Jamna Auto Industries Ltd.

July 26, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400001, Maharashtra

BSE Code: 520051

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400 051, Maharashtra
NSE Code: JAMNAUTO

Subject: Submission of Annual Report for Financial Year 2021-22 and Notice of 56th Annual General Meeting (AGM)

Dear Sir / Madam,

In accordance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report for the Financial Year 2021-22 and the Notice convening the 56th Annual General Meeting to be held on Friday, August 19, 2022 at 12.30 p.m. IST through Video Conferencing ("VC")/Other Audio-Visual Means("OAVM").

In compliance with the relevant MCA Circulars and SEBI Circulars, the Annual Report for the financial year 2021-22, comprising the standalone and consolidated financial statements for the financial year 2021-22, Board's Report, Auditors' Report and other documents required to be attached thereto along with the Notice of 56th AGM is being sent to all the members of the Company whose email addresses are registered with the Company/ Registrar & Transfer Agent – Skyline Financial Services Private Limited. However, members desiring a physical copy of the Annual Report for FY 2021-22 may write to the Company/RTA or email at investor.relations@jaispring.com.

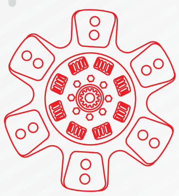
The Notice of 56th AGM and the Annual Report for FY 2021-22 is also be available on the website of the Company at www.jaispring.com.

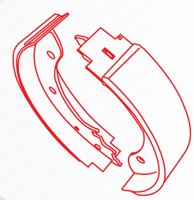
Kindly take the above information on records. A copy of this intimation is also available on our website at www.jaispring.com.

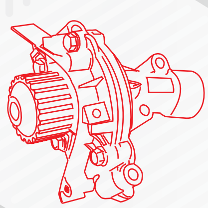
Thanking you,
Yours faithfully,
For Jamna Auto Industries Limited

Praveen Lakhera
Company Secretary & Head-Legal

JAMNA AUTO INDUSTRIES LTD.







Ready for The Big Leap Forward

Jamna Auto Industries Ltd.
Annual Report 2021-22

Contents

Scan the QR code to know more about the Company

Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and oral- that we make may contain forward-looking statements that set out anticipated results bases on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and word of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipates, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

In our journey spanning over six decades, we have always tapped into our innate strengths of efficiency and customer focus to remain resilient in the face of an evolving environment.

The financial year 2021-22 was marked by multiple headwinds such as supply chain constraints, subdued demand environment in the commercial vehicle space and inflationary pressure on margins. Despite challenges, we continued to focus on business continuity and implemented various cost optimisation initiatives to achieve an encouraging financial performance during the year.

As the economy is gradually gaining momentum, we are eager to capitalise on emerging opportunities and unlock more value for all stakeholders. Our long-term corporate strategy is to steadily strengthen our manufacturing capabilities, diversify our portfolio of products and expand our presence across various markets in India and overseas. Our aim is to emerge as a one-stop automotive solutions provider for our esteemed customers.

With enhanced capacity, sharper innovation focus and committed teams, we are now poised to take the big leap forward and elevate to a higher trajectory of growth and sustainability.

Corporate Information

Our support system

Board of Directors

Mr. Randeep Singh Jauhar
Chairman & Executive Director

Mr. Pradeep Singh Jauhar
Managing Director & CEO

Mr. S.P.S. Kohli
Executive Director

Mr. Uma Kant Singhal
Director

Mr. Shashi Bhushan Bansal
Director

Mr. Rakesh Kalra
Director

Mr. Gautam Mukherjee
Director

Ms. Rashmi Duggal
Director

Corporate office

2, Park Lane, Kishangarh, Vasant Kunj,
New Delhi - 110070, India

Registered office

Jai Springs Road, Industrial Area,
Yamuna Nagar- 135 001, Haryana
Ph. & Fax No. 01732-251810/11/14
CIN L35911HR1965PLC004485

Plants

1. Yamuna Nagar (Haryana)
2. Malanpur (Madhya Pradesh)
3. Chennai (Tamil Nadu)
4. Jamshedpur (Jharkhand)
5. Hosur (Tamil Nadu)
6. Pune (Maharashtra)
7. Pilliapakkam (Tamil Nadu)

Under subsidiary

Pant Nagar (Uttarakhand)

Upcoming plants

1. Adityapur (Jharkhand)
2. Indore (Madhya Pradesh)
3. Derabassi (Punjab)
4. Pant Nagar (Uttarakhand)

Advisors

AZB & Partners
Lakshmikumaran & Sridharan

Technical assistance

Tinsley Bridge Limited, UK

Bankers

State Bank of India
Kotak Mahindra Bank
HDFC Bank Ltd.
ICICI Bank Ltd.

Statutory auditors

S R Batliboi & Co, LLP Chartered Accountants

Internal auditors

Protiviti India Member Pvt. Ltd.

Share registrar and transfer agent (RTA)

Skyline Financial Services (P) Ltd
D-153A, First Floor, Okhla Industrial Area, Phase-1,
New Delhi-110020
Ph. no. 011-26812682-83, 011-40450193-97
Fax no. 011-26812682 Email: grievances@skylinerta.com

Investor cell

Mr. Praveen Lakhera
Company Secretary & Head-Legal
Investor.relations@jaispring.com

Financial performance (2020-2022)

Gaining momentum: challenged, improved, and expanded

(Rs. in Lakhs)

Operational Results	2022	2021	2020
Sales including other income	1,72,239	1,08,941	1,14,509
Operating profit (PBDIT)	23,080	14,239	13,027
Interest	279	593	1,726
PBDT	22,801	13,646	11,301
Depreciation and amortisation	3,673	3,558	4,137
Profit before tax	19,127	10,088	7,164
Profit after tax	14,080	7,296	4,788
Financial indicator			
Assets	48,950	48,467	50,086
Investments	47	47	47
Current assets	66,862	36,375	24,373
Non-current assets	3,460	3394	4,505
Equity share capital	3,985	3,983	3,983
Reserves and surplus	64,483	54,017	47,687
Net worth	68,468	58,001	51,671
Long-term funds	-	-	5,077
Short-term funds	17,788	-	8,607
Non-current liabilities and provisions	4,370	4328	3,953
Current liabilities and provisions	46,481	25,955	9,703
Ratios			
PBT to sales (%)	11	10	6
PBIT/average capital employed (ROCE)	26*	23	16
PAT/net worth	21	14	9
EPS (Rs.)	3.54	1.83	1.2
Dividend per share (Rs.)	1.5	0.75	0.4
Net worth per share (Rs.)	17.19	14.56	12.97
Face value per share (Rs.)	1	1	1

* 33% Net of Bill Discounting

About us

Committed to deliver. Aligned to the future

Over the last 68 years, Jamna Auto Industries Limited has fortified its position as a suspension manufacturer for commercial vehicles. Building on its strong legacy of trust, quality and customer-centric approach, the Company is first to introduce complete range of suspensions solution for all segments of commercial vehicles.

Jamna Auto Industries Limited was founded in 1954, by Sardar Bhupinder Singh Jauhar. From having a single product with a factory in Yamuna Nagar, we have expanded to become an organisation with 8 production units across India catering to all major OEMs, after market in India and Export.

Our plants are strategically positioned near our OEM production facilities. We, at Jamna Auto offers a robust product portfolio, which includes a complete line of suspension solutions for the Indian commercial vehicle market ranging from tippers, rigid frame (heavy), tractor trailor and ICVs and Buses. Our product portfolio includes mechanical suspensions, leaf and parabolic springs, Air Suspensions, lift axle and stabilizer bars.

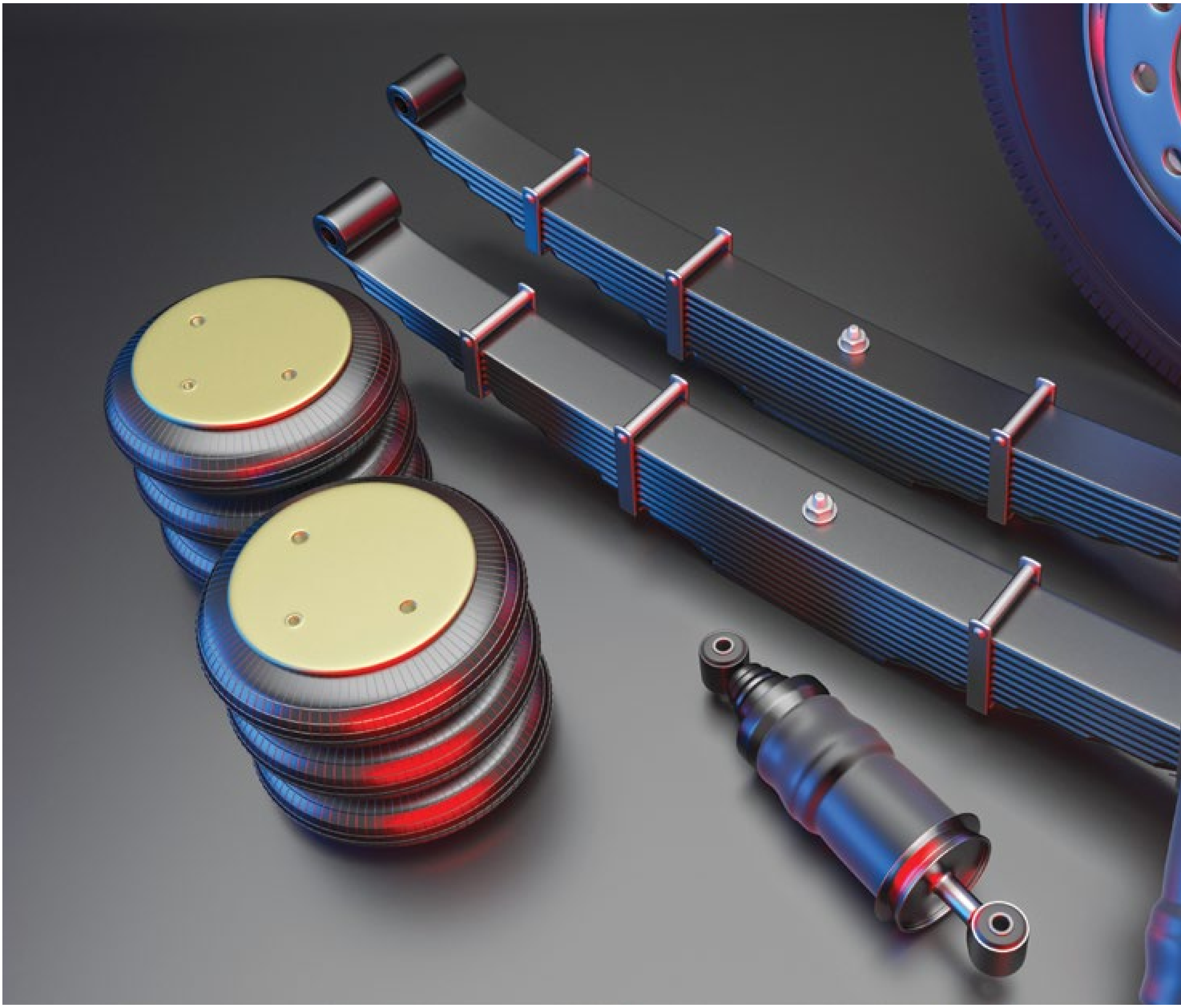
Our Presence

Map is not to scale. For illustrative purpose only.

Key strengths

Improving efficiency. Ensuring quality

Anchoring on our core values and beliefs, we have been able to offer high-quality products to our customers. We are constantly evolving to power our growth and striving to satisfy the aspirations and expectations of our customers, partners, employees and other stakeholders.



Advanced manufacturing facilities

State of the art technology and a infrastructure help us to improve our product quality and cost efficiencies.

Empowered workforce

We nurture a qualified and capable team of personnel, who facilitate our short and long-term goals.

Strong R&D

Our R&D Centre at Pune, is equipped with latest design softwares, finite element analysis (FEA), and data acquisition systems (DAQ) skills, which are required for effective designing and evaluation.

Digitisation

Our strategic collaboration with Ramco Systems presents us with new digital competencies and thus digitises all of our after-market services, such as management reviews, data analysis, performance management, among others.

Superior quality

our emphasis to maintain technical excellence enables us to deliver high quality products, assemblies and services to customers. Our certification from IATF 16949 (highest quality management system standards for the automotive sector) further attest to our quality centric approach.

Plants

Our 8 plants are strategically close to commercial vehicle and tractor OEMs which offer us logistic benefits.

Chairman's Message

Randeep Singh Jauhar
Chairman & Executive Director

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Jamna Auto Industries Ltd. (JAI) annual report for the fiscal year ended March 31, 2022 (FY 2021-2022).

Owing to the widespread vaccination programmes and the relaxation of COVID-19 restrictions, the global economy is gradually recovering from the 2020 COVID-19 recession. In line with this, CV market witnessed a broad-based recovery, recording 29% growth in FY 2021-22 compared to FY 2020-21.

Through our agility and cost reduction measures taken over the last two years, we were able to achieve healthy financial results and continue to maintain a strong balance sheet. JAI has successfully charted a disciplined path towards the achievement of the 50XT plan, which was rolled out last year.

Inspite of all the challenges, We have deeply admired the perseverance of our extraordinary colleagues at JAI, who have demonstrated exemplary dedication, commitment and professionalism and managing to keep the business afloat.

The year in review – "back on growth track"

Owing to the organisation's resilience, impact of the second wave of COVID-19 disruption was limited to the first quarter and we were able to recover some of the lost ground and recorded consolidated revenue of INR 1718 crores in FY 21-22.

We reported consolidated PBDIT of INR 231 crores (13%) and consolidated PBT of INR 191 crores (11%) as an outcome of our initiatives focused on cost reduction across all aspects of the business, and our balance sheet remains de-leveraged.

Accelerating Growth- "Extra Gear to Widen"

Our efforts to achieve the "LAKSHYA 50XT" strategy necessitate closer teamwork, strong collaboration, and a spirit of mutual growth. We are diversifying into new products and markets, exploring new alliances, onboarding new customers in new segments, and we are rising to meet these new challenges as a family.

50 % revenue from New products

- Parabolic share in the overall spring market is increasing. There has been a steady increase over the last 6 to 7 years, but it has further accelerated with the introduction of BS6 vehicles. JAI would like to maintain its dominant position in the parabolic market. To cater to this, JAI has planned to increase parabolic capacity in the existing spring plants covering all the regions of the country. The new manufacturing lines at our Yamuna Nagar plant have already been commissioned, and parts are under production. Expansion in other plants will be completed by FY 23. A new parabolic plant will be built in Adityapur, close to Jamshedpur OEMs. We expect the commercial production to commence by June 2024. This capacity enhancement will not only help us to secure a majority share of the OEM market, but will also increase our parabolic sales in the aftermarket.

- Mahindra & Mahindra Agriculture Implement Division has accorded us a contract to supply rotavator blades. The components are under development at Yamuna Nagar plant and supplies are expected to begin by January 2023.
- The commissioning of a new factory under wholly owned subsidiary i.e. Jai Automotive Components Limited in Derabassi, Punjab to manufacture fabricated parts is in progress. The commercial production is expected to start by July 2023.
- The construction of a new factory in Indore to manufacture U bolts, Hanger Shackles, and Spring Pins has started. Commercial production is expected to begin by January 2024 expanding the product range and content per vehicle in the CV industry.
- The first phase of investment in machining set up in Uttarakhand has been completed, and production will begin by January 2023. This will increase our product range and content per vehicle in the CV industry.
- Launched new products in the After Market India such as clutches, bearings, and brake linings.

50% Revenue from new Markets

- This year we have got 23% of the revenue from aftermarket and exports. Our new product offering of Spring and Lift Allied received a good response in the market.
- We continue to build a strong foundation in the aftermarket by selling directly to retail, establishing an efficient supply chain and widening our network to cover every nook and corner of India. Retail model will help us to eliminate inefficiencies in the whole value chain, which will help us to make products cheaper to the end customer.
- Allied products sales in after market has started to pick up. This year our allied products sale was 4% of the total after market sales.The brand is now fully recognized in the after market domain. This will continue to remain our focus year.
- This year, JAI has launched high consumption parts like clutches, bearings, and brake linings, which have huge potential in the aftermarket. We plan to sell this by leveraging our existing aftermarket network.
- We are opening "JAI Shoppe" in Transport Nagar's major trucking centre to showcase and enhance our product branding to get closer to the fleet owners for direct selling. This would help us to market our products to the fleet and help us to sell our trailer suspension directly to the fleet. We have plan to open more shoppe after successful operation of the first one.
- The pilot Shoppe in Delhi will be inaugurated by December 2022.
- We had our first success in increasing after-market export tonnage in the European region. We will continue to focus on after market exports.

50% ROCE

We have achieved 26% ROCE (33% Net of Bill Discounting) against target of 50% to be achieved by FY 26.

We will continue to follow prudent financial policies and confident of achieving target by FY 26.

50% dividend pay-out (Rewarding Our Shareholders)

- We have made a commitment to provide consistent and long-term returns to our shareholders. For FY22, the Board is pleased to recommend a final dividend of INR 1.00 per share which will make total dividend payout of INR 1.50 per shares for FY 2021-22 and amounts to 42.5% of Profit after Tax.

Words of Appreciation

In this year's Annual Report, we have for the first time presented a holistic view of our value creation that goes beyond financials. We are committed to ensuring that our business practises are sustainable in every way possible, whether through adoption of new technologies that enable a better future or through the efficient management of finite resources and care for our customers and employees.

JAI is well-positioned to seize new opportunities as they arise by capitalising our strengths and broad product offering to provide customers with a one-stop solution. We will continue to focus on strategy execution and strive for more sustainable businesses for our customers.

On behalf of the Board and management, I once again wish to thank our shareholders and bankers for their continued support. We remain committed to creating long-term value for you, every day.

Please be safe and stay healthy!

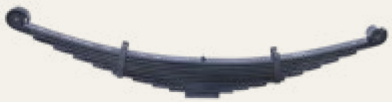
Regards,

Randeep Singh Jauhar
Chairman & Executive Director

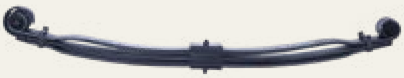
An Overview of our offerings

Prudent research, diverse portfolio

We, at Jamna Auto are constantly striving to develop and diversify our offerings to keep up with the changing customer trends. To improve our consumer involvement, we continue to invest in R&D, offer new products, and judiciously spend throughout operations.



Conventional Leaf Spring



Parabolic Leaf Spring

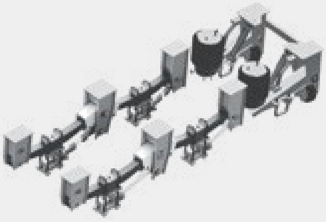
Z-Spring

Stabilizer Bar

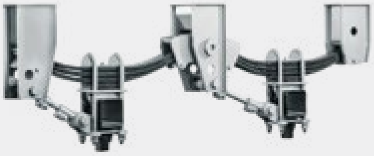
Bus Air Suspension

Trailer Air Suspension

Lift Axle



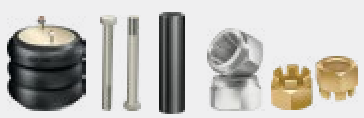
Trailer Mechanical and
Air Suspension with Lift Axle

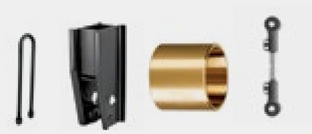


Trailer Mechanical Suspension

Some of the Products above are only traded

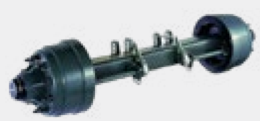
After Market Products


Lift Axle Allied Components


Trailer Allied Components


Spring Allied Components

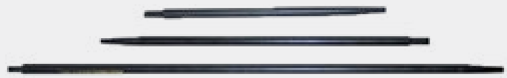

Break Lining


Trailer Axle

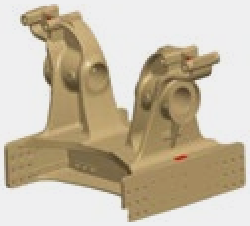

Water Pump

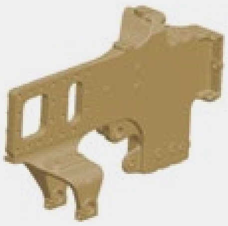

Clutch

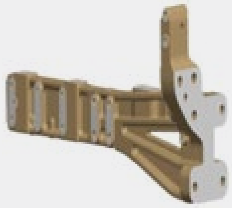

Bearing


Jack rod

Upcoming OEM Products

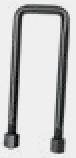

Bogie Bracket


Nodo Bracket


ATS Bracket


Hanger Shackles


Spring Pin


U Bolt

To be launched under OEM Segment

Some of the Products above are only traded

Our customers

Enhancing trust everyday

ASHOK LEYLAND

BHARATBENZ

FORCE MOTORS

FUSO

GM

ISUZU Your responsible partner

Mahindra

RENAULT NISSAN

SCANIA

SML ISUZU

TADANO

ESCORTS

TATA

UD TRUCKS

VOLVO

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Target Vs Accomplishments in FY2022

Operational targets

Product De-risking

Revenue From New Products

Target FY2027	Actual FY2022
50%	37%

Diversifying Markets

Revenue From New Markets

Target FY2027	Actual FY2022
50%	23%

Financial Goals

Maximising Returns

ROCE

Target FY2027	Actual FY2022
50%	26%*

*33% Net of Bill Discounting

Value Creation

Dividend Pay-out

Target FY2027	Actual FY2022
50%	42.5%

New after market initiative

JAI SHOPPE

During the year, we opened the Jamna Auto Industry (JAI) shoppe in one of the largest trucking centres in Sanjay Gandhi Transport Nagar Delhi. The shoppe is used to communicate the information pertaining to our products and reach the Fleet directly.

