	10,624.68	0.45	10,625.13
Total expenses	**46,953.27**	**2,937.82**	**49,891.10**
Profit / (loss) before exceptional items and tax	(1,349.63)	24.40	(1,325.23)
Exceptional items			
Profit / (loss) before tax	(1,349.63)	24.40	(1,325.23)
Tax expense			
Current tax			-
Deferred tax	(966.77)	(0.52)	(967.29)
Income tax pertaining to earlier years			
	(966.77)	**(0.52)**	**(967.29)**
Profit / (loss) from continuing operations	(382.86)	24.93	(357.93)
Profit / (loss) from discontinued operations	-		
Tax expense of discontinued operations	-		
Profit / (loss) from discontinued operations (after tax) (X - XI)	-	-	-
Profit / (loss) for the period	(382.86)	24.93	(357.93)
Other comprehensive income			
Items that will not be reclassified to profit or loss	-	-	(25.20)
Income tax relating to items that will not be reclassfied to profit or loss	-	-	(8.72)
Items that will be reclassified to profit or loss	-	-	-
Income tax relating to items that will be reclassified to profit or loss	-	-	-
	-	-	(16.48)
Total comprehensive income for the period	**(382.86)**	**24.93**	**(374.41)**

Profit reconcilation for the year ended March 31, 2017

	Rs in lakhs
Profit As per IGAAP March 31, 2017	(382.86)
Impact due to recognisation of the of borrowing at amortised Cost	17.77
Grant amortized	0.91
Financial Assets and Liabilities at fair value/amortised cost	0.35
Depreciation on Spare Parts	(19.82)
Deferred Tax on remeasurement	9.24
other	
Profit As Per IND AS March 31, 2017	**(374.41)**

Notes to the financial statements as at March 31, 2018

Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Statement of Profit and Loss for the year ended 31st March, 2017 :

Financial Assets & Liabilities

The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Other comprehensive income

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

Deemed Cost of Property, plant and equipment & Intangible Assets

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress and intangible asset. There are no decommissioning liabilities of the Company. Material items such as spare parts,stand by equipment and service equipments are classified as property plant and equipment when they meet the identification of PPE as specified in Ind AS 16- Property Plant and Equipment.

Borrowings

Ind AS requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under the previous GAAP, transaction costs incurred in connection with borrowings were accounted upfront and charged to Statement of Profit and Loss for the period in which such transaction costs was incurred. Accordingly, borrowings as at the transition date have been reduced by Rs 63.02 lakhs with a corresponding adjustment to retained earnings, net of tax.

Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Company has expected credit losses in its trade receivable aging more thn six months @1%.

Defined benefit obligation

"Both under Indian GAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced by Rs 25.20 lakhs on account to re-measurement loss for the FY 2016-17 and remeasurement loss on defined benefit plan has been recognized in the OCI, net of tax as at 31st March 2017.

Long term financial asset at amortised cost

Under Indian GAAP, long-term financial assets such as interest free deposit were recognised at the contractual amount and were not discounted. Under Ind AS, where the effect of time value of money is material, the amount of asset should be recognised at the present value of amount expected to be realised. These assets are subsequently measured at amortised cost method.

Deferred tax Liability (net)

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets. In addition, the various transitional adjustments lead to temporary differences and consequently deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earnings. The net impact on deferred tax liabilities has increased by Rs. 31.95 lakhs and by Rs. 31.45 lakhs as at the date of transition and for the year ended on 31st March 2017 respectively.

Revenue

Under the previous GAAP, revenue from sale of goods was presented as net of excise duty on sales. However, under Ind AS, revenue from sale of goods includes excise duty and such excise duty is separately presented as an expense on the face of the Statement of Profit and Loss. Thus, under Ind AS, sale of goods for the year ended 31st March, 2017 has increased by Rs 2960.54 lakhs.