We are displaying the entire suspension product portfolio along with the parts from other commercial vehicles (CV). The Display zone consists display of bus air suspension, 6 Ton lift axle, trailer mechanical suspension kit (Cross-section), trailer air suspension kit and all the items which we sell in AMI.

This shoppe will help us enhance our brand image, provide customized suspension solutions based on fleet needs and access to supplies to the fleet and retails directing through our warehouse in the same location.

Advantages of JAI Shoppe (Value proposition)

Enhance brand awareness

Increase customer engagement

Product awareness

We have plans to open a suspension service station in future to fix and repair all kinds of suspensions required in the replacement market.

CSR Activities

Committed to holistic growth

Empowering society, pushing boundaries

Owning to our strong commitment towards improving the social, environmental and economic well -being of surrounding communities, we are actively involved in creating clean and green environment, quality education, sports promotion, better health and livelihood opportunities and empowering youths and women to bring a positive and impactful change in the society.

IMPACTS CREATED IN FY2021-22

Environment

18,000

saplings planted and distributed

5,850

jute bags distributed

1,50,000

ltr water conserved through rain water harvesting technique

80

twin bin dustbin installed

Education

635

deserving students were awarded with scholarships

25

Educational Institutions were improved infrastructure wise.

75

inmates functionally literate

35

street and working children enrolled in Jamna Phulwari centre

Sports

93

star sports person were sponsored

75

sports person won medals in national and international games.

Sponsored state

& national level championships

Distributed sports

equipment in schools and prisons.

Community Service

105

Senior Citizens, widow ladies & persons with disability benefited by monthly pension scheme

861

youths and women were trained in various skill training program

480

needy patients were screened and supported for medical assistance

50,000

people were facilitated during COVID 19 pandemic

1,050

Womens were empowered socially, mentally, legally and financially.

MANAGEMENT DISCUSSION & ANALYSIS

Commercial Vehicle Industry overview

In FY2021-22, the demand of commercial vehicles was on a recovery track. The growth is supported by the overall economic recovery led by Government's push on infrastructure, pick-up in economic activities and replacement demands. Though, the demand is still buoyant recent hike in commodity and fuel prices can slow the demand.

Covid-19 is still a concern for all as it continued to impact the economy with second and third wave of pandemic. In order not to be affected, the industry is adopting digitization on a large scale. Lessons from the past two years will also help keep operations afloat in a new wave.

Company's performance

During FY 2021-22 the Company maintained its share of business with major OEMs. Our cost rationalization is working well and the Company is in a good position to leverage cost reduction once the CV demands returns to pre Covid levels. Our thrust is on using the existing infrastructure to drive growth and de risk the model.

Last year we launched our first 5-year plan named "Lakshya 50XT" with 4 key targets for FY-26 and we started executing our Lakshya 50XT. Products and markets diversification are two key components of Lakshya 50XT. We have received order for rotavator blades from Mahindra & Mahindra. The products are under development at Yamuna Nagar plant and supplies are expected to begin by January 2023. Our subsidiary company i.e. Jai Automotive Components Limited (JACO) is setting up a factory in Derabassi, Punjab on rent for manufacturing fabrication parts. The commercial production is expected to commence by July 2023. This allows us to enter a new product, segment, or market.

Construction of JACO's new factory in Indore to manufacture U-bolts, Spring Pin and Hanger Shackle is in progress and the products will be launched in the market by January 2024.

The first phase of machining products set up has been completed at JACO's Rudrapur, Uttrakhand factory and the commercial production will commence by January 2023.

During the year under review, Jai Suspensions Limited a wholly owned subsidiary of the Company has started construction of a new factory at Adityapur, Jharkhand. The commercial production is expected to commence by June 2024.

During the year under review, we have got 37% revenue from new products. Our new product offering of Springs and Lift Allied received a good response in the market and during the year under review we have launched high consumption parts like Clutch, Bearing and Break Lining which has huge potential in the After Market.

Implementation of retail model in After Market is on track. In After Market we are expanding our reach and range by selling directly to retail and launching high consumption products. We plan to sell these new products by leveraging our existing After Market structure. We are opening "JAI Shoppe" in major Trucking Center to showcase our product range and to get close to fleet owners.The first shopee will be launched in Delhi Transport Nagar.

The Company's long term credit rating is [ICRA] AA- (pronounced ICRA double A minus) and short term rating as [ICRA]A1+ (pronounced ICRA A one plus). Credit rating assigned to Commercial Paper (CP) issue of the Company is [ICRA] A1+ (pronounced as ICRA A one plus). The outlook on Long Term Rating is stable.

During FY 2022-23 an interim dividend of Rs 0.50 per equity share was paid. A final dividend of Rs. 1 per equity share of Rs.1 each is also recommended by the Board of Director for approval in coming annual general meeting. With payment of the final dividend for the total dividend payout for FY 2021-22 would be 42.5% of the PAT, which is in accordance with Company's dividend policy and Lakshya plan. During the year under review, the Company has achieved RoCE of 26% (33% net off bill discounting).

Key Financials

Following are the key financials of the Company at standalone and consolidated levels. For details members are requested to see three years financial summary::

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operation	164904.21	105270.66	171787.53	107947.84
EBITDA	21150.97	14106.49	23080.26	14239.28
PBT	17453.21	10265.11	19127.34	10088.18
PAT	13045.77	7671.81	14080.43	7296.29
Networth	68308.07	58871.67	68468.23	58000.80

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Debtors Turnover (no. of days)	52.10	47.50	49.80	43.20
Inventory Turnover (no. of days)	82.40	89.70	84.90	94.20
Interest Coverage Ratio (in times)	92.8	24.2	69.5	18.0
Current Ratio (in times)	1.5	1.3	1.4	1.3
Debt Equity Ratio (in times)	0.2	0.2	0.3	0.2
EBITDA Margin (in %)	12.83	13.40	13.44	13.19

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
PAT Margin (in %)	8.08	7.43	8.40	6.86
Return to Net Worth (in %)	19.16	13.03	20.58	12.58

Risk Management

The key objective of our Lakshya 50XT is to enable future growth and reduce business risk through market and product diversification. The Company's risk management policy is governed and overseen by the Risk Management Committee, which regularly reviews key risks and monitors mitigation measures in a timely manner. Under the Risk Management Policy, a three-tier framework is established for risk identification, assessment, control, minimization and mitigation.

Internal Controls

The Indian industry has witnessed a major shift towards better internal controls with mandatory implementation of internal financial controls (IFC). The Company has put in place strong internal control, systems and processes and keeps reviewing their adequacy from time to time. The Company places strong emphasis on best practices in corporate governance. There is a strong system of both internal review as well as review by external independent auditors i.e. M/s Protivity, Risk and Business Consulting who carry very periodic audits of all locations and their reports are reviewed by Audit Committee.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 56th Annual Report and Audited Financial Statements for the financial year ended on March 31, 2022.

Financial Results-An Overview

(Rs. in crore)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Net Sales	1649.04	1052.71	1717.88	1079.48
PBDIT	211.51	141.06	230.80	142.39
Finance cost	1.90	4.42	2.79	5.93
PBDT	209.61	136.64	228.01	136.46
Depreciation	35.08	33.99	36.73	35.58
PBT	174.53	102.65	191.27	100.88
Provision for current tax	46.74	28.68	53.19	31.45
Provision for deferred tax	(2.67)	(2.75)	(2.72)	(3.53)
PAT	130.46	76.72	140.80	72.96
Other Comprehensive Income	0.63	(0.46)	0.59	(0.37)
Total Comprehensive Income	131.09	76.26	141.40	72.60
Balance brought forward	334.30	268.00	325.59	262.95
Payment/Provision of dividend including tax	39.83	9.96	39.83	9.96
Retained earnings	425.55	334.30	427.15	325.59

Operational Review

During FY 2021-22, Company's topline grew as consolidated sales rose to Rs.1,718 crore compared to Rs.1,079 crore in previous year. The consolidated PAT stood at Rs.141 crore as compared to Rs.73 crore in the previous year. The Company continued to maintain its business shares and healthy relations with its customers. The Company started executing its Lakshya 50XT declared in FY 2021-22. For details members please see Management Discussion and Analysis section. The Company plans to start manufacture of new products i.e. U-bolts, Spring Pin, Hanger Shackle and fabrication parts through expansion at existing plants or setting up new plants in the Company or subsidiaries. Mahindra & Mahindra Agriculture Implement Division has accorded us a contract to supply rotavator blades. The components are under development at Yamuna Nagar plant and supplies are expected to begin by January 2023.

The Company has three subsidiaries as on March 31, 2022 namely Jai Automotive Components Limited (JACO), Jai Suspension Systems Private Limited (JSSPL) and Jai Suspensions Limited (JSL). The proposed machined products unit of Company's wholly owned subsidiary JACO at Rudrapur, Uttrakhand is ready and commercial production shall begin by January 2023. JACO proposed unit at Indore for U-bolts, Spring Pin and Hanger Shackle is expected to start commercial production by January 2024. JACO also plans to set up a base to manufacture fabrication parts at Dera Bassi, Punjab for which land & building is procured on lease. JACO proposed unit at Dera Bassi is expected to start commercial production by July 2023.

During the year under review, work at proposed unit of another wholly owned subsidiary company JSL at Adityapur (Jharkhand) is started and commercial production is expected to commence by June 2024.

During the year under review, the Company launched new products in after market like Clutch, Bearing and Break Lining. These products have high potential in after market.

Credit Rating

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. ICRA Limited ("ICRA") has reviewed the credit rating of the Company and at present, the Company's long term credit rating is [ICRA]AA- (pronounced ICRA double A minus) and short term rating as [ICRA] A1+ (pronounced ICRA A one plus). The credit rating assigned to Commercial Paper (CP) reaffirmed at [ICRA] A1+ (pronounced as ICRA A one plus). The outlook on Long Term Rating is stable.

Material Changes and Commitments

From March 31, 2022 to the date of this report, there have been no major changes and commitments affecting the Company's financial position. There are no major orders issued by any authority to the Company which impact its going concern status and future operations.

Subsidiaries, Joint Ventures and Associate Companies

The Company has three subsidiaries, namely Jai Suspensions Limited ("Wholly-owned Subsidiary"), Jai Automotive Components Limited ("Wholly-owned Subsidiary") and Jai Suspension Systems Private Limited. During the year under review, the Jai Suspension Systems LLP was converted into Jai Suspension Systems Private Limited w.e.f. May 28, 2021. The Company holds 99.9985% of the equity share capital of Jai Suspension Systems Private Limited.

The policy for determining material subsidiaries as approved by the Board is placed on the website of the company at www.jaispring.com.

The audited financial statements and related information of subsidiaries are available on the Company's website. www.jaispring.com. Pursuant to Section 129(3) of the Companies Act, 2013, a statement in Form AOC-1 containing salient features of financial statements of the Company's subsidiaries, forms part of the annual report. The statement describes the performance and financial position of each of the Company's subsidiaries.

Dividend and Dividend Distribution Policy

The Company's dividend distribution policy is to pay 33% of PAT as a dividend to the shareholders. Please refer to the website of the Company www.jaispring.com for the policy. During the year under review, the Company has launched a 5-year plan named "Lakshya 50 XT" for FY-26. One of the goals of the plan is to achieve a distribution of 50% of PAT as dividends or share buybacks or both by FY26.

An interim dividend of Rs 0.50 (Fifty Paisa) per share was paid during the FY2021-22. The Directors are pleased to recommend for your consideration a final dividend of Rs. 1 (One Rupee) per equity share of Rs.1 each. The payment of the final dividend is subject to the approval of the shareholders of the Company at the ensuing annual general meeting. After payment of the final dividend, the total dividend payment per share for FY 2021-22 will be Rs.1.50 (One Rupee Fifty paise) per share. The total dividend payout for FY 2021-22 will be 42.5% of the PAT, which is in accordance with the Company's dividend policy and Lakshya 50XT.

Transfer to Reserves

During the year under review, no amount out of profits has been transferred to general reserve.

Deposits

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Directors and Key Managerial Personnel

The Board consists of 8 Directors including Independent, Executive and Non-executive Directors. The composition of the Board is in conformity with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

The founder and non-executive chairman of the Company, Mr. Bhupinder Singh Jauhar (DIN: 00944380), passed away on 31 July 2021 and ceased to be the Director of the Company. The Board of Directors at its meeting held on August 14, 2021 has appointed Mr. R. S. Jauhar, as Chairman of the Board of Directors. Ms. Taru Bahl Bahl, an independent director, has resigned from the Directorship on April 13, 2022. The Board would like to thank for her contributions and support during her tenure as an independent director of the Company. The Board has appointed Ms. Rashmi Duggal as an Independent Director w.e.f. May 21, 2022.

Ms. Rashmi Duggal is Post Graduate in Economics and holds Diploma in Business Management and CAIIB. She is retired from State Bank of India in the year 2021 as General Manager. Ms. Duggal has worked in different capacities during her more than 3 decades of association with the Bank. She has vast experience in industrial finance, operations, and various administrative areas. Ms. Duggal is registered with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs. She is required to pass the online proficiency self-assessment test under the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, Mr. Gautam Mukherjee was appointed as an Independent Director with effect from 31 May 2021. The appointment was regularized by the members at their 55th Annual General Meeting.

In compliance with the provisions of Section 152 of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. P. S. Jauhar, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

The brief profile of Ms. Rashmi Duggal and Mr. P.S. Jauhar, who are proposed to be appointed/re-appointed, forms part of the notice of the 56th AGM. Pursuant to the requirements under Section 134 and Section 178 of the Companies Act, 2013, the policy on the appointment, nomination and remuneration of Directors, key Managerial Personnel and Senior Management is annexed as Annexure-1, which forms part of this report and also placed on Company's website at www.jaispring.com.

During the year, there is no change in the Key Managerial Personnel of the Company.

Declaration by Independent Directors

In the opinion of the Board and as confirmed by them, the independent directors fulfill the conditions specified in section 149 of the Companies Act, 2013, the rules made thereunder and the SEBI Listing Regulations as to their status as an independent directors of the Company.

The Directors of the Company have also confirmed that they have complied with the Company's code of conduct.

Committees of the Board

The Board of Directors of the Company constituted the following Committees to focus on specific areas and make informed decisions in the best interests of the Company within the law:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Compensation Committee
7. Borrowing Investment and Administrative Committee

The details of the composition of the said Committee(s), their terms of reference, meetings held and attendance of the Committee members thereat, during the financial year 2021-22 are provided in the Corporate Governance Report, which forms an integral part of this report. There was no instance where the Board did not accept the recommendation of the Audit Committee and Nomination and Remuneration Committee.

Performance Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the annual performance evaluation of the Board as a whole and Individual Directors was carried out during the year under review.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman & Non-Independent Directors was carried out by the Independent Directors at their meeting held on March 14, 2022.

The performance was evaluated on the basis of the various factors such as the Director's participation, contribution, efficiencies, skills, decision making, independence, integrity, ethical conduct, discharge of responsibilities, etc.

Meetings of Board of Directors

During the year under review, four meetings of the Board of Directors of the Company were held on May 31, 2021, August 14, 2021, November 10, 2021 and February 04, 2022 respectively. The complete details about the Board's strength, attendance and remuneration to directors are given under the Corporate Governance Report forming part of this report.

Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirms that:

a) in preparation of the annual accounts for the FY 2021-22, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.

c) the directors had 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.

d) the directors had prepared the annual accounts on a going concern basis.

e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

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

Auditors and their Reports

a) Statutory Auditors

The Company has appointed M/s S. R. Batliboi & Co; LLP Chartered Accountants as auditors of the Company to hold the office from the conclusion of the 52nd Annual General Meeting up to the conclusion of the 57th Annual General Meeting of the Company to be held in the year 2023. The report of the statutory auditors does not contain any qualification, reservation or adverse remarks and forms part of this Annual Report. The report reads with notes on accounts is self-explanatory and does not call for any further comments.

In relation to emphasis of matter as explained in Note 51 to the accounts, for one of its customer, the Company has obtained a bill discounting facility from the Company's bank (wherein the bill discounting charges are borne by the customer), where the customer has a principle liability to pay to the bank. The obligation of the Company, to the bank may only arise in an unforeseen event of an occurrence of default by the customer. The customer is of very high standing and with an impeccable payment record and has no defaults till date. The Company accordingly saw no risk of any liability arising on this account and had accordingly shown bill discounting amount of INR 115 Crores as a contingent liability as at March 31, 2021. For the year ended on March 31, 2022, the Company has recognized the bill discounting amount of INR 178 Crores as a current liability, with a corresponding amount of INR 178 Crores as receivables from the same customer as at March 31, 2022.

b) Secretarial Audit

The Company has re-appointed M/s RSM & Co., Company Secretaries, as the Secretarial Auditor to conduct a secretarial audit of the Company for FY 2021-22. The report of the secretarial auditors also does not contain any qualifications, reservations or adverse remarks. The secretarial audit report is self-explanatory and is attached as Annexure-2 of this Report.

c) Cost Auditor

M/s Jangira & Associates, Cost Accountants has been re-appointed as cost auditors of the Company for the FY 2022-23. The approval for remuneration payable to the Cost Auditor is being sought from the members of the Company in the ensuing Annual General Meeting. The cost audit report for the FY 2021-22 would be filed with the Central Government within the prescribed time.

Change in Equity Shares and ESOP

In FY 2021-22, 159,000 equity shares of Rs. 1 each were allotted upon exercise of vested stock options under Company's Employee Stock Option Scheme, 2017. Accordingly the share capital has increased from 398,463,885 equity shares of Rs. 1/- each to 398,622,885 equity shares of Rs. 1/- each.

The Disclosure with respect to Employees Stock Option Plan pursuant to SEBI (Share Based Employees Benefits) Regulations, 2014/ SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is annexed as Annexure-3.

The Company has not issued any sweat equity shares or equity shares with differential voting rights hence there is no information required to be furnished in terms of provisions of Rule 4(4) and Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

Transfer of amount to Investor Education and Protection Fund

During the year under review, the amount of dividend entitlements that remained unclaimed for seven consecutive years or more and corresponding shares thereof were transferred by the Company to Investor Education and Protection Fund (IEPF). The details of dividends and shares which were transferred to IEPF during the year and the future due dates for the transfer of unclaimed and unpaid dividends to the IEPF have been provided under the Corporate Governance section at Annexure-5. A detailed list of shareholders whose dividend or shares has been transferred to IEPF is also available at the website of the Company at www.jaispring.com.

Business Responsibility Report

Business Responsibility Report in terms of the provisions of Regulation 34 of SEBI Listing Regulations forms an integral part of this Report and is annexed as Annexure-4.

Management Discussion & Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI Listing Regulations, is presented in a separate section forming part of this Annual Report.

Corporate Governance

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate report on Corporate Governance along with a certificate from the Statutory Auditors on its compliance forms an integral part of this Report and is annexed as Annexure-5.

The Auditor's certificate on Corporate Governance Report of the Company does not contain any qualification or adverse remark.

Web Link of Annual Return

The annual return of the Company under the Companies Act, 2013 is placed on the Company's website at www.jaispring.com

Particulars of Employees

The disclosures required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given at Annexure-6 and form an integral part of this Report.

As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of the ensuing Annual General Meeting.

Corporate Social Responsibility (CSR)

In its annual action plan approved by the Corporate Social Responsibility Committee, the Company focuses its corporate social responsibility on promoting healthcare, including preventive healthcare and community service, promoting education, environmental protection, promoting sports and community outreach. Our corporate social responsibility initiative has reached in Haryana (Yamuna Nagar, Gurugram & Kurukshetra), Uttarakhand

(Pant Nagar), Jharkhand (Jamshedpur), Maharashtra (Pune), Uttar Pradesh (Lucknow), Madhya Pradesh (Malanpur), Tamil Nadu (Chennai, Pillaipakkam, Hosur), Punjab (Kapurthala), Delhi, Andaman and Nicobar Islands and Lakshwadeep.

The annual report on corporate social responsibility activities is attached in the specified format as Annexure-7 and forms part of this Report. The company's CSR Policy is available on its website at www.jaispring.com.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments covered by the provisions of Section 186 of the Companies Act, 2013 are set out in the notes to the Financial Statements.

Energy Conservation, Technology Absorption & Foreign Exchange

The particulars set out in Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 form an integral part of this Report and are attached as Annexure-8.

Risk Management Policy

Risk management refers to identifying and analyzing risks and taking timely action to mitigate or reduce such risks. Company has established risk management frameworks to identify, assess, mitigate or reduce business risks. One of the major objectives of the Company's 5 year plan namely "Lakshya 50XT" is to de-risk the Company from the market, operational and other risks.

The Board of Directors of the Company has formed a Risk Management Committee. The committee has established a risk management policy for the company. The policy is available on the Company's website at www.jaispring.com. The committee assesses risks and recommends actions to control, minimize and mitigate them. The Board of Directors keeps abreast of the company's risk management situation.

Internal Financial Control

The Company has established and maintained appropriate systems of internal controls to ensure authorized access and use of all assets, correct financial recording of transactions to ensure the reliability of financial statements. These internal controls are supplemented by internal audits, management reviews and documented policies, procedures & guidelines. M/s Protiviti Risk & Business Consulting is the internal auditors of the Company.

There were no adverse remarks or qualifications on accounts of the Company from the Internal Auditor.

Vigil Mechanism / Whistle Blower

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc. The mechanism provides for adequate safeguards against victimization of employees and Directors, who avails the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistleblower Policy is available at the website of the Company at www.jaispring.com. There was no complaint received under Whistle Blower Policy during the year under review.

Related-Party Transactions

All related party transactions are entered on an arm's length basis, in the ordinary course of business in accordance with Company's policy on Related Party Transaction. Company's policy on Related Party Transactions is available at the Company's website at www.jaispring.com. Pursuant to regulation 23(4) of SEBI Listing Regulations read with SEBI circulars no. SEBI/HO/CFD/CMDI/CIR/P/2022/40 dated 30 March, 2022 and circular no. SEBI/HO/CFD/CMDI/CIR/P/2022/47 dated 8 April, 2022 on related party transactions, the approval of the shareholders is being sought for entering into transactions with Jai Suspension Systems Private Limited, a subsidiary of the Company. Details of the material contracts or arrangements entered into by the Company with related parties in FY2021-22 are set out in AOC-2 form in Annexure 9 to this Report. The details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the applicable Accounting Standards. All related party transactions are referred to the Audit Committee and the Board of Directors for approval. Omnibus approval of Audit Committee and Board is obtained for foreseeable and recurring transactions. Report of all related party transactions are submitted to the Audit Committee and the Board of Directors on a quarterly basis.

IPR

During the year under review, the Company got registration of its Trademark "JAI" in USA and obtained copyrights for 30 new designs of leaf springs and parabolic springs. Trademark "JAI" is now registered in 15 countries across the world. The Company currently holds the copyrights to approximately 120 leaf and parabolic springs' designs and a patent for "Air Suspension System."

Disclosure for Compliance with Secretarial Standards

The Company is in compliance with the Secretarial Standard-1 (Meetings of Board of Directors) and Secretarial Standard-2 (General Meetings) issued by the Institute of Company Secretaries of India.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has constituted a committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints under the Act were received. The Company's Sexual Harassment Policy is available on its website at www.jaispring.com.

Details in respect of fraud reported by auditors under section 143(12) other than those which are reportable to the central government

No fraud has been reported by auditors under section 143(12) of the Companies Act, 2013 other than those which are reportable to the central government during the financial year 2021-22.

Appreciation

The Board of directors expresses its heartfelt thanks and appreciation to employees at all levels for their hard work, solidarity, cooperation and dedication over the past year. The Board expresses its gratitude to customers, shareholders, suppliers, bankers, business partners, regulators and government agencies for their continued support.

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 21, 2022

Randeep Singh Jauhar
Chairman & Executive Director

ANNEXURE-1 TO DIRECTORS' REPORT

Appointment, nomination and remuneration of Directors, Key Managerial Personnel and Senior Management

In terms of the provisions of Companies Act, 2013 ("the Act") and the SEBI Listing Regulations, the Company has a Nomination and Remuneration Committee of the Board to deal with the matter related to appointment, nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. Following is the constitution and terms of reference of the Nomination and Remuneration Committee:

1. Mr. Shashi Bhushan Bansal, Chairman
2. Mr Gautam Mukherjee, Member
3. Mr. U. K. Singhal, Member

   i. The Committee shall identify persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel, Senior Management Personnel in accordance with the criteria laid down and shall recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

   ii. The Committee shall also formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management.

   iii. The Committee shall, while formulating the policy relating to the remuneration, ensure that-

      a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

      b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

   The Committee considers and determines the remuneration payable to the Director or KMP or Senior Management Personnel and recommends the same to the Board for approval. The appointment, re- appointment and the remuneration of a Director or KMP or Senior Management

Personnel is decided in accordance with criterial mentioned below and the conditions laid down as per the provisions of the Companies Act, 2013, Listing Regulations and the rules and regulations made thereunder and subject to the approval of the shareholders of the Company and Central Government, wherever required.

Criteria for appointment of Directors, KMP and Senior Management Personnel

a) Qualification;

b) Age and experience;

c) Specialize expertise, if any;

d) Diversity of the Board after his or her appointment; Demonstrable leadership qualities and interpersonal communication skills of the person;

e) Number of years of service, period of employment or association of the person with the Company, if any;

f) Special achievement and operational efficiency of the person which contributed to growth in business in the relevant functional area, if applicable;

g) Constructive and active participation of the persons in the affairs of the Company, if applicable;

h) Transparency, unbiased and impartial opinions and ability of maintaining confidentiality;

i) In case of appointment as Independent Director, fulfillment of criteria defined in the Act and Listing Regulations.

Senior Management Personnel shall include employee one level below chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The appointment of Whole Time Director or Managing Director is made for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term. The Non-Executive and Independent Director are appointed in terms of the provisions of Companies Act, 2013, the Listing Regulations with the approval of the members of the Company, if required. An Independent Director is appointed for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. At the time of appointment of a person as an Independent Director a declaration is taken from such person that he fulfills the criteria of Independence as defined in the Act and SEBI Listing Regulations. Every independent director shall, at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. No person shall be appointed or continue as an alternate director for an independent director of a listed entity. All the Non-Executive and Independent Director receive remuneration by way of fees for attending meetings of Board or Committee thereof.

The Company has taken Directors & Officers liability insurance for its Directors and officers. The premium paid on such insurance is not treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

The Director, KMP and Senior Management Personnel retire as per the applicable provisions of the Companies Act, 2013 and terms of their appointment. The Board can re-appoint a retiring Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to the provisions of the Act or SEBI Listing Regulations.

The performance evaluation of Directors is done by the Board based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings. The Present Structure of the Board Consist of optimum combination of Executive and Non- Executive Directors and the Board has also appointed Woman Director as mandated by the Companies Act, 2013 and the SEBI Listing Regulations. Company also recognize that all appointments, whenever required shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective and the Board should be diversified Board containing expert from different field so that their experience as well as knowledge could be used for the benefit of the Company.

ANNEXURE-2 TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

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

The Members
JAMNA AUTO INDUSTRIES LIMITED
CIN: L35911HR1965PLC004485
JAI SPRING ROAD INDUSTRIAL AREA
YAMUNA NAGAR HARYANA 135001

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by JAMNA AUTO INDUSTRIES LIMITED (hereinafter called "the Company"). The 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 the financial year ended on March 31, 2022 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, 2022 according to the provisions of :–

1. The Companies Act, 2013 ("the Act") and Rules made thereunder as amended/modified;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations,2018, to the extent applicable;
4. The 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;
5. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable;
   (b) Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018, to the extent applicable
   (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable;
   (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company during the audit period)
   (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014; Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable to the Company during the audit period);
   (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Review Period);
   (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, to the extent applicable;
   (i) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act, 2013 and dealing with client to the extent to securities issued;
   (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) ;

(k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 to the extent applicable; and

6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis , the Company has complied with the following laws as applicable to the Company :

    (i) Factories Act, 1948, and rules made there under;

    (ii) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder;

    (iii) The Environment Protection Act, 1986 and Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016 and other Rules made thereunder;

    (iv) The Water (Prevention and Control of Pollution) Act, 1974 and Rule made thereunder;

    (v) Contract Labour (Regulation & Abolition) Act, 1970 and rules made thereunder;

    (vi) Petroleum Act, 1934 and Rules made thereunder;

    (vii) Explosives Act, 1884 and Explosive Rules, 2008;

    (viii) The Legal Metrology Act, 2009 and Rules made thereunder;

    (ix) Indian Boilers Act, 1923 and Rules made thereunder.

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

    i) Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

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

7. We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory audit and other designated professionals.

8. We further report that:-

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

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

    Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

    There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

9. We further report that during the audit of the Company no events occurred which has bearing on the Company's affairs in pursuance of the above referred laws rules regulations guidelines, standard etc. period.

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

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN F004468D000359691

Date : May 21, 2022
Place : Delhi

Annexure-1

The Members
JAMNA AUTO INDUSTRIES LIMITED

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.

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 verifications were done on the 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 and books of accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN F004468D000359691

Date : May 21, 2022
Place : Delhi

ANNEXURE-3 TO DIRECTORS' REPORT

Disclosure Pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ Securities and Exchange Board of India (Share Bases Employee Benefits and Sweat Equity Regulations, 2021 and the Companies (Share Capital And Debentures) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2022

I. Employee Stock Option Scheme, 2017

The Company has issued stock options to its permanent employees in accordance with the Company's Employee Stock Option Scheme 2017. The Scheme is administered by the Compensation Committee constituted pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 / Securities And Exchange Board Of India (Share Bases Employee Benefits and Sweat Equity) Regulations, 2021. All the permanent employees of the Company and of the subsidiaries but excluding promoters of the Company are eligible to participate in the Scheme. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

Under the ESOP Scheme, the eligible employees shall be granted employee Stock Options which will be exercisable into equal number of equity shares of Rs.1/- each of the Company. The exercise price, in cash, is paid by the employee at the time of exercise of the stock option. No stock option is granted in lieu of cash. The option lapses if not exercised within a period of 3 years from the date of vesting of option. The lapsed option is available for being re-granted/ re-issue at a future date. The maximum number of options that may be granted to any specific employee is upto 0.5 % of the issued capital of the company.

The ESOP Scheme of the Company has been implemented in accordance with the provisions of SEBI (Share Based Employee Benefits) Regulation, 2014 / SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021.

II. Details of ESOS

(i) Description of ESOS existed at any time during the year

(a)	Date of Shareholders' approval	01.08.2017
(b)	Total number of options approved under the ESOS	The maximum aggregate number of Shares that may be granted under this Scheme (including Shares granted under earlier schemes) is 1,99,20,000 equity shares of Rs.1 each of the Company.
(c)	Vesting Requirement	Employee remaining in employment of Company during vesting period. Vesting will start after one year from Grant Date as follows: I year II year III year IV year V year 10% 10% 5% 0 75%
(d)	Exercise Price	Rs.50
(e)	Maximum term of options granted	Option to be exercised within 3 years of vesting.
(f)	Sources of shares	Primary Issuance
(g)	Variation in terms of options	Nil
(h)	Diluted EPS	Rs.2.08

(ii) Method use to account for ESOS: Fair Value

(iii) Expenses recognized for employee service received during the year: Rs. 231.63 lakhs

(iv) Option movement during the year

(a)	Number of options outstanding at the beginning of the year	25,55,000
(b)	Number of options granted during the year	Nil
(c)	Number of options forfeited / lapsed during the year	Nil
(d)	Number of options vested during the year	2,55,500
(e)	Number of options exercised during the year	1,59,000
(f)	Number of shares arising as a result of exercise of options	1,59,000
(g)	Money realized by exercise of options (Rs.)	79,50,000
(h)	Loan repaid by the trust during the year from exercise price received	N.A.

(iv) Option movement during the year (Contd..)

(i)	Number of options outstanding at the end of the year	23,96,000
(j)	Number of options exercisable at the end of the year	96,500

(v) Weighted-average exercise prices and weighted-average fair values of options

(a)	Where exercise price is less than market price of stock	Rs.31.10
(b)	Where exercise price exceeds market price of stock	Nil
(c)	Where exercise price is equal to market price of stock	Nil

(vi) Employee-wise details of options granted during the year to

(a)	KMP and Senior managerial personnel	Nil
(b)	Other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
(c)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil

(vii) Method and significant assumptions used to estimate the fair value of option granted during the year

The fair value of each option is estimated using the Black Scholes model after applying the following assumptions:

	Date of Grant	26.12.2020
1	Risk free interest rates	4.21% - 5.89%
2	Expected life	2.50 years – 6.50 years
3	Expected volatility	47.1% - 52.3%
4	Dividend yield	0.72%
5	Price of the underlying share in market at the time of the option grant	Rs.58.30

The equity shares of the company are listed on stock exchange and the following variables have been used for the purpose of arriving at the fair value of the stock options:

1. **Stock Price Now:** Equity shares price of Rs.58.30 at NSE on 24 December, 2020 been the closing price of equity shares of Company.

2. **Annual Volatility:** Volatility is the degree to which price moves, whether it goes up or down. It is a measure of the speed and magnitude of the underlying's price changes. The Fair value of an option is sensitive to this variable. Higher the volatility, higher is the fair value. Volatility of the equity shares of the Company has been considered commensurate with the expected life of the options being valued.

3. **Risk free Rate:** The risk-free interest rate considered is the interest rate applicable for maturity equal to the expected life of the options on the date of grant of options based on the zero-coupon yield curve for Government Securities available as on December 26, 2020.

4. **Exercise Price:** The exercise price of the options is Rs.50.

5. **Time to option's maturity, in years:** Expected life of options is the period for which the option is expected to be live / remain un-exercised. The expected life of options has been calculated as the sum of the total vesting period and 20% of the exercise period.

6. **Dividend yield:** Dividend yield has been taken as 0.72%.

ANNEXURE-4 TO DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

ANNEXURE I

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L35911HR1965PLC004485
2	Name of the Company	Jamna Auto Industries Limited
3	Registered address	Jai Springs Road, Industrial Area, Yamuna Nagar-135001, Haryana
4	Website	www.jaispring.com
5	E-mail id	investor.relations@jaispring.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Category: Manufacture of diverse parts and accessories for motor vehicles NIC Code: 29301
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company is in the business of manufacturing of automotive suspension which includes (i) Parabolic and Tapered leaf spring (ii) Lift axle and (iii) Air suspension, Stablizer Bars, Bushes
9	Total number of locations where business activity is undertaken by the Company	Seven
9(a)	Number of International Locations	Nil
9(b)	Number of National Locations	Seven
10	Markets served by the Company – Local/State/National/ International	The Company has PAN India market presence through its plants, depots and after-market business networks. The Company also exports to international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	Rs.39.86 crore
2	Total Turnover	Rs.1649.04 crore
3	Total profit after taxes	Rs.130.46 crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.45 %
5	List of activities in which expenditure in 4 above has been incurred	• Promotion of Education • Promotion of sports • Environment Conservation & Sustainability • Skill Development • Promotion of gender equality & empowering women • Eradication of hunger, poverty and malnutrition • Promoting healthcare • Benefit to armed forces veterans, war widows and their dependents • Rural Development • Supporting art & culture

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, as on March 31, 2022, Company has three subsidiaries namely Jai Suspensions Ltd, Jai Automotive Components Ltd and Jai Suspension Systems Private Ltd.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

B. Details of Director/Directors responsible for BR

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

DIN Number : 01643796

Name : Mr. SPS Kohli

Designation : Executive Director

Details of the BR head

	Particulars	Details
1	DIN Number	01643796
2	Name	Mr. SPS Kohli
3	Designation	Executive Director
4	Telephone Number	0129-4006885
5	Email Id	spskohli@jaisprings.com

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

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the well-being of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance (Reply in Y/N)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the internal stakeholders of the Company. The external stakeholders are being consulted as per business requirements and on need basis.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies adopted by the Company are in conformity with the applicable statutory laws, rules and regulations.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies have been approved by the Management of the Company and are approved by the Board wherever statutorily required.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy ?	The Board of Directors have appointed Mr. SPS Kohli, Executive Director of the Company to oversee the implementations of the Business Responsibility								
6	Indicate the link for the policy to be viewed online?	All the policies which are statutorily required are hosted on the website of the Company i.e. www.jaispring.com. The access to the other policies are available to the employees and concerned stakeholders on need basis.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to key internal stakeholders. The external stakeholders are being communicated on need basis.								
8	Does the company have in-house structure to implement the policy/ policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of the Policies are assessed under the Internal Audit Function.								

1. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	**1	-	**2

**1- The Company has not been engaged in any activity or business to influence public or regulatory policy. As such need for the policy is not been felt.

**2- Need for the policy is not been felt.

ii. Governance related to BR

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

The Board of Directors assess the BR Performance on annual basis.

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

The Business Responsibility Report of the Company forms part of the Annual Report and is hosted on the website of the Company at www.jaispring.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

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

The ethics, bribery and corruption are covered under the Code of conduct and HR Policy of the Company. The code and policies cover only the Company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

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

The Company was not in receipt of any complaint during the past financial year.

Principle 2

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

The Company is in the business of manufacturing of automotive suspension which includes parabolic/ tapered leaf spring, air suspension and lift axle. Company's R & D team is continuously engaged to bring value engineering through design optimization and is granted Indian Patent for air suspension entitled "Air Suspension System". The Company has also entered into Technology Transfer and Technical Assistance Agreement with Tinsley Bridge Limited, UK for transfer of extralite spring technology.

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

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

The Company continuously works on wastage reduction, resource optimization and conservation. To reduce power consumption natural light is provided in manufacturing sheds and new projects are planned to be developed with 300 Lux natural light. The Company is shifting from common method of heat treatment with conventional fuel to heat treatment technology with clean fuel which reduces fuel consumption. This heat treatment technology reduces quenching oil waste and fuel/gas pollutants in manufacturing process. In painting, process, by use of dry painting, paint effluents are eliminated through 99% recovery of wastage reducing generation of hazardous waste.

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

The Company as a responsible corporate citizen always strives to ensure utilization of resources in effective and efficient manner. It is not feasible to measure the usage of energy, fuel and water by consumers.

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

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

Yes. In its aim to be environmental efficient in its operations the Company is moving towards sourcing power and fuel through renewal energy and natural gas, LPG etc. We integrate sustainability values in our supplier selection process and whenever we engage suppliers our long term expectations are communicated to them. As part of the process, we also educate and encourage suppliers to develop responsible practices on their own. It can also help them to reduce their costs alongside other advantages.

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

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

Yes, the Company continuously identifies small service providers in nearby locations of plants. The Company encourages local sourcing which confirm to desirable parameters and quality. The Company periodically does review them for their continuous improvement. Company also supports them with technical input from time to time to improve their quality and productivity.

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

The Company always ensure and take efforts for natural resource conservation, reuse, recycle, waste minimization. Upgradation and up-keeping of equipment results in saving on fuel and power (energy).

Principle 3

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

1573

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

Contractual workers: 2400

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

15 Female employees

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

18 employees

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

No

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

Not applicable

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

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

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

A formal training program is in place for all categories of employees. The focus on training includes safety and skill development besides other aspect. All employees irrespective of any category are given training as per requirement.

The percentage of training given for safety & skill up-gradation during the year under review are as follows:

Particulars	Safety Training (%)	Skill development training (Functional/ Technical) training (%)
Staff	79%	82%
Permanent worker & JME	86%	98%
Contractual	89%	84%
Employee with disability	86%	86%

Principle 4

1. **Has the company mapped its internal and external stakeholders? Yes/No.**

Yes

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

Yes, the Company identifies disadvantaged, vulnerable & marginalized stakeholders from the local community, District Prisons and the work force. The Company engages them for their socio-economic development through various CSR initiatives. The social development among disadvantaged, vulnerable & marginalized people is ensured through awareness and sensitization programs, skill development programs, educational help, medical aid, pension, support for fatherless girl's marriage, aids and appliances etc.

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

The programs under the CSR initiatives undertaken by the Company are focused primarily on those sections of the communities which are poor, needy, disadvantaged, vulnerable and marginalized. Sensitization and awareness programs are conducted for the people who are vulnerable and marginalized. A Skill Training Center was set up to run short term training programs such as computer trainings, sewing and tailoring, Retail management, banking & finance, pharma, agriculture, are conducted in collaboration with GNKITM & NABARD for benefitting the people who are disadvantaged, vulnerable and marginalized. Person with disability, senior citizens and widow ladies are helped through educational reach, pension distribution, medical aid, counselling etc.

Principle 5

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

   The Company has HR Policy through which it endeavors to protect Human Rights at workplace. The Company's procedures and practices always strives to protect Human Rights even within the organization and all activities undertaken through Group/Joint Ventures/Suppliers/Contractors/NGOs/Others.

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

   Nil

Principle 6

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

   The Environment, Health and Safety Policy covers only the Company. However, the Company always ensure environment friendly and safe business practices while working within the organization and with suppliers and others. The Company integrates sustainability values in supplier selection process and encourage suppliers to develop responsible practices.