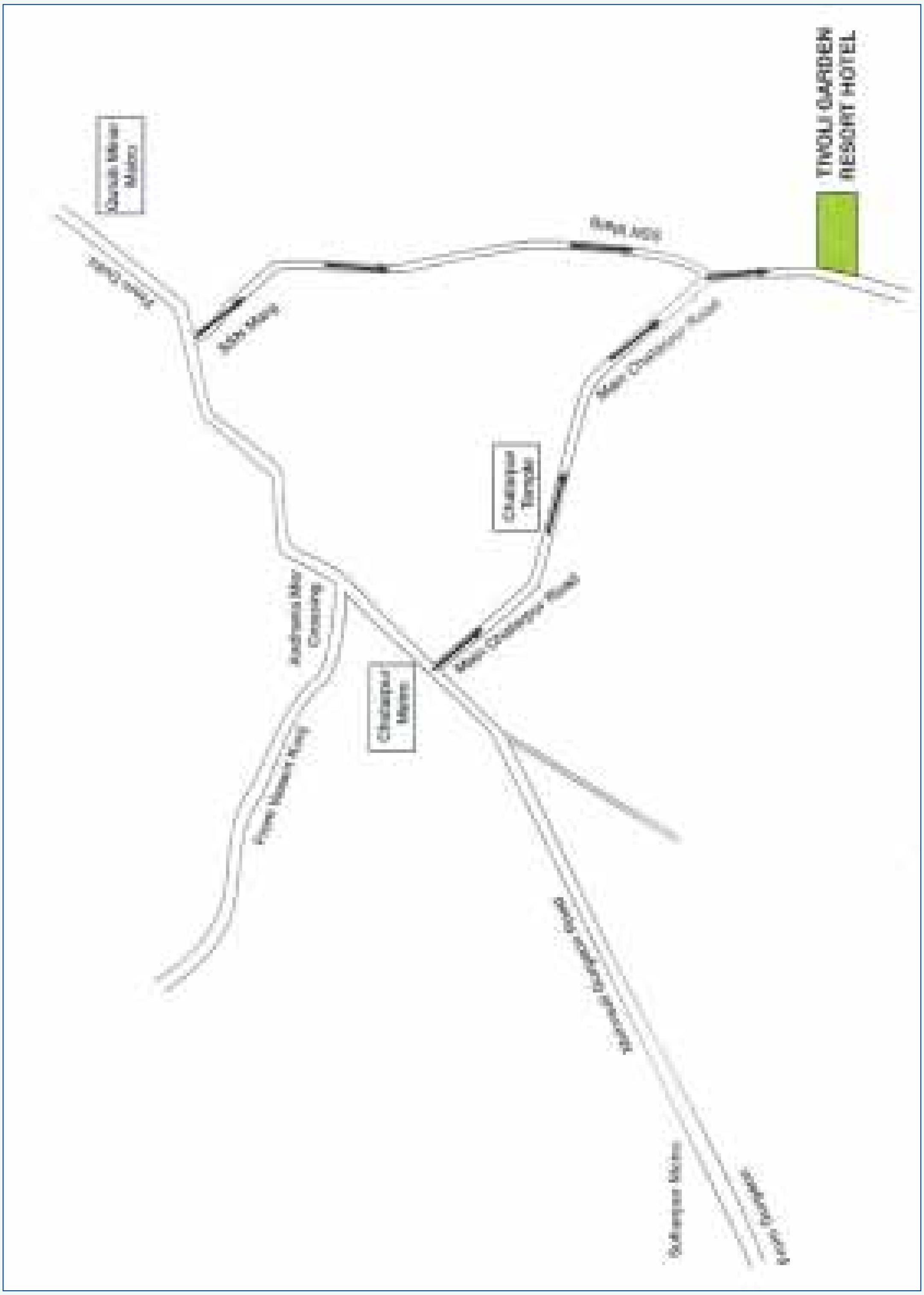
Proposed Dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of Rs 481.83 lakhs as at April 01, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

Location Map for AGM on 29th September, 2018



Shivam Autotech Ltd.

SHIVAM AUTOTECH LIMITED

CIN: L34300DL2005PLC139163

Registered office: 303, 3rd Floor, Square One, District Centre, Saket, New Delhi – 110017

Form No. MGT - 11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

13th Annual General Meeting – September 29, 2018

Name of the member(s):

Registered Address:

Email Id:

Folio No. / Client Id:

DP ID:

I/We, being the member (s) of ……. shares of the above named company, hereby appoint

1	Name: ……
	Address:
	E-mail Id:
	Signature:……., or failing him

2	Name: ……
	Address:
	E-mail Id:
	Signature:……., or failing him

3	Name: ……
	Address:
	E-mail Id:
	Signature:…….

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual General Meeting of the company, to be held on the 29th day of September, 2018 at 11:30 a.m. at Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110074 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
1.	Adoption of the Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors for the financial year ended March 31, 2018.		
2.	To appoint a director in place of Dr. Anil Kumar Gupta (DIN 02643623), who retires by rotation and being eligible has offered himself for re-appointment.		
3.	To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.		
4.	Reappointment of Mrs. Charu Munjal (DIN 03094545) as Whole-time Director of the Company on the existing remuneration.		
5.	Re-appointment of Dr. Anil Kumar Gupta (DIN 02643623) as Whole-time Director of the Company and revision in his remuneration thereof.		

Signed this…… day of…….. 2018

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Shivam Autotech Ltd.