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

   The Company aims to be environmental efficient in its operations and to act according to its social responsibility to go green. During FY 2021-22 approximately 16% electricity was sourced in form of renewal energy. Preference is given to technology machinery combining two or more process in one to save power. To reduce power consumption natural light is provided in manufacturing sheds. To reduce discharge of fuel/gas pollutants from manufacturing process the Company is moving towards cleaner fuel. New technology with clean fuel helps decreasing air pollution as it reduces fuel consumption. Under CSR activities the Company does plantation of tree saplings in public places. The Company also regularly conducts sensitization and awareness programs among local communities on water conservation, waste management techniques, discouraging use of plastics etc.

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

   Yes, potential environmental risks are identified in conformity with all applicable environmental laws. All necessary steps are ensured for mitigating risks identified.

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

   No

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

   The Company is moving towards sourcing power and fuel for its operation through renewal energy and clean fuel. The Company is shifting from common method of heat treatment with conventional fuel to heat treatment technology with clean fuel. Towards use of renewable energy, out of total electricity sourced during FY 2021-22 approximately 16% electricity was in the form of captive renewal energy and renewal energy through PPA. Towards use of energy efficiency, the Company plans to develop new projects with 300 Lux natural light design by using performance glasses.

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

   Yes

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

   No

Principle 7

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

The Company is a member of Automotive Component Manufacturers Association of India (ACMA).

(ii) **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas.**

No

Principle 8

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

   The Company has a Corporate Social Responsibility (CSR) policy in place which drives its efforts in the areas which strives towards social and economic development.

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

The Company has its own in-house team which plans, monitors and governs the corporate social responsibility initiatives / projects of the Company. The Company also collaborate with various foundations, NGOs, Local Administrations etc. on project basis for undertaking the CSR activities.

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

The Company undertakes actions and spend expenditure towards corporate social responsibility initiatives after doing initial assessment and case studies. Before undertaking a project or program, meeting with local administration and other bodies are held for making the pilot project and analysis of the initiatives for knowing the impact. The CSR team does base line survey and where feasible also takes feedback from the beneficiaries for the CSR initiatives taken.

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

The Complete details of Company's contribution towards the community development has been specified under the Annexure pertaining to CSR details as annexed in the Board Report of the Company's Annual Report.

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

The CSR Committee of the Company does all required assessment for analysing the key areas for undertaking CSR initiatives and their impact thereto. A programme or project is developed and implemented to the stage for creating sense of belongingness and adoption by the community at large. The Community development initiatives are analysed by base line surveys and taking the feedback from the beneficiaries and local authorities. The Company proactively engage beneficiaries with the project and programme on continuous basis for achieving sustainability of the project or program. Required support is also provided to the project or program after the development which will be beneficial for the community.

Principle 9

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

The Company promptly resolves the customers' complaint as and when received within stipulated time frame.

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

The information which are statutorily required are displayed.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No

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

The Company regularly engages with consumers to get their feedback on the product and always ensure necessary actions to increase their satisfaction level. The Company has quality service team for redressing the customer's concerns pertaining to the Company's product. Customer concerns are being taken for immediate redressals for achieving the customer's satisfaction.

ANNEXURE-5 TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Pursuant to the provision of Regulation 34 (3) and Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), the Company is in compliance with the guidelines on Corporate Governance and presents this Report on Corporate Governance of the Company for the financial year ended March 31, 2022.

(1) Company's Philosophy on Corporate Governance

The Company believes in ensuring fairness, transparency, professionalism, accountability and propriety in its functioning. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

(2) Board of Directors

The Board of Directors of the Company is constituted with the optimum mix of each category of Directors. The Board of Directors of the Company consists of Directors having expertise and experience in varied fields. The composition of the Board of Directors is in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. As of March 31, 2022, the total strength of the Board was 8 directors, the composition of the Board and category of Directors are provided herein below. Mr. Bhupinder Singh Jauhar (DIN: 00944380) founder and non-executive Chairman of the Company died on July 31, 2021 and ceased from the directorship of the Company. The Board of Directors at its meeting held on August 14, 2021 appointed Mr. R. S. Jauhar as Chairman of the Board of Directors.

The Composition of the Board of Directors as on March 31, 2022 is was follows:

S. No.	Name of the Directors	Designation	Relationship between directors inter-se
1	Mr. Randeep Singh Jauhar	Chairman & Executive Director	Mr. R.S. Jauhar and Mr. P.S. Jauhar are brothers and promoters of the Company.
2	Mr. Pradeep Singh Jauhar	Managing Director & CEO	
3	Mr. Surinder Pal Singh Kohli	Executive Director	--
4	Mr. Uma Kant Singhal	Independent Director	--
5	Mr. Shashi Bhushan Bansal	Independent Director	--
6	Mr. Rakesh Kalra	Independent Director	--
7	Ms. Taru Bahl* (upto 13 April, 2022)	Independent Director	--
8	Mr. Gautam Mukherjee	Independent Director	--

*Mr. Taru Bahl resigned from Directorship w.e.f. 13 April, 2022.

Attendance of each director at the meeting of the board of directors and the last annual general meeting:

During the year under review, 4 meetings of the Board of Directors were held on May 31, 2021, August 14, 2021, November 10, 2021 and February 04, 2022 respectively. The attendance of the directors at the Board Meetings and last annual general meeting (AGM) was as follows:

S. No.	Name of the Directors	No. of Board Meetings attended during the year	Presence at last AGM
1	Mr. Bhupinder Singh Jauhar*	0 out of 1	NA*
2	Mr. Randeep Singh Jauhar	4 out of 4	Yes
3	Mr. Pradeep Singh Jauhar	4 out of 4	Yes
4	Mr. Surinder Pal Singh Kohli	4 out of 4	Yes
5	Mr. Uma Kant Singhal	4 out of 4	Yes
6	Mr. Shashi Bhushan Bansal	4 out of 4	Yes
7	Mr. Rakesh Kalra	4 out of 4	Yes
8	Ms. Taru Bahl	4 out of 4	Yes
9	Mr. Gautam Mukherjee	4 out of 4	Yes

* Mr. Bhupinder Singh Jauhar (DIN: 00944380), Non- Executive Chairman of the Company, has ceased from the directorship of the Company due to his untimely and sad demise on July 31, 2021.

Separate Meeting of Independent Directors

Schedule IV to the Companies Act, 2013 and the Listing Regulations mandates the Independent Directors to hold at least one meeting in every financial year, without the attendance of non-independent directors and members of the management. During the Financial year ended March 31, 2022, the Independent Directors met on March 14, 2022. All the Independent Directors had attended the meeting.

Disclosures by Directors:

(a) Number of other board of directors or committees in which a directors is a member or chairperson

S. No.	Name of the Directors	No. of Directorship in other Public Companies#	Name of the Other Company in which Directorship held (Category of Director)	No. of Committees Positions held in other Companies	Name of the Other Company in which Committee Position held
1	Mr. Randeep Singh Jauhar	2	Map Auto Limited (Non-Executive Director) AIS Distribution Services Limited (Non-Executive Director)	-	-
2	Mr. Pradeep Singh Jauhar	1	Map Auto Limited (Non-Executive Director)	-	-
3	Mr. Surinder Pal Singh Kohli	-	-	-	-
4	Mr. Uma Kant Singhal	1	Jai Automotive Components Ltd (Non- Executive Director)	-	-
5	Mr. Shashi Bansal	1	Jai Automotive Components Ltd (Non- Executive Director)	-	-
6	Mr. Rakesh Kalra	4	*Kriti Nutrients Ltd (Independent Director) *Kriti Industries (I) Ltd (Independent Director) *Automotive Axle Ltd (Independent Director) Minda Stoneridge Instruments Ltd (Non-Executive Director)	5	Kriti Nutrients Ltd- Member of Audit Committee; Kriti Industries (I) Ltd- Member of Audit Committee; Automotive Axle Ltd- Member of Audit Committee and Stakeholders Relationship Committee; Minda Stoneridge Instruments Ltd - Member of Audit Committee
7	Ms. Taru Bahl	-	-	-	-
8	Mr. Gautam Mukherjee	2	*Motherson Sumi Systems Limited (Independent Director) SMR Automotivc Systems India Limited (Independent Director)	3	Motherson Sumi Systems Ltd:- Chairman of Audit Committee and Stakeholder Relationship Committee SMR Automotive Systems India Limited:- Chairman of Audit Committee

Note: Only the Audit Committee and Stakeholders' Relationship Committee of Public Limited companies are considered for the purpose of reckoning committee positions.

* Listed Company

\# Only Directorship held in Indian Public Limited Company has been included.

None of the director on the Board of the Company is a member of more than 10 committees and / or Chairperson of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations.

(b) Disclosure of relationships between directors inter-se

Mr. R. S. Jauhar and Mr. P. S. Jauhar are related to each other. Mr. R.S. Jauhar and Mr. P.S. Jauhar are brothers and promoters of the Company.

(c) Number of shares and convertible instruments held by non-executive directors;

S. No.	Name of Non-Executive Directors	No. of Shares/ Convertible Instruments held
1	Mr. U. K. Singhal	Nil
2	Mr. Shashi Bansal	Nil
3	Mr. Rakesh Kalra	1000 Equity Shares
4	Ms. Taru Bahl	Nil
5	Mr. Gautam Mukherjee	64,000 Equity Shares

(d) Web link where details of familiarization programs imparted to independent directors

The Directors, at the time of appointment are provided with the information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedure and practices. The Company issues a formal letter of appointment to Independent Directors on their appointment clearly specifying their roles, responsibility, duties and functions as Independent Director of the Company. The independent directors are also kept updated through presentations and discussions at the meetings of the Board or Committee and provided with regulatory updates, business environment changes significantly impacting the business of the Company and its product. Details of the Familiarization Programme imparted to Independent Directors have been disclosed on the Company's website at www.jaispring.com.

(e) Skills/Expertise/Competence of the Board of Directors

The Board consists of the Directors having diversified skills, expertise, experiences and competencies. The diversified structure of the Board helps the Company to achieve a better level of supervision and direction to the management. The Board of Directors has identified the following core skills/expertise/competencies required in the context of the business:

a) Industry Experience and Knowledge
b) Financial Literacy
c) Legal/ Advocacy/ Regulatory Experience
d) Strategic Planning/ Strategic Development
e) Strategic Marketing
f) Risk Management

Below is the chart setting out the skills/expertise/competence possessed by the Director of the Company:

S. No.	Name of the Directors	Competencies					
		Industry Experience and Knowledge	Financial Literacy	Legal/ Advocacy/ Regulatory	Strategic Planning/ Strategic Development	Strategic Marketing	Risk Management
1	Mr. Pradeep Singh Jauhar	✓	✓		✓	✓	✓
2	Mr. Randeep Singh Jauhar	✓	✓		✓	✓	✓
3	Mr. SPS Kohli	✓			✓	✓	✓
4	Mr. U. K. Singhal		✓	✓	✓		✓
5	Mr. Shashi Bansal		✓		✓		✓
6	Mr. Rakesh Kalra	✓	✓		✓		✓
7	Ms. Taru Bahl		✓		✓	✓	
8	Mr. Gautam Mukherjee	✓	✓		✓		✓

Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. Other than payment of sitting fee for attending meetings of the Board of Director or Committee's thereof, the Company has no pecuniary relationship or transactions with non-executive Directors which may affect their independence. Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Board of Directors annually carry out the performance evaluation of Independent Directors.

Committees of the Board

Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of Board Committees are provided hereunder:

(a) Audit Committee

The Board has constituted the Audit Committee in terms of applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. All members of the Committee are financially literate. Meetings of the Audit Committee are held to consider and recommend to the Board financial statements and other matter as required. Such meetings are held prior to the meetings of the Board of Directors on the same day. CFO and representatives of Statutory Auditors are invited at all such meetings to appraise the Directors on respective agenda items. Before recommending financial statements to the Board, the CFO and Statutory Auditors give their presentation to the Directors. Apart from that Audit Committee also meets as and when required. All related party transactions are entered into by the Company after taking approval of the Audit Committee.

The composition of the Audit Committee is in compliance with Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The role and term of reference of the Committee cover the matter specified under Regulation 18 and Part C of Schedule II of Listing Regulations read with Section 177 of the Companies Act, 2013.

During the year under review, the Committee met four times and the intervening period between two meetings was within the Listing Regulations. The necessary quorum was present at all the meetings. The details of the composition of the Audit Committee and the attendance of Committee Members at the Committee Meetings held during the financial year 2021-22 are given hereunder:

Sl. No.	Name of the Directors	Meeting date	Whether attended the meeting
1	Mr. Shashi Bansal, Chairman	May 31, 2021	Yes
		August 14, 2021	Yes
		November 10, 2021	Yes
		February 04, 2022	Yes
2	Mr. U.K. Singhal, Member	May 31, 2021	Yes
		August 14, 2021	Yes
		November 10, 2021	Yes
		February 04, 2022	Yes
3	Ms. Taru Bahl, Member (upto 13 April, 2022)	May 31, 2021	Yes
		August 14, 2021	Yes
		November 10, 2021	Yes
		February 04, 2022	Yes

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for reviewing and making recommendation on appointment, nomination and compensation of Board and Key Management positions. Role of the Committee covers matters specified under Regulation 19 and Part D of Schedule II of Listing Regulations read with Section 178 of the Companies Act, 2013. Other duties and responsibilities of the Committee are listed in policy on appointment, nomination and remuneration of Directors, key managerial personnel and senior management personnel. The policy is annexed as Annexure-1 of the Board Report and also available on the website of the Company at www.jaispring.com.

The composition of the Committee is in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. All members of the Committee including the Chairperson are Non-Executive Directors. The necessary quorum was present at the meeting of the Committee held on May 31, 2021. The following is the Committee's composition and attendance of Committee Members at the respective Committee meetings held during the FY 2021-22:

Sl. No.	Director	Meeting date	Whether Meeting attended or not
1	Mr. Shashi Bansal, Chairman	May 31, 2021	Yes
2	Mr. U.K. Singhal, Member	May 31, 2021	Yes
3	Ms. Taru Bahl, Member (upto 13 April, 2022)	May 31, 2021	Yes

(c) Compensation Committee:

The Company has alloted stock options to employees in accordance with Employee Stock Option Scheme 2017. The Scheme is administered by the Compensation Committee. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

Disclosure regarding Employees Stock Option Plan pursuant to SEBI (Share Based Employees Benefits) Regulations, 2014 / SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Companies (Share Capital and Debentures) Rules, 2014 is annexed as Annexure-3 of the Board Report.

The Composition and the attendance details of the members of the Compensation Committee for the financial year 2021-22 are as follows:

Sl. No.	Director	Meeting date	Whether Meeting attended or not
1	Mr. U. K. Singhal, Chairman	March 30, 2022	Yes
2	Mr. Shashi Bansal, Member	March 30, 2022	Yes
3	Mr. R. S. Jauhar, Member	March 30, 2022	No
4	Ms. Taru Bahl, Member	March 30, 2022	Yes

(d) Borrowing Investment and Administrative Committee:

The Board of Directors has constituted Borrowing, Investment & Administrative Committee to expedite the decision-making process in the matter of routine nature. The following is the details of the composition of the Borrowing Investment and Administrative Committee and the attendance of Committee Members in the Committee meetings held during the financial year 2021-22:

Sl. No.	Director	Meeting date	Whether Meeting attended or not
1	Mr. U. K. Singhal, Chairman	December 31, 2021	Yes
		March 23, 2022	Yes
2	Mr. R. S. Jauhar, Member	December 31, 2021	Yes
		March 23, 2022	Yes
3	Mr. SPS Kohli, Member	December 31, 2021	Yes
		March 23, 2022	Yes

(e) Corporate Social Responsibility Committee:

An important function of the Board is to ensure effective discharge of its corporate social responsibility by the Company pursuant to provisions of Section 135 of the Companies Act, 2013. The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee consisting of three Directors. The major functions of the Committee are to frame Company's CSR policy, propose yearly CSR plan & expenditures, oversee and monitor CSR activities. The Committee enables the management to engage in CSR activities towards the economic, environmental and social welfare of the general community. Report on CSR activities undertaken by the Company during FY2021-22 forms part of this Annual Report. The CSR Policy of the Company is available at the website of the Company at www.jaispring.com.

The details of the composition of the Committee and attendance of the Committee members at Committee meeting held during the FY 2021-22 are as follows:

Sl. No.	Director	Meeting date	Whether Meeting attended or not
1	Mr. Shashi Bansal, Chairman	May 31, 2021	Yes
2	Mr. R. S. Jauhar, Member	May 31, 2021	Yes
3	Mr. S. P. S. Kohli, Member	May 31, 2021	Yes

Remuneration of Directors

During the FY 2021-22, the following remuneration was paid to Executive Directors. The remuneration paid is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Particulars	Mr. R. S. Jauhar Chairman & Executive Director (Amount in Rs)	Mr. P. S. Jauhar MD & CEO (Amount in Rs)	Mr. S. P. S. Kohli Executive Director (Amount in Rs)
Salary	1,75,89,000	1,71,60,000	21,36,000
Allowances	33,63,104	68,31,514	12,63,700
Perquisite	1,59,600	48,01,870	4,57,796
PF Contribution	21,10,680	20,59,200	0
Commission	0	0	0
Stock Options	0	0	0
Total Remuneration Paid	**2,32,22,384**	**3,08,52,584**	**38,57,496**

No remuneration is paid to Non-Executive Directors. All the Non-Executive Directors are paid sitting fees of Rs.30,000 per meeting for attending meetings of the Board and the Board Committees. The details of sitting fees paid to Non-Executive directors during FY 2021-22 are as follows:

Name of Director	(Amount in Rs)
Mr. U. K. Singhal	4,80,000
Mr. Shashi Bansal	4,20,000
Mr. Rakesh Kalra	1,50,000
Ms. Taru Bahl	3,30,000
Mr. Gautam Mukherjee	1,50,000

The Company has also not granted any stock option to any of its Directors.

(f) The Company has no pecuniary relationship or transaction with its Non-Executive and/or Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings.

Stakeholders' Relationship Committee

Stakeholder's Relationship Committee looks after the interest of stakeholders, redressal of their grievances and oversees performance of the Registrar and Transfer Agent. The Committee helps focus the attention of the management on shareholder's grievances in timely manner. The Committee has powers to recommend measures for overall improvement in quality of services being provided to the shareholders/investors.

The Stakeholders' Relationship Committee consists of three directors. The following is the composition of the Committee and the attendance of Committee members at the Stakeholders' Relationship Committee meeting held during the FY 2021-22:

Sl. No.	Director	Meeting date	Whether Meeting attended or not
1	Mr. U. K. Singhal, Chairman	September 30, 2021	Yes
2	Mr. R. S. Jauhar, Member	September 30, 2021	No
3	Mr. S. P. S. Kohli, Member	September 30, 2021	Yes

(a) Name of non-executive director heading the committee: Mr. Uma Kant Singhal, Independent Director

(b) Name and designation of compliance officer : Mr. Praveen Lakhera, Company Secretary & Head-Legal

(c) Investors complaints\requests received and redressed during the FY 2021-22 are as follows:

Complaints pending at the beginning of the year	Complaints received during the year	Complaints resolved during the year	Complaints pending at the closing of the year
0	6	6	0

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES, the investors can view online, the action taken and the current status of their complaints.

(g) Risk Management Committee

Risk Management Committee is formed by Board of Directors to formulate and oversee implementation of risk management policy of the Company. The Risk Management Policy is placed on the website of the Company at www.jaispring.com. The role and term of reference of the Committee are as specified under SEBI Listing Regulations and covers the following:

1. Formalize risk management policy of the Company.
2. Lay down procedure and process to identify, evaluate, mitigate, manage and control the risks associated with the activities of the Company.
3. Identify, evaluate significant risk of the Company and suggest measures to mitigate manage and control such exposures in timely manner.
4. Review the adequacy and effectiveness of the risk management system.

The composition of the Committee is in compliance with SEBI Listing Regulations. The Committee consists of four members with three of them being members of the Board of Directors, including two Independent Directors. The necessary quorum was present at all the meetings of the Committee held during the year under review. The following is the composition of the Committee and the attendance of members at the Committee meetings held during the FY 2021-22.

Sl. No.	Director	Meeting date	Whether attended the meeting
1	Mr. U. K. Singhal, Chairman	September 29, 2021	Yes
		March 31, 2022	Yes
2	Mr. Shashi Bansal, Member	September 29, 2021	Yes
		March 31, 2022	Yes
3	Mr. P.S. Jauhar, Member	September 29, 2021	Yes
		March 31, 2022	Yes
4	Mr. Bhupesh Mehta	September 29, 2021	Yes
		March 31, 2022	No

General Body Meetings

The details of Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

Venue	Financial Year	Date & Time	Type of Meeting	No. of Special Resolution Passed
Registered Office at Jairpings Road, Yamuna Nagar	2018-2019	July 30, 2019 at 09:30 A.M.	AGM	5
Held through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM")	2019-2020	September 29, 2020 at 3:30 P.M.	AGM	2
Held through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM")	2020-2021	September 22, 2021 at 2:30 P.M.	AGM	3

Neither any special resolution was passed by the shareholders of the company through postal ballot during the year ended March 31, 2022 nor any special resolution was proposed to be conducted through postal ballot.

The Company had provided e-voting facilities to members for casting their votes at the annual general meeting held on September 22, 2021.

Means of Communication

The Company uses the following channels as means of Communication with the investors/shareholders;

1. **Publication in Newspapers**

   The quarterly, half yearly and annual results are published in the Business Standard (English) and Jansatta (Hindi) along with submission to the Stock Exchange(s) in accordance with SEBI Listing Regulations. All vital information of the Company are disseminated through Stock Exchanges and website of the Company.

2. **News Releases**

   The official news releases are made to stock exchanges and also posted on the website of the Company.

3. **Investor's Presentation**

   The investor's presentations are submitted to stock exchanges on the Company's quarterly, half yearly and annual financial results and the same are available on the website of the Company at www.jaispring.com. However, the Company has not made any presentations specifically to institutional investor or the analysts.

4. **Website**

   The Company has functional website which is updated on regular basis. The website www.jaispring.com has a separate section for investors where all the relevant informations/updates are hosted.

5. **Emails/ Letters to shareholder**

   The individual emails/ letters are sent to shareholders for making various communications such as dividend declaration, record date, dividend credit intimations, important SEBI Circulars regarding updation of PAN/ Emails/ Mobiles no./ Bank Account details/ Nomination details etc; and requirement for dematerialization of share for undertaking transfer of shares.

6. **NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre**

   All the event-based and periodic compliances are filed on the BSE Listing Centre and NSE NEAPS Portal in compliance with the Listing Regulations.

General Shareholder Information

S. No.	Director	Meeting date
1	Date, Time and Venue of the 56th Annual General Meeting	Friday, August 19, 2022 at 12:30 P.M. through VC/OAVM
2	Financial Calendar	April 01, 2021 to March 31, 2022
3	Book Closure Dates	August 13, 2022 to August 19, 2022 (Both days inclusive)
4	Dividend Payment Date	During the year under review, the Board has declared an interim dividends of Rs. 0.50 (fifty paisa) per equity share on November 10, 2021. The Final Dividend for the financial year ended March 31, 2022, if declared, at the ensuing Annual General Meeting shall be paid in accordance with the provisions of Companies Act, 2013.
5.	Listing on Stock Exchanges	
(a)	Equity Shares	Stock Code/Symbol
	The Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai– 400001. Website: www.bseindia.com	'520051'
	The National Stock Exchange of India Ltd. Exchange Plaza, 5 Floor, Plot No.C/1, "G Block" Bandra Kurla Complex, Bandra (E), Mumbai – 400051. Website- www.nseindia.com	'JAMNAAUTO'

S. No.	Director	Meeting date
(b)	GDRs	NOT APPLICABLE
6.	ISIN Code for the Company's Equity Shares	INE039C01032
7	Corporate Identification Number (CIN)	L35911HR1965PLC004485
8	Listing Fees	The Company has paid the listing fees for financial year 2022-23 to The Bombay Stock Exchange Limited (BSE) and to The National Stock Exchange of India Ltd (NSE), where the shares of the Company are listed.
9	Share Transfer Agents/ Registrar to an issue	Skyline Financial Services (P) Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph: 011-40450193-197 Fax No. 011-26812682 Email:grievances@skylinerta.com; parveen@skylinerta.com
10	Investor queries/request for transfer, transmission, issue of duplicate certificates, etc to be sent	Skyline Financial Services (P) Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph: 011-40450193-197 Fax No. 011-26812682 Email:grievances@skylinerta.com; parveen@skylinerta.com

Tentative financial calendar for the financial year ending March 31, 2023:

The tentative dates for Board meetings for consideration of quarterly financial results are as follows:

Financial Calendar	Tentative dates
First Quarter ending 30th June 2022	On or before 14th August 2022
Second Quarter and Half year ending 30th September 2022	On or before 14th November 2022
Third Quarter and nine months ending 31st December 2022	On or before 14th February 2023
Fourth Quarter & Year ending 31st March 2023	On or before 30th May 2023

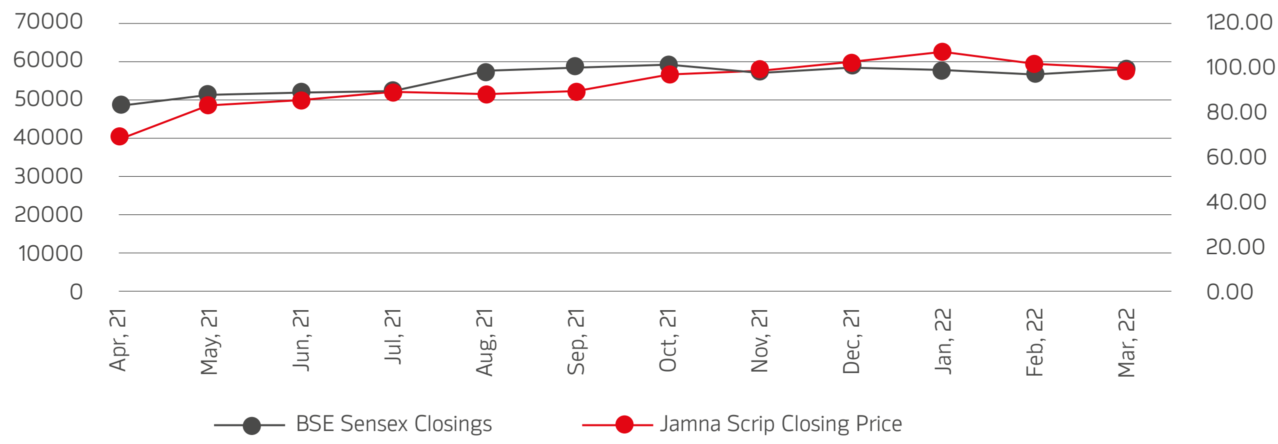
Market Price Data for the Financial Year 2021-22

The details of high and low of the equity shares of the Company at BSE and NSE during the financial year 2021-22 are provided in the table below:

Particulars	BSE		NSE	
Months for the Financial Year 2021-2022	**High (₹/share)**	**Low (₹/share)**	**High (₹/share)**	**Low (₹/share)**
April' 2021	73.25	60.55	73.40	60.85
May' 2021	86.40	66.65	86.30	66.05
June' 2021	89.00	78.40	89.10	78.55
July' 2021	91.00	82.65	91.00	82.85
August' 2021	94.45	78.20	94.65	78.60
September' 2021	100.00	84.20	100.00	84.25
October' 2021	101.90	88.40	102.00	88.15
November' 2021	113.10	88.15	113.20	85.15
December' 2021	117.80	98.25	118.90	98.30
January' 2022	124.90	100.00	125.00	100.60
February' 2022	111.60	94.55	111.70	94.50
March' 2022	105.95	95.60	105.00	95.50

Stock Performance

The performance of the Company's Share price relative to the BSE SENSEX for the financial year 2021-22 is provided in the graph below:



Source: www.bseindia.com and www.nseindia.com

Dematerialization of Shares

The Company has provided the facility to the shareholders for holding shares in dematerialized form with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL) towards ISIN No. INE039C01032. Total 39,27,44,685 Equity Shares representing 98.53% of equity share capital corresponding to 39,86,22,885 equity shares are held in dematerialized form as of March 31, 2022.

Share Transfer System

All shareholder's communications regarding share certificates, change of address, dividends etc; are addressed to Skyline Financial Services Private Limited, the Registrar and Transfer Agents. Pursuant to SEBI notification no transfer of shares is allowed in physical form except in case of transmission or transposition of shares.

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, Company has issued letter to shareholders holding Physical shares for furnishing/updating of Nomination, Permanent Account Number ("PAN") and full KYC details viz. address proof, bank details, email address, mobile number in the records of the Company. The members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and avail better investor servicing.Members who have not submitted the required documents are requested to submit them in person/or by post at Skyline Financial Services Private Limited (Unit: Jamna Auto Industries Limited) at D 153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph. No. +91- 11-40450193- 97 or scan copies of the documents may be mailed through your registered email id at grievances@skylinerta.com and/or parveen@skylinerta.com respectively with duly e-Sign on the forms and all proofs.

Distribution of Shareholding as on March 31, 2022

The shareholding distribution of equity shares as at March 31, 2022 is provided in the table below:

Nominal Value of Each Share: Rs.1				
Share or Debenture holding Nominal Value (Rs.)	**Number of Shareholders**	**% to Total Numbers**	**Share or Debenture holding Amount (Rs.)**	**% to Total Amount**
Up To 5,000	118435	98.47	39581506.00	9.93
5,001 To 10,000	993	0.83	7288585.00	1.83
10,001 To 20,000	408	0.34	5892693.00	1.48
20,001 To 30,000	133	0.11	3320029.00	0.83
30,001 To 40,000	57	0.05	2014194.00	0.51
40,001 To 50,000	42	0.03	1938209.00	0.49
50,001 To 1,00,000	71	0.06	5404232.00	1.36
1,00,000 and Above	131	0.11	333183437.00	83.58
Total	**120270**	**100.00**	**398622885.00**	**100.00**

Shareholding Pattern as of March 31, 2022

The shareholding pattern of the Company as at March 31, 2022 is provided in the table below:

Category	No. of Equity Shares of face value of Rs.1 each	% age
Promoters	19,92,35,434	49.98
Mutual Funds/UTI	5,33,56,403	13.39
Alternate Investment Funds	5,71,132	0.14
Foreign Portfolio Investor	2,21,28,720	5.55
Financial Institutions/Banks	46,172	0.01
Insurance Company	22,898	0.01
Individuals	10,46,25,624	26.25
NBFC	41,000	0.01
Bodies Corporate	63,50,069	1.59
NRIs/Foreign Nationals/OCBs	29,95,993	0.75
Resident Indian HUF	22,50,068	0.56
Trusts	75,458	0.02
Clearing Members/House	2,15,142	0.05
IEPF	47,73,112	1.20
Others	19,35,660	0.49
Total	**39,86,22,885**	**100.00**

Outstanding GDRs or any other Convertible Instruments

The Company has not issued any GDR and any other convertible instruments during the year or in past which were outstanding at year end.

Credit Ratings

The Company has received a credit rating from ICRA Limited ("ICRA"). At present, the Company's long-term credit rating is [ICRA] AA- (pronounced ICRA double A minus) and the short-term rating at [ICRA] A1+ (pronounced ICRA A one plus) on the Working Capital Facilities and Term Loan Facility. ICRA has also re-affirmed credit rating of [ICRA] A1+ (pronounced as ICRA A one plus) of Commercial Paper (CP) of the Company. The Outlook on Long Term Rating is stable.

Unclaimed/Unpaid Dividend

Pursuant to the provision of Section 124 of the Companies Act, 2013, the Dividends remaining unclaimed/unpaid for a period of 7 years from the date of transfer to the Company's unpaid account will be transferred to the Investor Education and Protection Fund (IEP Fund). Following are the dates of dividend declared and the corresponding dates when unclaimed dividend are due for transfer to IEP Fund.

Financial Year	Date of Declaration Dividend	Due Date for transfer to Investor Education and Protection Fund
2014-15 (Final Dividend)	September 29, 2015	October 30, 2022
2015-16 (Final Dividend)	August 12, 2016	September 12, 2023
2016-17 (Interim Dividend)	November 09, 2016	December 10, 2023
2016-17 (Final Dividend)	August 01, 2017	September 1, 2024
2017-18 (Interim Dividend)	November 11, 2017	December 12, 2024
2017-18 (Final Dividend)	September 29, 2018	October 30, 2025
2018-19 (Interim Dividend)	November 12, 2018	December 13, 2025
2018-19 (Final Dividend)	July 30, 2019	August 30, 2026
2019-20 (First Interim Dividend)	November 14, 2019	December 15, 2026
2019-20 (Second Interim Dividend)	March 5, 2020	April 5, 2027
2020-21 (Interim Dividend)	February 05, 2021	March 5, 2028
2020-21 (Final Dividend)	September 22, 2021	October 23, 2028
2021-22 (Interim Dividend)	November 10, 2021	December 11, 2028

During the year following dividend along with equity shares on which dividend was not claimed for seven consecutive years was transferred to Investor Education and Protection Fund:

Financial Year	No. of equity shares transferred
2013-14 (Final Dividend)	2,81,490

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company for subsequent years on the website of the Company at www.jaispring.com.

A detailed list of shareholders whose shares have been transferred to IEPF has also been hosted on the website of the Company at www.jaispring.com.

Other Disclosures and affirmations

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There were no significant related party transactions that may have potential conflict with the interest of the Company at large.

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

During the FY 2021-22, there were no instances of non-compliance or any penalties or strictures been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets. In FY 2019-20, the stock exchanges i.e. BSE Ltd and National Stock Exchange of India Ltd had imposed penalty on the Company for non-compliance of regulation 17(1) and regulation 34 of the SEBI Listing Regulations. Though, penalty imposed for regulation 34 was waived off by the exchanges based upon submission made by Company.

(c) Whistle Blower Policy (Vigil Mechanism)

The Company has adopted a "Whistle Blower Policy". The policy provides safeguard to employees/Directors who report instances of unethical behavior, actual or suspected fraud or violation of any of Company's policy. The policy provides direct access to concerned employee/Director to the chairperson of the Audit Committee to report any such incidents. The policy is available at the web site of the Company at www.jaispring.com. No instances of unethical behavior or suspected fraud or violation of the policy was reported during the year under review.

(d) Dividend Distribution Policy

The Company has Dividend Distribution Policy in place which has been displayed on the Company's website www. jaispring.com.

(e) Policy for determining Material Subsidiary

The Company has three subsidiary companies as of March 31, 2022 namely, Jai Suspensions Limited, Jai Automotive Components Limited and Jai Suspension Systems Private Limited. Jai Suspensions Limited and Jai Automotive Components Limited are wholly owned subsidiaries and in Jai Suspension Systems Private Limited the Company holds 99.9985% shareholding. The policy of the Company on determining material subsidiaries is available on the website at www.jaispring.com.

(f) Disclosure of Related Party Transactions

All contracts, arrangements or transactions with related parties during FY2021-22 were entered by the Company in the ordinary course of business and on an arm's length basis. Approval of Audit Committee, Board of Directors and shareholders as required was also taken in accordance with the Companies Act, 2013, SEBI Listing Regulations and policy on Related Party Transactions. The policy has been hosted on the website of the Company at www.jaispring.com.

(g) Commodity Price Risk, Foreign Exchange Risk and Hedging Activities

The Company is a major user of commodities and exposes to price risk on account of procurement of commodities. The Company is also exposed to foreign currency risk on account of adverse currency movements, The Company is managing the uncertainty and volatility of foreign exchange fluctuation by hedging the risk wherever necessary. The details of foreign currency and commodity exposure are disclosed in Note to the Standalone Financial Statements.

1. **Total exposure of the Company to commodities: Rs. 1167 Crore**

2. **Exposure of the Company to various Commodities:**

Commodity Name	Exposure in INR in crore towards the particular in Financial Year	Exposure in Quantity terms towards a particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Raw Material (steel and components)	1167	Note 1	-	-	-	-	-

Notes:

1. Commodities are mixture of commodities having different Unit of measurements
2. Above values are estimates
3. Exposure given above is relating to direct materials only

3. **Commodity risks faced by the Company during the year and measures adopted to combat the same:**

The Company is affected by the price volatility of certain commodities majorly steel which is the main raw material. At present, the Company does not hedge its raw material procurements, as the raw material prices are managed through periodic settlement with customers.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.

(i) Certifications

The following certificates are enclosed with this Report

- Certificate from M/s RSM & Co., Company Secretaries that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.
- Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.
- Compliance Certification by Mr. P. S. Jauhar, Managing Director & CEO and Mr. Shakti Goyal, Chief Financial Officer.
- Certification from Statutory Auditors i.e. M/s S. R. Batliboi & Co; LLP Chartered Accountants for compliance with Corporate Governance norms.

(j) The Company has obtained the recommendations from the respective committees wherever statutorily required for the matter concerned in terms of their terms of reference and scope.

(k) Fees paid to Statutory Auditor

(₹ In Lakhs)

Particulars	Parent Company	Other Group Companies
Fee of Statutory auditor	50.00	11.20
Fee of affiliated firms of Statutory auditor	6.75	2.35
Total	**56.75**	**13.55**

(l) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There was no complaint received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

(m) Discretionary Requirements under the SEBI Listing Regulations, 2015

All Mandatory requirements of SEBI Listing Regulations have been complied by the Company. Towards the non-mandatory requirements, the Company has taken following steps:

Shareholder Rights: The Company does not send the half-yearly declaration of financial performance including a summary of the significant events in the last six months, to each household of shareholders. However Company communicates all the significant events including financial results through the methods as disclosed in the heading "Means of Communication".

Audit qualifications: Company's financial statement are unqualified.

Reporting of Internal Auditor: The Company has implemented this discretionary requirement, the Internal Auditor of the Company directly reports to the Audit Committee.

(n) Disclosure by the Company and its subsidiaries 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Not Applicable

Compliance with Secretarial Standards:

The Company complied with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

Registered Office

Jai Springs Road, Industrial Area, Yamuna Nagar– 135001, Haryana.

Plants location:

1. Jai Springs Road, Industrial Area, Yamuna Nagar – 135001, Haryana
2. U-27-29, Industrial Area, Malanpur, District Bhind– 477116, M.P.
3. Plot no. 22-25, Sengundram Village, Maraimalainagar Industrial Complex, Singaperumal Koil Post, District Chengapattu - 603204, Tamil Nadu
4. 262 - 263, Village Karnidih, Chandil, District Saraikella, Kharswan - 832401, Jharkhand
5. Thally Road, Kalugondapalli Post, Hosur-635114, District Krishnagiri, Tamil Nadu
6. T-139, MIDC, Bhosari, Pimpri, Chinchwad, Haveli, Pune, Maharashtra-411026
7. 17-19, SIPCOT Pillaipakkam Industrial Park, Navalur Village, Sriperumpudur, District Kanchipuram, Tamil Nadu.

Corporate Office

2, Park Lane, Kishangarh, Vasant Kunj, New Delhi-110070.

Compliance Officer and Contact Address:

Mr. Praveen Lakhera
Company Secretary & Head Legal
Jamna Auto Industries Limited
4th Floor, Tower B, Vatika Mindscapes, Mathura Road
Sector-27D, Faridabad-121003, Haryana
Tel.: 0129-4006885
E-mail: praveen@jaispring.com

Management Responsibility Statement

The Management confirms that the financial statements are in full conformity with the requirements of the Companies Act, 2013 (Act) read with relevant rules of the Act and the Accounting Standards issued by the Institute of Chartered Accountants of India. The management accepts responsibility for the integrity and objectivity of these financial statements. The management believes that the financial statements of operations reflect fairly the Company's financial position and the results of the operations. The Company has a system of Internal Control, which is reviewed and updated on the regular basis. The Financial Statements have been audited by S.R. Batliboi & Co. LLP, Chartered Accountants and have been reviewed by the Audit Committee.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
JAMNA AUTO INDUSTRIES LIMITED
JAI SPRINGS ROAD INDUSTRIAL AREA
YAMUNA NAGAR HARYANA 135001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JAMNA AUTO INDUSTRIES LIMITED having CIN: L35911HR1965PLC004485 and having registered office at Jai Springs Road Industrial Area, Yamuna Nagar, Haryana 135001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & Co.
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN : F004468D000334754

Date : 17.05.2022
Place : Delhi

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

This is to confirm and declare that, to the best of my information, all the Board Members and Senior Management Personnel of the Company have affirmed their compliance and undertaken to continue to comply with the Code of Conduct laid down by the Board of Directors of the Company.

For Jamna Auto Industries Ltd

Place: New Delhi
Date: May 21, 2022

Pradeep Singh Jauhar
Managing Director & CEO

COMPLIANCE CERTIFICATE

(Pursuant to the provisions of Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Jamna Auto Industries Ltd.

Dear Sirs,

We have reviewed the Audited Financial Results of Jamna Auto Industries Limited for the quarter and year ended on March 31, 2022 and that to the best of our knowledge and belief, we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

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

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended March 31, 2022 which are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, those deficiencies, of which we are aware, in design or operation of the internal control systems that we have taken the required steps to rectify these deficiencies.