SHIVAM AUTOTECH LIMITED

CIN: L34300DL2005PLC139163
Registered office: 303, 3rd Floor, Square One, District Centre,
Saket, New Delhi – 110017

13th ANNUAL GENERAL MEETING
ATTENDANCE SLIP

Name and address of the Member: _____

Folio No./Client Id no.: _____

No. of Shares(s) Held: _____

DP Id.: _____

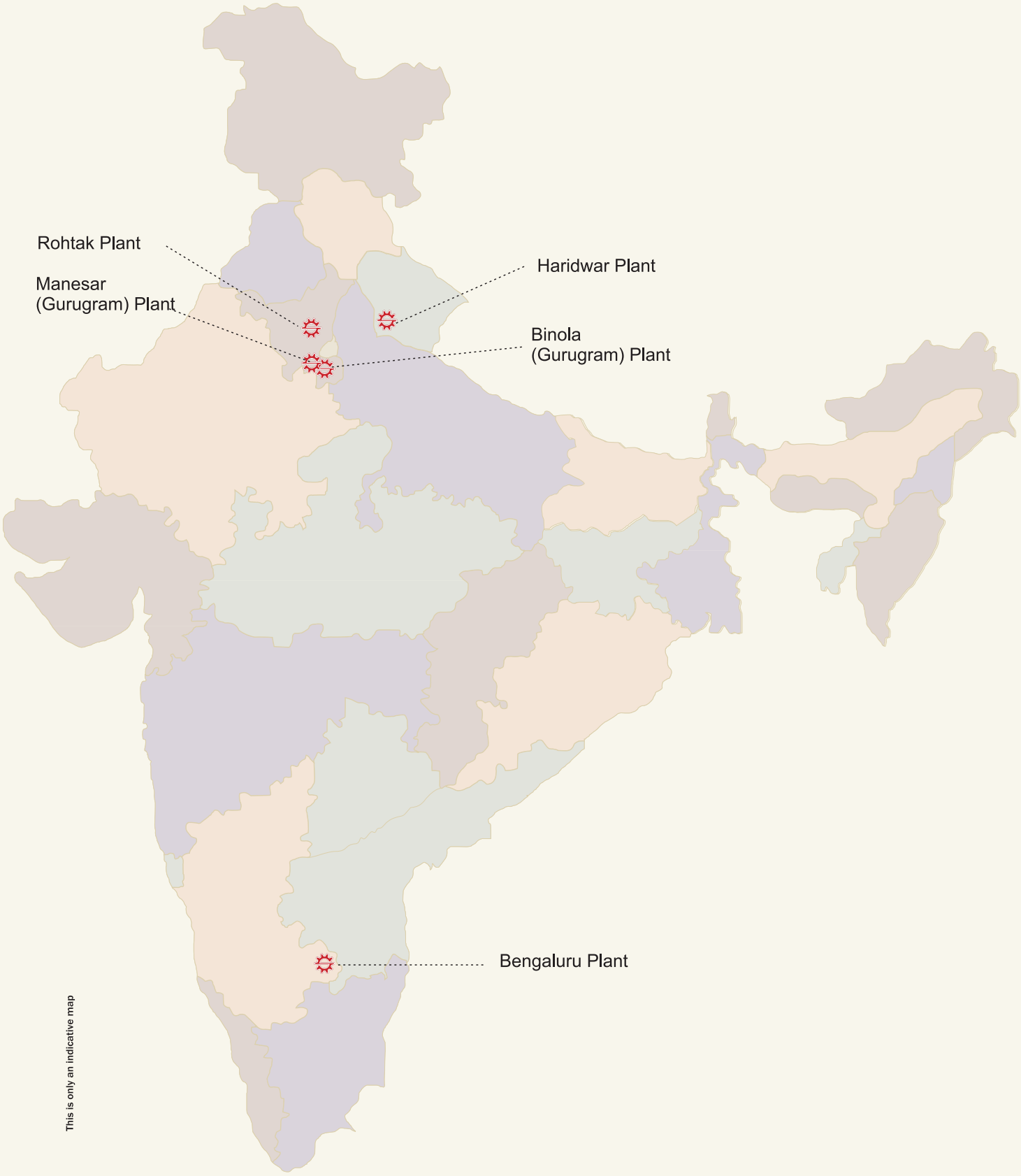
I certify that I am a member / proxy / Representative for the member of the Company.

I/We hereby record my/our presence at the 13th Annual General Meeting of the Company being held at ***The Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi – 110074*** on Saturday, the 29th day of September, 2018 at 11.30 A.M.

_____	_____
Name of the Member(s) /Proxy / Representative	Signature of the Member(s) /Proxy / Representative

Notes:

1. A member / proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance of meeting hall.
2. A member intending to appoint a proxy, should complete the Proxy Form attached herewith and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.


Rohtak Plant
Manesar
(Gurugram) Plant
Haridwar Plant
Binola
(Gurugram) Plant
Bengaluru Plant
This is only an indicative map

Shivam
Autotech Ltd.

REGISTERED OFFICE
303, 3rd Floor, Square One, District Centre, Saket, New Delhi-110 017
Telefax: +91-11-49242116, Tel: +91-11-49242100

E-mail : admn@shivamautotech.com
Website : www.shivamautotech.com