We further certify that the following information have been indicated to the Auditors and the Audit committee:

a. There have been no significant changes in internal control over financial reporting during the period under review;

b. There have been no significant changes in accounting policies during the period under review; and

c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely

Place: New Delhi
Date: May 21, 2022

Pradeep Singh Jauhar
Managing Director & CEO

Shakti Goyal
CFO

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Jamna Auto Industries Limited
2, Park Lane, Kishangarh, Vasant Kunj, Delhi 110070

1. The Corporate Governance Report prepared by Jamna Auto Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2022 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

    i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

    ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

    iii. Obtained and read the Register of Directors as on March 31, 2022 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

    iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2021 to March 31, 2022:

        (a) Board of Directors;

        (b) Audit Committee;

        (c) Annual General Meeting (AGM);

        (d) Nomination and Remuneration Committee;

        (e) Stakeholders Relationship Committee;

        (f) Risk Management Committee

        (g) Corporate social Responsibility (CSR) Committee

        (h) Borrowing Investment and Administration Committee

        (i) Compensation Committee

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 22091813AJJKOK2939
Place of Signature: Gurugram
Date: 21 May 2022

ANNEXURE-6 TO DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

A. The information required under section 197 of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as under

Sl. No	Particulars	Details
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2021-22	a) Mr. R.S. Jauhar, Chairman & Executive Director-66.43 b) Mr. P.S. Jauhar, Managing Director & CEO-60.39 c) Mr. SPS Kohli, Executive Director-10.83
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year 2021-22	a) Mr. R.S. Jauhar, Chairman & Executive Director-10%* b) Mr. P.S. Jauhar, Managing Director & CEO -NIL c) Mr. SPS Kohli, Executive Director -NIL d) Shakti Goyal, CFO-8% e) Praveen Lakhera, CS & Head Legal-20%
3	The percentage increase in the median remuneration of employees in the financial year 2021-22	15%
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2020-21 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;	12.50%-Other than Managerial personnel. 6.43% - Managerial Personnel. As there is no exceptional increase in remuneration of Managerial personnel, no comments needed.
5	The number of permanent employees on the rolls of the Company	1573 Employees as of March 31, 2022
6	The key parameters for any variable component of remuneration availed by the directors	The Company has not paid any commission or annual performance pay to the directors during the FY 2021-22
7	Affirmation	The Company hereby affirms that the remuneration of all the directors and KMP is as per the Remuneration Policy of the Company.

* On time scale basis as per terms of appointment vide Special Resolution passed by the members of the Company held on September 29, 2020.

ANNEXURE-7 TO DIRECTORS' REPORT

Annual Report on CSR Activities

Financial Year 2021-22

1. A brief outline of the Company's CSR policy

i. Preamble

By induction of Section 135 of Companies Act, 2013, the Government of India has given the statutory strength to the concept of Corporate Social Responsibility. However JAI being already aware of its Corporate Social Responsibility much before induction of Section 135 was fulfilling the aspiration of society within the near about areas of its work units. This has resulted into a harmonious relationship between JAI and communities near about.

ii. Vision

A World having equal opportunities of education and work to all without any discrimination, comprising healthy and happy citizens living in a green environment.

iii. Mission

a.) Ensuring environmental sustainability and ecological balance.

b.) Improving quality of education and opportunities for economically deprived students especially in rural communities.

c.) Promoting sports among youths by sponsoring them in Olympic Games and to create a world class facilities and infrastructure for buddying sports person.

d.) Improving quality of life for urban and rural people through ensuring basic facilities, health and hygiene, women empowerment and creating livelihood opportunities in surrounding vicinity.

iv. Focus Area

To achieve its mission of CSR Policy, the Company will focus in the following areas:

(i) Environment Conservation & Sustainability

(ii) Quality Education

(iii) Promoting Sports

(iv) Community Service

(v) Contribution to Prime Minister Relief Fund and other alike funds

v. Operational Procedure

(i) The Company shall undertake its CSR activities as laid down in Schedule VII of the Companies Act, 2013 in project or program mode in accordance with the CSR Policy and Companies (Corporate Social Responsibility Policy) Rules, 2014.

(ii) The CSR activities shall be carried out in such area and localities as may be recommended from time to time by the CSR Committee constituted under Section 135 (1) of the Companies Act, 2013, upon suggestion made by the Company, however in its suggestion Company and in its recommendation the CSR Committee shall give preference to the areas in the vicinity of Company's plants, offices and sites.

(iii) The Company shall prepare the guidelines to carry out the various CSR activities and present it before the CSR Committee for recommendation and all CSR activities shall be carried out by the Company in such manner as may be recommended by the CSR Committee from time to time.

(iv) The Company may undertake its CSR activities directly or through implementing agency or in collaboration with other companies or organization.

vi. Annual Action Plan

(i) The Company shall prepare an annual action plan of CSR activities consisting amount of expenditure to be incurred on CSR activities for each financial year and present the same to the CSR Committee.

(ii) The CSR Committee shall review the annual action plan and shall recommend the same, with or without modifications/ changes, to the Board of Directors for approval.

(iii) The overall execution and day-to-day administration of CSR activities will be responsibility of CSR team, who shall work under the guidance of CSR Committee to ensure smooth implementation of annual action plan.

(iv) The CSR Committee may consider to modify/alter annual action plan based on reasonable justification and recommend the same to Board of Directors for approval.

(v) Any surplus arises out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

vii. Control and Monitoring

(i) From time to time the Company shall prepare an Action Taken Report (ATR) or progress report in respect of projects or activities undertaken and present the same before the CSR committee.

(ii) The Company shall follow the instructions or suggestions made by the CSR committee after considering the ATR or progress report as the case may be.

(iii) The CSR Committee shall do all such acts, deeds, matters and things to ensure implementation of this Policy.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Shashi Bhushan Bansal	Chairperson	1	1
2	Mr. R.S. Jauhar	Member	1	1
3	Mr. S.P.S. Kohli	Member	1	1

3. Web-link for composition of CSR committee, CSR Policy and CSR projects: www.jaispring.com.

4. Details of Impact assessment of CSR projects, if applicable (attach the report): N.A.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in lacs)	Amount required to be set-off for the financial year, if any (Rs. in lacs)
1	--	--	--
	Total	--	--

6. Average net profit of the company as per section 135(5): Rs.130.23 crore

7. (a) Two percent of average net profit of the company as per section 135(5): Rs.2.60 crore

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs.2.60 crore

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

Total Amount Spent for the Financial Year (Rs. in lacs)	Amount Unspent (Rs. in lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
318	--	--	--	--	--

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

1	1	2	3	4	5		6	7	8	9	10	11	
S. N.	Project Name	Activities	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration.	Amount allocated for the project (Rs. in lacs)	Amount spent in the current financial Year (in R in lacs	Amount transferred to Unspent CSR A/c for project as per Sec. 135(6) (in Rs. in lacs).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
					State.	District.						Name	CSR Registration number.
1	Environment Conservation & Sustainability	Tree Plantation, water conservation, waste management, No to plastic, awareness generation	(iv)	Yes	All over Company locations		3 yrs	50.00	51.35	0	Yes	-	-
2	Promotion of Education	Scholarships, support to educational institutions, non formal education	(ii)	Yes	All over Company locations		3	95.00	117.69	0	Yes	GNKC	CSR00021798
3	Promotion of Sports	Sponsorship, event sponsorship	(vii)	Yes	All over Company locations & Punjab		yrs	23.00	23.19	0	Yes	GNKC	CSR00021798
4	Community Service	Basic infrastructure, skill training, social empowerment, healthcare, COVID 19 relief work, women empowerment, food distribution	(i), (iii), (v), (vi) (x)	Yes	All over Company locations		3 yrs	80.00	112.78	0	Yes	GNKC, NIIT, -	CSR00021798 CSR00000621 -
								248.00	**305.00**	**0**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. in lacs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency	
				State.	District.			Name.	CSR registration number.
1.	--	--	--	--		--	--	--	--
	Total	--	--	--		--	--	--	--

(d) Amount spent in Administrative Overheads: Rs.13 lacs

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.318 lacs

(g) Excess amount for set off, if any: Rs.58 lacs

Sl. No.	Particular	Amount (Rs. in lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	260.00
(ii)	Total amount spent for the Financial Year	318.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	58.00
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	58.00

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. in lacs)	Amount spent in the reporting Financial Year (in Rs. in lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs. in lacs)
				Name of the Fund	Amount (in Rs).	Date of transfer	
Nil							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs. in lacs)	Amount spent on the project in the reporting Financial Year (in Rs. in lacs)	Cumulative amount spent at the end of reporting Financial Year (in Rs. in lacs)	Status of the project - Completed /Ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

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

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

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

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Pradeep Singh Jauhar
Managing Director & CEO

Shashi Bansal
Chairman CSR Committee

ANNEXURE-8 TO DIRECTORS' REPORT

Disclosure of Particulars with respect to conservation of energy, technology absorption and foreign exchange outgo and earning as required under rule 8 of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

a) Energy conservation measure taken:

The Company undertakes various initiatives for energy conservation through continuous improvements in operational efficiency, equipment upgradation, modernization etc.

i) To reduce power consumption, natural light is provided in manufacturting sheds

ii) The Company is shifting from common methods of heat treatment to heat treatment technology with clean fuel which reduces fuel consumption.

iii) The Company has taken various measures for efficient heating, ventilating and air conditioning in offices and plants.

b) Steps taken for utilizing alternate source of energy:

Your Company is moving towards sourcing power and fuel for its operations through renewal energy and clean fuel.

c) Capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORBTION & CONTINUOUS IMPROVEMENT

Efforts made towards technology absorption

Technology imported from NHK Spring Co; Ltd., Japan (NHK) for manufacturing of Tapered Leaf Springs has been fully absorbed.

Technology imported from Ridewell Corporation, USA for Design & Manufacturing of Air Suspension & Lift Axles is fully absorbed.

Technology imported from Tinsley Bridge Limited, UK for extralite spring technology and special steel technology is partially absorbed.

Benefits derived

Technical help from NHK and Ridewell has yielded better improvement in the quality and productivity for the new product range developed for overseas customers.

Your Company is also engaged in various other initiatives related to improvements in the process.

Technology imported:

Year of import:

(1985-90 for manufacturing Tapered Leaf Springs)

(2009-2010 for manufacturing Air Suspension)

(2018-19 for extralite spring technology and special steel technology)

Has technology been fully absorbed: Technology imported for Tapered Leaf Springs and Air Suspension has been fully absorbed Technology imported for extralite spring technology and special steel technology is partially absorbed.

a) Expenditure in R&D

	Year ended 31 March 2022	Year ended 31 March 2021
Recurring	Rs. 3.92 Crores	Rs. 4.67 Crores
Capital	Rs. 0.22 Crores	Rs. 0.07 Crores

b) Foreign exchange earnings and outgo

	Year ended 31 March 2022	Year ended 31 March 2021
Foreign exchange used	Rs. 9.41 Crores	Rs. 5.04 Crores
Foreign exchange earned	Rs. 18.47 Crores	Rs. 9.55 Crores

ANNEXURE-9 TO DIRECTORS' REPORT

FORM No. AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

Details of contracts or arrangements or transactions not at Arm's length basis

S. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting under first proviso to section 188 of the Act	Nil

Details of material contracts or arrangements or transactions at Arm's Length basis:

S. No	Particulars	Details
a)	Name (s) of the related party and nature of relationship	Jai Suspension Systems Private Limited is a subsidiary of the Company.
b)	Nature of contracts /arrangements /transactions	Sale, Purchase, Supply of goods or material or availing, rendering any service from/to Jai Suspension Systems Private Limited, providing guarantee on behalf of subsidiary, giving/making loans, inter-corporate deposits, advances or investments to/in Subsidiary, providing management support services and charging royalty for use of Company's Trade Mark.
c)	Duration of the contracts/arrangements / transactions	The transactions are on continuous basis.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale, Purchase, Supply of goods or material or availing, rendering any service from/to Jai Suspension Systems Private Limited, providing guarantee on behalf of subsidiary, giving/making loans, inter-corporate deposits, advances or investments to/in Subsidiary, providing management support services and charging royalty for use of Company's Trade Mark.
e)	Date of approval by the Board	May 21, 2022
f)	Amount paid as advances, if any	No

INDEPENDENT AUDITOR'S REPORT

To the Members of Jamna Auto Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

As explained in Note 51 to the standalone financial statements, trade receivable balance and bill discounted liabilities availed at March 31, 2021 have been grossed up by Rs 11,468.13 lakhs in accordance with the Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. There is no impact on the standalone profit before tax, profit after tax and total comprehensive income for the year ended March 31, 2021. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements

Key audit matters	How our audit addressed the key audit matter
Recording of price adjustments and their impact on revenue recognition (as described in Note 47 of the standalone financial statements)	
Revenue is measured by the Company at the transaction price i.e. amount of consideration received/ receivable from its customers. In determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/share of business, rebates etc provided to the customers.	Our audit procedures included the following: o Assessed the Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; o Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price adjustments as per understanding with the customers, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls;

Key audit matters	How our audit addressed the key audit matter
The Company's business also requires passing on these credits related to price adjustments and others to the customers for the sales made by the Company. The Company, at the year end, has provided for such price adjustments to be passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors. The estimated liabilities on this account at the year-end is shown under note 19 to the financial statements and the same consequentially impacts the revenue appearing in note 24 to the financial statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	o Evaluated management's methodology and assumptions used in the calculations of price adjustments as per arrangements with customers; o Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per arrangement with customers; o Tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations; o Performed analytical procedures to identify any unusual trends and identify any unusual items for further testing. Compared ratio of these price adjustments as a percentage of sales for both current year and previous year and tested the specific exception, if any.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion and Analysis and Business Responsibility Report but does not include the financial statements and our auditors report thereon.

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

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

Responsibilities of Management for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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, the statement of profit and loss including the statement of other comprehensive income, the cash flow statement and Statement of changes in equity dealt with by this report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the

Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35(c) to the standalone financial statements;

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

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

iv. a) The management has represented that, to the best of its knowledge and belief , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared or paid during the year / subsequent to the year-end by the Company is in compliance with section 123 of the Act.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 22091813AJJJTG3589

Place of Signature: Gurugram

Date: 21 May 2022

Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Jamna Auto Industries Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(i)(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verifying them 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. No material discrepancies were noticed on such verification.

(i)(c) According to the information and explanations given by the management, the title deeds of immovable properties amounting to INR 526.92 lakhs included in property, plant and equipment have been given as security (mortgage and charge) against the financing facility taken from banks and we have been explained that the original title deeds are kept as security with the trustee appointed by bankers. Similarly, title deeds of immovable properties amounting to INR 1,740.64 lakhs included in property, plant and equipment are kept with Kotak Mahindra Bank and State Bank of India as security (mortgage and charge) against the financing facility provided by it. Therefore, these title deeds could not be made available to us for verification however, the same has been confirmed by the trustee/banks. Accordingly, based on the information and explanation given to us by the management and confirmation received from trustee/banks, we report that the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2022.

(ii)(b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

(INR in lakhs)

Quarter ended	Value per books of account	Value per quarterly return/ statement	Discrepancy	Discrepancy details
Inventories				
June 30, 2021	23,047.12	20,591.73	2,455.39	As informed by the management, quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of valuation rate.
September 30, 2021	22,193.44	21,654.65	538.79	
December 31, 2021	25,846.74	24,065.52	1,781.23	
March 31, 2022	28,157.61	26,978.00	1,179.61	
Trade receivables (net of related party receivables)				
June 30, 2021	6,297.79	6,686.00	(388.21)	As informed by the management, quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of goods in transit.
September 30, 2021	3,760.32	3,483.00	277.32	
December 31, 2021	8,322.17	8,565.00	(242.83)	
March 31, 2022	7,538.80	7,308.00	230.80	

(iii)(a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, Limited Liability Partnerships or any other parties as follows:

(INR in lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	10,000.00	-	864.00	-
Balance outstanding as at balance sheet date in respect of:				
- Subsidiaries	10,000.00	-	650.00	-

(iii)(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii)(c) In respect of loan and advance in the nature of loan granted to companies, Limited Liability Partnerships or any other parties, the repayment of principal and interest is regular where stipulated in the agreement. In case where principal is repayable on demand, no such loan has been demanded during the year.

(iii)(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii)(e) There were no loans or advances in the nature of loan granted to companies, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii)(f) As disclosed in note 7 to the financial statements, the Company has granted loans or advances in the nature of loans, which are repayable on demand to companies. Of these, following are the details of the aggregate amount of loans or advances in the nature of loans granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(INR in lakhs)

Particulars	Other Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans given to subsidiary - Repayable on demand	-	-	550.00
Percentage of loans/ advances in nature of loans to the total loans	-	-	68.49%

iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Companies Act, 2013 are applicable, have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of spring leaves and lift axle, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable

(vii)(c) The dues of income tax, sales tax, service tax, customs goods and services tax and other statutory dues, that have not been deposited on account of any dispute, are as follows:

(INR in lakhs)

Name of the statute	Nature of dispute	Forum where dispute is pending	Amount (in INR lakhs)	Amount paid under protest (in INR lakhs)	Period to which the amount relates
Income Tax Act,1961	Alleged diversion of profit to subsidiary	Commissioner of Income Tax (Appeals)	474.79	-	A.Y. 2012-2013 and A.Y. 2013-2014
Income Tax Act,1961	Interest on alleged interest free advances	Commissioner of Income Tax (Appeals)	7.56	-	A.Y. 2012-2013 and A.Y. 2013-2014
Madhya Pradesh Sales Tax Act 1958	VAT	Supreme Court of India	477.54	-	F.Y. 2006-2007
Finance Act 1994	Service Tax	Supreme Court of India	141.27	141.27	F.Y. 2008-2009
Madhya Pradesh Sales Tax Act 1958	Entry Tax	Supreme Court of India	45.83	-	F.Y. 2006-2007
Finance Act 1994	Service Tax	Additional Commissioner, Gwalior	20.63	-	F.Y. 05-06 to 08-09 and F.Y 08-09 to 09-10
Customs Act, 1962	Custom Act	Director General of Foreign Trade, New Delhi	8.25	-	F.Y. 2000-2008
Finance Act 1994	Service Tax	Assistant Commissioner, Kurukshetra	15.43	-	F.Y. 2015-2016 to F.Y. 2017-2018
Madhya Pradesh Sales Tax Act 1958	VAT	Additional. Commissioner Cum Appellate Authority, Commercial Tax, Gwalior	6.71	-	F.Y. 2015-2016
GST Act 2017	GST	Appellate Authority	2.63	2.63	F.Y. 2019-2020
Tamil Nadu VAT Act,2006	VAT	Assistant Commissioner (ST), Chengalpattu Assessment Circle	1,375.17	-	F.Y.2009-2010, F.Y.2013-2014, F.Y.2015-2016, F.Y.2014-2015
Madhya Pradesh Sales Tax Act 1958	VAT	Additional Commissioner, Grade-2, (Appeal) Fourth, Commercial Tax, Lucknow	32.79	-	F.Y. 2011-2012
Employees Provident Fund Act, 1952	PF	Central Government Industrial Tribunal Cum Labour Court, Chennai	6.71	3.36	F.Y. 2016-2017

(INR in lakhs)

Name of the statute	Nature of dispute	Forum where dispute is pending	Amount (in INR lakhs)	Amount paid under protest (in INR lakhs)	Period to which the amount relates
Tamil Nadu VAT Act, 2006	VAT	Assistant Commissioner (ST), Maraimalai Nagar Assessment Circle, Poonamallee	25.54	-	F.Y. 2013-14
GST Act 2017	GST	Assistant Commissioner, Central Tax Division-I, Central Tax, Pune-I Commissionerate	12.45	-	FY 17-18
GST Act 2017	GST	Commercial tax department	2.56	-	FY 17-18 and FY 18-19
Employees Provident Fund Act, 1952	PF	High Court, Gwalior	42.19	-	FY 04-05 and FY 08-09
Employees Provident Fund Act, 1952	PF	Central Government Industrial Tribunal, (CGIT), Lucknow	39.29	-	FY 04-05 and FY 08-09
Tamil Nadu VAT Act, 2006	VAT	Assistant Commissioner (ST), Maraimalai Nagar Assessment Circle, Poonamallee	6.37	-	FY 13-14 and FY 15-16

viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix)(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any associate or joint venture.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d) The Group has two Core Investment Companies as part of the Group.

(xvii)The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

(xviii)There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a)In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(b) to the financial statements.

(xx)(b)There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(b) to the financial statements.

Annexure 2 to the Independent Auditors Report of even date on the standalone financial statements of Jamna Auto Industries Limited

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

We have audited the internal financial controls with reference to these standalone financial statements of Jamna Auto Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these Standalone Financial Statements

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

Opinion

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 22091813AJJJTG3589
Place of Signature: Gurugram
Date: 21 May 2022

STANDALONE BALANCE SHEET

as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021 (RESTATED)*
A Assets			
1 Non-current assets			
Property, plant and equipment	3	**34,500.12**	27,107.39
Capital work in progress	3(a)	**3,846.20**	12,798.41
Intangible assets	4	**176.51**	183.14
Right-of-use assets	35(a)	**3,228.61**	3,316.74
Investment in subsidiaries	5	**7,431.98**	4,886.58
Financial assets			
Investments	6	**47.29**	47.29
Loans	7	**100.00**	1,651.35
Other financial assets	8	**351.98**	684.53
Non current tax assets	9	**373.22**	178.54
Other non-current assets	10	**1,199.47**	1,352.06
Deferred tax assets (net)	11	**730.32**	494.45
		51,985.70	**52,700.48**
2 Current assets			
Inventories	12	**29,722.60**	19,345.38
Contract Assets	13.4	**1,056.50**	1,842.65
Financial assets			
Loans	7	**703.08**	129.06
Trade receivables	13.1	**27,042.91**	19,069.25
Cash and cash equivalents	14	**1,993.72**	3,513.94
Other bank balances	14.1	**405.44**	270.96
Other financial assets	8	**701.46**	824.95
Other current assets	10	**1,635.73**	1,237.12
		63,261.44	**46,233.31**
Total-Assets		**115,247.14**	**98,933.79**
B Equity and Liabilities			
1 Equity			
Equity share capital	15	**3,984.84**	3,983.25
Other equity	16	**64,323.23**	54,888.42
Total equity		**68,308.07**	**58,871.67**
Liabilities			
2 Non-current liabilities			
Financial liabilities			
Borrowings	17	**-**	-
Lease Liabilities	35(a)	**599.12**	600.06
Other financial liabilities	18	**152.55**	142.69
Long term provisions	19	**1,719.84**	1,768.96
Deferred government grant	20	**1,264.89**	1,411.78
		3,736.40	**3,923.49**
3 Current liabilities			
Contract liabilities	21.2	**1,967.87**	1,833.09
Financial liabilities			
Borrowings	17	**16,665.40**	11,468.13
Lease liabilities	35(a)	**180.56**	155.12
Trade payables			
- Total outstanding due of micro and small enterprises	21.1	**42.77**	152.09
- Total outstanding due of other creditors other than micro and small enterprises	21.1	**19,046.64**	17,326.21
Other financial liabilities	22	**1,190.02**	1,393.95
Deferred government grant	20	**98.89**	141.34
Short term provisions	19	**3,128.92**	2,244.78
Other current liabilities	23	**881.60**	1,423.92
		43,202.67	**36,138.63**
Total equity and liabilities		**115,247.14**	**98,933.79**
* refer note 51			
Summary of significant accounting policies	2.1		
The accompanying notes form an integral part of the financial statements			

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
	Income			
I	Revenue from operations	24	**164,904.21**	105,270.66
II	Other income	25	**542.42**	1,401.87
III	**Total revenue**		**165,446.63**	**106,672.53**
IV	Expenses			
	Cost of raw materials and components consumed	27(a)	**111,965.15**	67,400.79
	Purchase of traded goods	27(b)	**921.49**	633.12
	Increase in inventories of finished goods and work in progress	28	**(4,284.71)**	(3,531.12)
	Employee benefit expenses	29	**11,942.16**	10,667.88
	Other expenses	30	**23,751.57**	17,395.37
	Total expenses		**144,295.66**	**92,566.04**
V	Profit before finance costs, depreciation/amortisation expense, and tax		**21,150.97**	14,106.49
VI	**Finance cost**			
	Finance costs	31	**279.57**	583.53
	Finance income	26	**89.53**	141.50
	Net finance cost		**190.04**	442.03
Vii	**Depreciation and amortisation expense**	32	**3,507.73**	**3,399.35**
	Profit before tax		**17,453.20**	10,265.11
	Tax expense			
	Current tax		**4,674.16**	2,868.46
	Deferred tax credit		**(266.73)**	(275.16)
	Total tax expense		**4,407.43**	**2,593.30**
	Profit after tax		**13,045.77**	**7,671.81**
	Profit for the year		**13,045.77**	7,671.81
	Other Comprehensive Income			
	Other comprehensive income not be reclassified to profit or loss in subsequent periods :			
	- Re-measurement (losses)/gains on defined benefit plans		**83.85**	(61.26)
	- Deferred tax on above		**(21.10)**	15.42
	Other comprehensive income for the year, net of tax		**62.75**	**(45.84)**
	Total comprehensive income for the year		**13,108.52**	**7,625.97**
	Earnings per equity share (par value INR 1 per share)	33		
	- Basic (in INR)		**3.28**	1.93
	- Diluted (in INR)		**3.27**	1.93
	Significant accounting policies	2.1		
	The accompanying notes form an integral part of the financial statements			

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

(a) Equity share capital :

Particulars	No. of shares*	Amount
Equity shares of INR 1 each issued, subscribed and paid (refer note no 15)		
Balance as at April 1, 2020	398,186,585	3,983.25
Closing balance as at March 31, 2021	**398,186,585**	**3,983.25**
Add : Allotment of share (under ESOP scheme) (refer note no 43)	159,000	1.59
Closing balance as at March 31, 2022	**398,345,585**	**3,984.84**

* No. of shares issued, subscribed and fully paid only.

(b) Other equity (refer note no. 16)

Particulars	Capital reserve	Amalgamation reserve	Capital redemption reserve	Securities premium account	General reserve	Retained Earnings	Share based payment reserve	Total
As at April 1, 2020	315.71	1,481.46	400.00	15,117.60	4,077.62	26,799.70	-	48,192.09
Add: Profit for the year	-	-	-	-	-	7,671.81	-	7,671.81
Less: Interim Dividend Paid during the year	-	-	-	-	-	(995.81)	-	(995.81)
Add Option granted during the year	-	-	-	-	-	-	66.18	66.18
Add Other comprehensive income/(loss)	-	-	-	-	-	(45.84)	-	(45.84)
As at March 31, 2021	**315.71**	**1,481.46**	**400.00**	**15,117.60**	**4,077.62**	**33,429.86**	**66.18**	**54,888.42**
Add: Profit for the year	-	-	-			13,045.77	-	13,045.77
Add: Exercise of share option	-	-	-	77.91	-	-	-	77.91
Less: Final Dividend Paid during the year	-	-	-	-	-	(1,991.63)	-	(1,991.63)
Less: Interim Dividend Paid during the year	-	-	-	-	-	(1,991.63)	-	(1,991.63)
Add Option granted during the year	-	-	-	-	-	-	231.63	231.63
ESOP reserve transferred to General reserve	-	-	-	-	49.45	-	(49.45)	-
Add Other comprehensive income/(loss)	-	-	-	-	-	62.75	-	62.75
As at March 31, 2022	**315.71**	**1,481.46**	**400.00**	**15,195.51**	**4,127.07**	**42,555.12**	**248.36**	**64,323.23**
Total other equity	**315.71**	**1,481.46**	**400.00**	**15,195.51**	**4,127.07**	**42,555.12**	**248.36**	**64,323.23**

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

STATEMENT OF CASH FLOW

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	**17,453.20**	10,265.11
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	**3,507.73**	3,399.35
(Gain)/Loss on sale of property, plant and equipment	**(12.31)**	61.34
Finance cost	**279.57**	583.53
Finance income	**(89.53)**	(141.50)
Provision no longer required written back	**(2.98)**	(540.58)
Government grant and export incentive income recognised	**(189.34)**	(215.87)
Provision for Government grant recoverable	**88.92**	396.71
Employee Stock Option Expenses	**231.63**	66.18
Unrealised foreign exchange loss (net)	**(7.21)**	(194.81)
Share in profit of limited liability partnership (refer note 46)	**(117.44)**	(462.41)
Operating profit before working capital changes	**21,142.24**	**13,261.62**
Changes in operating assets and liabilities:		
Increase in trade payable and other current liabilities	**1,206.55**	16,600.10
Increase in provision (Non current & current)	**918.87**	470.25
Increase in trade receivables	**(7,965.96)**	(11,325.38)
Increase in inventories	**(10,377.22)**	(6,997.67)
Increase in loans (Non current & current)	**(24.02)**	(46.22)
Increase in financial liabilities (Non current & current)	**9.85**	13.72
Decrease / (increase) in other assets & other financial assets	**492.55**	(911.07)
Cash generated from operations	**5,402.86**	11,065.35
Income tax paid (net of refunds)	**(4,886.38)**	(2,382.55)
Net cash from opearting activities	**516.48**	**8,682.80**
B. Cash flow from investing activities		
Purchase for property, plant and equipment (including initial costs for Right-of-use assets)	**(1,893.75)**	(2,678.36)
Proceeds from sale of property, plant and equipment	**20.73**	1,449.06
Investment in fixed deposits	**(38.19)**	(9.97)
Loan given to subsidiary	**(650.00)**	-
Loan repaid by subsidiary	**1,651.35**	-
Investment in subsidiaries	**(2,427.96)**	(656.44)
Interest received (finance income)	**370.18**	24.05
Net cash used in investing activities	**(2,967.64)**	**(1,871.66)**

STATEMENT OF CASH FLOW

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flow from financing activities		
Proceeds from shared issued under ESOP scheme	**79.51**	-
Dividend paid (including dividend distribution tax) and deposit to investor education & protection fund	**(3,983.26)**	(995.81)
Payment of principal portion of lease liabilities	**(222.94)**	(211.56)
Repayment of long term borrowings	**-**	(5,491.96)
(Repayment of) / Proceeds from short term borrowings (net)	**5,197.27**	3,906.18
Interest paid	**(139.66)**	(566.42)
Net cash used in financing activities	**930.93**	**(3,359.57)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(1,520.23)**	**3,451.57**
Cash and cash equivalents at the beginning of the year	**3,513.94**	62.37
Cash and cash equivalents at the end of the year	**1993.72**	3,513.94
Components of cash and cash equivalents:		
Cash in hand	**17.75**	12.48
Balances with scheduled banks		
- On current account	**1,975.97**	3,501.46
	1,993.72	**3,513.94**

The above cash flow statement has been prepared under the " Indirect Method" as set out in Indian Accounting Standard-7 , "Statement of cash flow".

* refer note 51

**Refer note 14 for change in financing activities disclosure pursuant to amendment to Ind AS 7.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

1. Corporate information

Jamna Auto Industries Limited ("the Company") is engaged in manufacturing and selling of Tapered Leaf, Parabolic Springs and Lift Axles. The Company has its manufacturing facilities at Malanpur, Chennai, Yamuna Nagar, Jamshedpur, Hosur, Pillaipakkam and Pune.

The Company is public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Jai Spring Road,Yamuna Nagar, Haryana -135001.

Information on related party relationships of the Company is provided in Note 37.

The financial statements were approved for issue in accordance with a resolution of the board of directors on May 21, 2022.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value as referred in the accounting policies:

(a) Certain financial assets and liabilities measured at fair value and

(b) Derivative financial instruments.

The Financial Statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR 00,000), except wherever otherwise stated.

2.1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

c) Property, plant and equipment (PPE)

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

- Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.
- The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant Equipment, i.e., when the Company intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment

Cost of leasehold improvements on property, plant and equipment are amortized on a straight-line basis over the period of lease or their useful lives, whichever is shorter.

Depreciation on other property, plant and equipment is calculated on a straight-line basis using rates arrived at based on the useful lives estimated by the management. The Company identifies and determines cost of each component/ part of the asset separately, if the Component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining components of the asset. These components are depreciated separately over their useful lives and the remaining components are depreciated over the useful life of the principal assets. The Company has used following estimated useful life to provide depreciation on its property, plant and equipment:

Particulars	Estimated Useful Life (Years)
Factory buildings	30
Other buildings	60
Plant and machinery 1	15-20
Research and development equipment	1
Furniture and fixtures 2	4
Vehicles 2	4
Office equipment 2	3
Computers	3

1. The management has estimated, supported by independent assessment, the useful life of certain plant and machinery as 20 years, which is higher than those indicated in schedule II of the Companies Act 2013.
2. The management has estimated, based on its internal assessment and past experience, the useful life of these blocks of assets as lower than the life indicated for respective block of assets in schedule II of the Companies Act 2013.

Residual value of plant and machinery is considered at 5%.

Property, plant and equipment individually costing up to INR 0.05 are depreciated at the rate of 100 percent.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible

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assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The useful lives of the intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Software is amortized on a straight-line basis over the period of five years.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for Land & Building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

(i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting

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from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

“Lease liabilities” and “Right of Use Assets” have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs that an entity incurs in connection with the borrowing of funds and charged to Statement of Profit & Loss. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

g) Impairment of non-financial asset

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating units’ (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company’s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the forecast period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

h) Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an

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investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Investments in quoted and unquoted equity instruments are recognized at fair value through Other Comprehensive income.

i) Inventories

Raw materials, components and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

Traded goods are valued at cost.

Scrap is valued at net realizable value.

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. Obsolete and non-moving inventory are determined on the basis of regular review and are valued at net realizable value or cost whichever is lower.

j) Revenue from Contract with customers

The Company manufactures and sells a range of automobile suspension products. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized:

1) Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

(i) Warranty Obligations

The Company generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), consistent with its current practice. The Company adjust the transaction price for the time value of money where the period between the transfer of the promised goods or services to the customer and payment by customer exceed one year.

(ii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(iii) Schemes

The Company operates several sales incentive programs wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme program such as credit notes, tours, reimbursement etc. Revenue from contract with customer is presented deducting cost of all these schemes.

2) Service income

Job work charges are accrued, as and when services are performed.

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3) Interest income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head “other income” in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “Finance income” in the statement of profit and loss.

4) Share of profit from LLP

Share of profit from LLP is recognized when the right to receive share of profit is established.

5) Export incentives

Export incentives are accrued in the underlying period of export sales in accordance with the terms of the export benefit scheme, provided that there is no significant uncertainty regarding the entitlement to the credit and the amount thereof.

Contract balances

(i) Trade receivables

A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (x) Financial instruments – initial recognition and subsequent measurement.

(ii) Contract Assets

Contract assets relates to revenue accrued during the year but not billed to the customer at the period end

(iii) Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates three defined benefit plans for its employees i.e. gratuity, long service award and benevolent fund. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for these plans using the projected unit credit method.

Re-measurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

  Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

l) Taxes

Tax expense for the year comprises of current tax and deferred tax.

Current Income Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity).Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for all deductible timing differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement” under the head deferred tax assets. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

m) Share Based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments which are classified as equity-settled transactions.

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Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised as an employee benefit expense with a corresponding increase in 'Share Based Payment Reserve' in other equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions.

Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

n) Segment reporting

Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

o) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

p) Earnings 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 period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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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.

q) Provisions

General

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty Provision

Provision for warranty related costs are recognized when the product is sold. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

Provision for Price Difference

The Company recognizes the price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimates and management's assessment, considering the past trend and various other factors. These provisions are reviewed on a regular basis and adjusted with respective element with statement of profit and loss from the adequacy and reasonability point of view.

r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

t) Dividend

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, interest income, finance costs and tax expense.

v) Suppliers Credit / Vendor Bill Discounting

The Company enters into deferred payment arrangements (acceptances) whereby banks/financial institutions initially make payment to Company's suppliers for raw materials, goods and services directly, while the Company continues to recognize the liability till settlement with the bank/financial institution at a later date, which is normally effected within a period of 90 days. The arrangement provides working capital timing benefits and the economic substance of the transaction is determined to be operating in nature. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements are recognized as 'Acceptances' under Trade Payables. Interest borne by the Company on such arrangements is accounted under the head 'Finance Cost'.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

w) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Financial guarantee
- Financial instruments (including those carried at amortized cost)

x) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are only classified as debt instruments at amortized cost.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) Business Model Test: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Cash Flow Characteristics Test: Contractual terms of the asset give rise on specified dates to cash flows that are

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk of the Company has not increased significantly, 12-month ECL is used to provide for impairment loss.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 17.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Financial guarantee contracts

Financial guarantee contracts obtained by the Company are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the financial guarantee is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization in accordance with the principles of Ind AS 115.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank

offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Leasehold improvment	Building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computer hardware	Total tangible assets
Gross Block									
As at April 01, 2020	4,271.84	10.46	8,568.77	29,089.86	308.12	220.37	205.92	196.66	42,872.00
Adjustments (refer note 1 below)	684.93	-	-	-	-	-	-	-	684.93
Add: Additions	-	10.35	1,762.32	468.43	44.44	190.70	54.63	12.80	2,543.67
Less: Disposals	-	-	64.79	769.05	2.19	26.20	1.04	35.36	898.63
As at March 31, 2021	**3,586.91**	**20.81**	**10,266.30**	**28,789.24**	**350.37**	**384.87**	**259.51**	**174.10**	**43,832.11**
Add: Additions	-	102.70	1,654.23	8,494.91	20.08	148.00	77.52	95.58	10,593.02
Less: Disposals	-	-	-	40.09	12.04	17.07	11.23	15.28	95.71
As at March 31, 2022	**3,586.91**	**123.51**	**11,920.53**	**37,244.06**	**358.41**	**515.80**	**325.80**	**254.40**	**54,329.42**
Accumulated Depreciation									
As at Apr 01, 2020	21.15	4.84	1,338.81	12,622.17	178.66	134.10	158.67	129.83	14,588.23
Less: Adjustments (refer note 1 below)	21.15	-	-	7.31	-	-	-	-	28.46
Add: Charge for the year (refer note 32)	-	1.69	419.54	2,396.41	62.83	62.95	47.75	40.97	3,032.14
Less: Disposals	-	-	64.79	740.61	1.28	25.38	0.97	34.16	867.19
As at March 31, 2021	**-**	**6.53**	**1,693.56**	**14,270.66**	**240.21**	**171.67**	**205.45**	**136.64**	**16,724.72**
Add: Charge for the year (refer note 32)	-	57.16	474.41	2,419.01	47.45	105.70	50.68	39.29	3,193.70
Less Disposals	-	-	-	40.33	11.29	9.41	11.18	16.91	89.12
As at March 31, 2022	**-**	**63.69**	**2,167.97**	**16,649.34**	**276.37**	**267.96**	**244.95**	**159.02**	**19,829.30**
Net block									
As at March 31, 2022	**3,586.91**	**59.82**	**9,752.56**	**20,594.72**	**82.04**	**247.84**	**80.85**	**95.38**	**34,500.12**
As at March 31, 2021	**3,586.91**	**14.28**	**8,572.74**	**14,518.58**	**110.16**	**213.20**	**54.06**	**37.46**	**27,107.39**

Note: Based on contractual agreement, a portion of land representing right of use asset has been transferred thereto during the previous year. The said reclassification does not have material impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

3 Property, plant and equipment (Contd.)

(a) Capital Work-in-progress (CWIP)

i) For Capital-work-in progress, ageing as at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	479.03	61.57	3,305.60	-	3,846.20
Projects temporarily suspended	-	-	-	-	-
Total	**479.03**	**61.57**	**3,305.60**	**-**	**3,846.20**

ii) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, following are the delays as at March 31, 2022*

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Jamshedpur Plant (Parabolic Line)	1,183.14	-	-	-	1,183.14
Malanpur Plant (Parabolic Line)	2,122.46	-	-	-	2,122.46
Total	**3,305.60**	**-**	**-**	**-**	**3,305.60**

*Capitalisation is delayed due to restriction for travel under COVID-19 Pandemic.

iii) For Capital-work-in progress, ageing as at March 31, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,812.98	9,182.93	802.50	-	12,798.41
Projects temporarily suspended	-	-	-	-	-
Total	**2,812.98**	**9,182.93**	**802.50**	**-**	**12,798.41**

iv) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, following are the delays as at March 31, 2021*

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Malanpur Plant (Parabolic Line)	3,201.62	-	-	-	3,201.62
Chennai Plant (Parabolic Line)	5,592.52	-	-	-	5,592.52
Jamshedpur Plant (Parabolic Line)	1,191.29	-	-	-	1,191.29
Total	**9,985.43**	**-**	**-**	**-**	**9,985.43**

Capitalisation is delayed due to restriction for travel under COVID-19 Pandemic.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

4 Intangible Assets

Particulars	Computer Software	Total Intangible assets
Gross Block		
As at April 01, 2020	414.05	414.05
Additions	40.99	40.99
As at March 31, 2021	**455.04**	**455.04**
Additions	84.45	84.45
As at March 31, 2022	**539.49**	**539.49**
Accumulated Amortisation		
As at April 01, 2020	188.33	188.33
Amortisation (refer note no 32)	83.57	83.57
As at March 31, 2021	**271.90**	**271.90**
Amortisation (refer note no 32)	91.08	91.08
As at March 31, 2022	**362.98**	**362.98**
Net carrying amount		
As at March 31, 2022	**176.51**	**176.51**
As at March 31, 2021	**183.14**	**183.14**

5 Investment in subsidiaries

Particulars	As at March 31, 2022	As at March 31, 2021
At Cost		
Investment in Limited Liability Partnership		
99.9985% share in Jai Suspension Systems LLP (Refer Note no.46)	-	1,854.58
Investment in wholly owned subsidiary (Unquoted equity shares)		
Jai Suspension Systems Private Limited.(Refer Note no.46)	**699.98**	-
Jai Suspension Limited	**2,100.00**	100.00
Jai Automotive Components Limited	**4,632.00**	2,932.00
Total	**7,431.98**	**4,886.58**

6 Investments in others

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through OCI (fully paid up)		
Unquoted equity shares		
100 equity share of INR 655 each in TCP Limited (March 31,2021: 100 equity share of INR 655 each)	**0.66**	0.66
466,263 equity share of INR 10 each in IND Bharath Powergencom Limited (March 31 ,2021: 466,263 equity share of INR 10 each)	**46.63**	46.63
Total	**47.29**	**47.29**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

7 Financial assets - Loans (Unsecured considered good unless otherwise stated)

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loan to related party (refer note 36)*				
Loan to subsidiaries at amortised cost	**100.00**	1,651.35	**550.00**	-
Loan to others				
Loan to employees	**-**	-	**153.08**	129.06
Total	**100.00**	**1,651.35**	**703.08**	**129.06**

Company has a given loan of Rs.100 Lakhs to Jai Suspensions Limited repayable in 3 years in (equal quarterly instalment) after moratorium period of two years at interest rate of 9% or 1 year MCLR + 0.65% spread p.a. whichever is higher and Rs.550 lakhs to Jai Automotive components limited repayable on demand at interest rate of 9% or 1 year MCLR + 0.65% spread p.a. whichever is higher.

During the current year,loan of INR 1,651.35 Lakhs has been repaid by subsiary and the loan carried on interest of 1 year MCLR plus 0.65% p.a.

7.1 The details of loan repayable on demand

Type of borrower	As at March 31, 2022		As at March 31, 20221	
	Amount of loan or advance in the nature of loan outstanding	% of total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total loans and advances in the nature of loans
Related parties	550.00	68.49%	-	-

8 Financial assets - Other financial assets

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security deposits at amortised cost	**348.18**	349.49	**5.13**	34.62
Non current bank balances (Refer note no 14.1)	**3.80**	46.49	**-**	-
Balance with sales tax, excise and custom authorities	**-**	-	**21.80**	34.78
Government grant receivable				
- considered good	**-**	-	**666.33**	755.25
- considered doubtful	**-**	-	**485.63**	396.71
Interest accrued but not due	**-**	288.55	**8.20**	0.30
Total	**351.98**	**684.53**	**1,187.09**	**1,221.66**
Less: Provision for Government grant*	**-**	-	**(485.63)**	(396.71)
Grand Total	**351.98**	**684.53**	**701.46**	**824.95**

*As at the balance sheet date, in accordance with Ind AS accounting, the revenue recognised has exceeded by INR 485.63 Lakhs (March 31, 2021-INR 396.71 lakhs) than the amount actually received till date in lieu of the government grant receivable. The Company expects to recover the same in due corse ,within a period of 12 months from the balance sheet date, however considering ongoing delays, based on princples of expected credit loss, the Company has recorded a provision for impairment of amount recoverable equivalent to the revenue recognised over and above the actual receipt i.e. INR 485.63 lakhs (INR 396.71 lakhs upto March 31, 2021).

9 Tax assets

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance income tax (net)	**373.22**	178.54	**-**	-
Total	**373.22**	**178.54**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

8 Other assets

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital advances				
Unsecured considered good	432.57	566.62	-	-
Unsecured considered doubtful	21.23	21.23	-	-
	453.80	587.85	-	-
Less: Provision for doubtful advances	(21.23)	(21.23)	-	-
Total (A)	432.57	566.62	-	-
Advance to suppliers				
- considered good	-	-	478.49	438.30
- considered doubtful	41.52	41.52	-	-
Prepaid expenses	365.20	341.97	306.23	166.80
Deferred Rent	111.56	112.20	1.28	1.28
Balance with government authorities	-	-	769.93	539.68
Duty paid under protest	227.39	192.45	-	-
Other recoverable in cash or kind				
- considered good	62.75	138.82	79.80	91.06
- considered doubtful	-	-	12.43	12.43
	808.42	826.96	1,648.16	1,249.55
Less :- Provision for doubtful advances	(41.52)	(41.52)	(12.43)	(12.43)
Total (B)	766.90	785.44	1,635.73	1,237.12
Grand Total (A+B)	1,199.47	1,352.06	1,635.73	1,237.12

11 Deferred tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Provision for bad and doubtful debts	63.54	63.54
Provision for contingencies	55.01	35.24
Provision for price difference	645.39	428.17
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	769.07	660.47
Total deferred tax asset	1,533.01	1,187.42
Less :- Deferred tax liability		
Excess of depreciation/ amortisation on property plant and equipement and intangible assets under income tax law over depreciation/amortisation provided in accounts	(802.69)	(692.97)
Total deferred tax liability	(802.69)	(692.97)
Deferred tax assets (net)	730.32	494.45

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

12 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw material (at cost) [includes goods in transit: INR 229.59 Lakhs (March 31, 2021: INR 33.07 Lakhs)]	**9,963.39**	4,773.34
Components (at cost)	**1,464.64**	1,170.40
Work-in-progress (at cost)	**3,214.50**	2,114.29
Finished goods (at lower of cost or net realisable value) [includes goods in transit: INR 1,463.57 Lakhs(March 31, 2021: INR 1,132.54 Lakhs)]	**12,284.14**	9,270.30
Traded goods (at cost)	**439.84**	213.70
Stores and spares (at cost)	**1,964.29**	1,582.21
Scrap (at net realisable value)	**391.80**	221.14
Total	**29,722.60**	**19,345.38**

13 Trade receivables and contract assets

13.1 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**24,473.75**	16,192.30
Receivables from related party (refer note 36)	**2,569.16**	2,876.95
Total	**27,042.91**	**19,069.25**
There are no security against the trade receivable. The breakup is as follows:-		
Unsecured, considered good	**27,042.91**	19,069.25
Unsecured, considered doubtful	**252.48**	252.48
Total	**27,295.39**	**19,321.73**
Less: Allowance for unsecured, considered doubtful	**(252.48)**	(252.48)
Total	**27,042.91**	**19,069.25**

* refer note 51

Trade receivable includes receivable amounting to Rs.16,665.39 lakhs (March 21 Rs.11,468 lakhs) from a customer, which are subject to bill discounting arrangement under the tripartite agreement between the Company, Kotak Mahindra Bank Ltd and the customer, where the obligation to pay may arise due to unforeseen event of default by the Company's customer. The company therefore continues to recognise the transferred assets and liability in financial statement

No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer Note 36.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

13 Trade receivables and contract assets (Contd.)

13.2 Trade receivables ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	21,893.06	5,085.83	64.02	-	-	-	27,042.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	120.98	25.11	72.23	34.15	252.48
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**21,893.06**	**5,085.83**	**185.00**	**25.11**	**72.23**	**34.15**	**27,295.39**
Less: Allowance for credit loss	-	-	-	-	-	-	252.48
Net Trade Receivables	**21,893.06**	**5,085.83**	**185.00**	**25.11**	**72.23**	**34.15**	**27,042.91**

13.3 Trade receivables ageing schedule

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	15,499.94	3,559.56	9.75	-	-	-	19,069.25
Undisputed Trade receivable – credit impaired	-	120.98	25.12	72.23	34.15	-	252.48
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**15,499.94**	**3,680.54**	**34.87**	**72.23**	**34.15**	**-**	**19,321.73**
Less: Allowance for credit loss	-	-	-	-	-	-	252.48
Net Trade Receivables	**15,499.94**	**3,680.54**	**34.87**	**72.23**	**34.15**	**-**	**19,069.25**

*Refer Note No.51

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

13 Trade receivables and contract assets (Contd.)

13.4 Contract asset

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Revenue	1,056.50	1,842.65
Total	**1,056.50**	**1,842.65**
Less: Allowance for credit loss	-	-
Total	**1,056.50**	**1,842.65**
Current	1,056.50	1,842.65
Non Current	-	-

14 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
On current account	1,975.97	3,501.46
Cash on hand	17.75	12.48
	1,993.72	**3,513.94**

14A Changes in liabilities arising from financing activitie

Particulars	April 01, 2021	Cash Flows	Foreign Exchange	Other	March 31, 2022
Current borrowings	11,468.13	5,197.27	-	-	16,665.40
Current lease liabilities	155.12	(155.12)	-	180.56	180.56
Non-current borrowings	-	-	-	-	-
Non-current lease liabilities	600.06	(67.82)	-	66.88	599.12
Total liabilities arising from financing activities	**12,223.31**	**4,974.33**	**-**	**247.44**	**17,445.08**

Particulars	April 01, 2020	Cash Flows	Foreign Exchange	Other	March 31, 2021
Current borrowings	7,561.95	3,906.18	-	-	11,468.13
Current lease liabilities	5.66	(211.56)	-	361.02	155.12
Non-current borrowings	5,639.57	(5,491.96)	(147.61)	-	-
Non-current lease liabilities	730.39	-	-	(130.33)	600.06
Total liabilities arising from financing activities	**13,937.57**	**(1,797.34)**	**(147.61)**	**230.69**	**12,223.31**

14.1 Other bank balances (* Refer note 51)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
Unpaid dividend account	349.70	253.41
Deposits with bank with more than 12 months #	3.80	46.49
Deposits with bank with more than 3 months and less than 12 months	55.74	17.55
Total	**409.24**	**317.45**
Amount disclosed under non current assets (Refer note 8)	(3.80)	(46.49)
Total	**405.44**	**270.96**

Includes fixed deposit kept as margin money INR 3.80 Lakhs (March 31, 2021: INR 6.60 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

15 Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised shares (amount per share in absolute rupees)		
638,865,000 (March 31, 2021: 638,865,000) equity shares of INR 1 each	**6,388.65**	6,388.65
350,000 (March 31, 2021: 350,000) 12.50% optionally convertible cumulative preference shares of INR 100 each	**350.00**	350.00
Total	**6,738.65**	**6,738.65**
Issued, subscribed and paid up equity shares (amount per share in absolute rupees)		
Subscribed and fully paid (398,345,585 (March 31, 2021: 398,186,585) equity shares of INR 1 each)	**3,983.46**	3,981.87
Subscribed but not fully paid (277,300 (March 31, 2021: 277,300) equity shares of INR 1 each, amount called up INR 1 each)	**2.77**	2.77
Less: Call in arrears (held by other than directors)	**(1.39)**	(1.39)
	3,984.84	**3,983.25**

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Share - Subscribed and fully paid up				
At the beginning of the year	**398,186,585**	**3,981.87**	398,186,585	3,981.87
Add : Allotment of share (under ESOP scheme) (refer note no 43)	**159,000**	**1.59**	-	-
Add : Partial paid up converted to fully paid up	**-**	**-**	-	-
At the end of the year	**398,345,585**	**3,983.46**	398,186,585	3,981.87
Equity Share - Subscribed but not fully paid up				
At the end of the year	**277,300**	**277.30**	277,300	2.77
Less : Calls in arrear received	**-**	**-**	-	-
At the end of the year	**277,300**	**2.77**	277,300	2.77

b. Term and Rights attached to equity shares

Each shareholder is entitled to one vote per share. The Company pays and declares dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class
MAP Auto Limited	**135,005,021**	**33.87%**	135,005,021	33.88%
Pradeep Singh Jauhar	**25,844,323**	**6.48%**	22,844,323	5.73%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

15 Share capital (Contd.)

d. Shares reserved from iussed under Options

For details of shares reserved for issued under the share based payment plan of the companuy.please refer note no 43.

e. Forfeited shares (amount originally paid up, included in capital reserve)

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity share capital (281,900 equity shares (March 31, 2021: 281,900) of INR 1 (absolute amount) each, amount called up INR 1 (absolute amount) each.	**281,900**	**1.45**	281,900	1.45
	281,900	**1.45**	**281,900**	**1.45**

Details of shares held by promoters as at 31 March 2022

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1) Pradeep Singh Jauhar	22,844,323	3,000,000	25,844,323	6.48	0.75
2) Randeep Singh Jauhar	17,516,360	-	17,516,360	4.39	-
3) Bhupinder Singh Jauhar	7,103,240	-	7,103,240	1.78	-
4) Sonia Jauhar	3,231,860	(3,000,000)	231,860	0.06	(0.75)
5) Kirandeep Chadha	23,000	-	23,000	0.01	-
6) Map Auto Limited	135,005,021	-	135,005,021	33.87	-
7) S.W. Farms Private Limited	12,489,630	-	12,489,630	3.13	-
8) Jamna Agro Implements Private Limited	1,022,000	-	1,022,000	0.26	-
Total	**199,235,434**	**-**	**199,235,434**	**49.98**	**(0.01)**

Details of shares held by promoters as at 31 March 2021

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1) Pradeep Singh Jauhar	21,521,070	1,323,253	22,844,323	5.73	0.33
2) Randeep Singh Jauhar	17,516,360	-	17,516,360	4.40	-
3) Bhupinder Singh Jauhar	7,103,240	-	7,103,240	1.78	-
4) Sonia Jauhar	3,231,860	-	3,231,860	0.81	-
5) Kirandeep Chadha	10,000	13,000	23,000	0.01	-
6) Map Auto Limited	132,032,728	2,972,293	135,005,021	33.88	0.75
7) S.W. Farms Private Limited	12,489,630	-	12,489,630	3.13	-
8) Jamna Agro Implements Private Limited	1,000,000	22,000	1,022,000	0.26	0.01
Total	**194,904,888**	**4,330,546**	**199,235,434**	**50.00**	**1.09**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

16 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account		
Balance at the beginning of the year	**15,117.60**	15,117.60
Add : Premium on issue of shares under options (refer note no 43)	**77.91**	-
Balance at the end of the year	**15,195.51**	**15,117.60**
Surplus in the Statement of profit and loss		
Balance at the beginning of the year	**33,429.86**	26,799.70
Add: Profit for the year	**13,045.77**	7,671.81
Less:- Final Dividend paid (refer note no 1 below)	**(1,991.63)**	-
Less:- Interim Dividend paid (refer note no 2 below)	**(1,991.63)**	(995.81)
Add : Re-measurement gains / (losses) on defined benefit plans (net of tax)	**62.75**	(45.84)
Balance at the end of the year	**42,555.12**	**33,429.86**
Share based payment reserve (refer note no 5 below)		
Balance at the beginning of the year	**66.18**	-
Add: Compensation options granted during the year	**231.63**	66.18
Less: Transfer to General reserve	**(49.45)**	-
Balance at the end of the year	**248.36**	**66.18**
Other Reserves		
Capital reserve (refer note no 3 below)	**315.71**	315.71
Capital redemption reserve (refer note no 4 below)	**400.00**	400.00
Amalgamation reserve	**1,481.46**	1,481.46
General reserve	**4,127.07**	4,077.62
Total	**6,324.24**	**6,274.79**
Total other equity	**64,323.23**	**54,888.42**

(1) The Company has paid a final dividend of INR 0.50 (absolute amount) for every equity share of INR 1 (absolute amount) per equity share of INR 1 (absolute amount) for the financial year ended March 31, 2021.

(2) The Company has declared a interim dividend of INR 0.50 for every equity share of INR 1 (absolute amount) (March 31, 2021 INR 0.25) (absolute amount) per equity share of INR 1 (absolute amount).

(3) Includes INR 247 Lakhs (March 31, 2021 INR 247 Lakhs) amount forfeited against warrants and application money received in earlier years.

(4) Represents reserve created on account of redemption of preference shares during earlier years.

(5) The Company formulated an ESOP Scheme (referred as Company's Employee Stock Option Scheme, 2017) in accordance with SEBI (Share Based Employee Benefits) Regulation, 2014, which was duly approved in the Annual General Meeting of the Shareholders of the Company on August 1, 2017 and the Company also got in-principle approval from both NSE and BSE dated March 20, 2018 and March 27, 2018 respectively in respect of the said Scheme. During the previous year, pursuant to the approval by the Compensation Committee of the Board of Directors on December 26, 2020, the Company has granted options to certain eligible employees under the said approved Scheme. (Also, refer note 43).

(6) The Board of Directors of the Company at their meeting held on May 21, 2022 recommended a final dividend of INR 1 per equity share of INR 1 each of the Company. Final dividend is subject to the approval of shareholders.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

17 Financial liabilities - Borrowings

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Short term borrowing				
Secured				
Borrowings on account of sales bill discounting	-	-	**16,665.40**	11,468.13
Total current borrowing	-	-	**16,665.40**	**11,468.13**
The above include				
Aggregate Secured loans	-	-		
Aggregate Unsecured loans	**16,665.40**	11,468.13		

Short term borrowing

The Company has a cash credit account facility from HDFC Bank and Kotak Bank and amount outstanding as at year end is INR Nil (March 31, 2021: INR Nil) carrying rate of interest ranging from 4.50% to 7.30% and 4.50% to 7.20% respectively and facility of working capital loan from HDFC and Kotak Mahindra Bank amounting to INR Nil (March 31, 2021 : INR Nil) carrying rate of interest 4.50% to 7.40% and 4.50% to 7.30% respectively. The security against these facilities are as follows:

(a) First pari passu charge on entire current assets of the Company

(b) Second pari passu charge to be shared with other lenders on all existing and future movable fixed assets of the Company situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.

(c) Second pari passu charge on all immovable fixed assets of the Company situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai to be shared with other secured working capital lenders

(d) Bills Discounting from Kotak Mahindra Bank Limited (Unsecured) having no interest cost on the Company

* Represent bill discounting outstanding, refer note number 51. Customer is same and position remains unchanged from financial year 2021.

The Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter ended	Value per books of account	Value per quarterly return/statement	Discrepancy	Discrepancy details
Inventories				Quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of valuation rate and reported value were less than actual value hence there is no impact on drawing power.
June 30, 2021	23,047.12	20,591.73	2,455.39	
September 30, 2021	22,193.44	21,654.65	538.79	
December 31, 2021	25,846.74	24,065.52	1,781.23	
March 31, 2022	28,157.61	26,978.00	1,179.61	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

17 Financial liabilities - Borrowings (Contd.)

Quarter ended	Value per books of account	Value per quarterly return/statement	Discrepancy	Discrepancy details
Trade receivables (net of related party receivables)				
June 30, 2021	6,297.79	6,686.00	-388.21	Quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of goods in transit.and reported value were less than actual value hence there is no impact on drawing power.
September 30, 2021	3,760.32	3,483.00	277.32	
December 31, 2021	8,322.17	8,565.00	-242.83	
March 31, 2022	7,538.80	7,308.00	230.80	

18 Other financial liabilities

Particulars	Non-current	
	As at March 31, 2022	As at March 31, 2021
Security deposits at amortised cost	152.55	142.69
	152.55	**142.69**

19 Provisions

Particulars	Long - term		Short - term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employees benefits				
Provision for leave encashment	489.84	541.69	114.87	157.25
Provision for long service award	27.11	24.92	10.12	11.03
Provision for benevolent fund	52.43	54.62	11.18	11.09
Provision for gratuity (refer note no. 34)	1,150.46	1,147.73	227.28	127.53
Total	**1,719.84**	**1,768.96**	**363.45**	**306.90**
Other provisions				
Provision for warranties #	-	-	61.15	96.63
Provision for contingencies # #	-	-	140.00	140.00
Provision for price differences # # #	-	-	2,564.32	1,701.25
	-	**-**	**2,765.47**	**1,937.88**
Total	**1,719.84**	**1,768.96**	**3,128.92**	**2,244.78**

19(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	96.63	92.25
Arising during the year	19.50	13.20
Utilized during the year	(54.98)	(8.82)
At the end of the year	61.15	96.63
Current portion	61.15	96.63
Non-current portion	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

19 Provisions (Contd.)

19(b) Provision for contingencies (also refer note 35)

Provision for contingencies represents provision made against possible tax losses based on the tax assessments and other possible losses based on best estimate of the management.

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	**140.00**	544.08
Arising during the year	**-**	-
Utilized during the year *	**-**	(404.08)
At the end of the year	**140.00**	140.00
Current portion	**140.00**	140.00
Non-current portion	**-**	-

* The Company majorly utilized the provision against the two land parcels in Indore out of which one was surrendered and the other was registered in the Company's name during the previous year.

19 (c) Provision for price differences (also refer note 47)

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	**1,701.25**	1,552.91
Arising during the year	**899.27**	1,034.06
Utilized during the year	**(36.20)**	(885.72)
At the end of the year	**2,564.32**	1,701.25
Current portion	**2,564.32**	1,701.25
Non-current portion	**-**	-

20 Deferred government grant

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	**1,553.12**	1,759.28
Recognised during the year	**-**	9.71
Released to the statement of profit and loss (refer note no 25)	**(189.33)**	(215.87)
At the end of the year	**1,363.79**	**1,553.12**
Current	**98.89**	141.34
Non Current	**1,264.89**	1,411.78

Notes:

1 Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

2 The Company has opted the EPCG scheme, to avail the benefit of saving of custom duty by committing export of goods worth six times, of the value of duty saved, over a period of six years from the date of utilisation of benefit. Duty so saved has been recognised as Government grant and being released to profit & loss on the basis of export obligation fulfilled.

3 At the year end, the Company has an outstanding export obligation of INR 15,915.57 Lakhs (March 31, 2021: INR 18,186.64 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

21 Financial liabilities -Trade payables

21.1 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
- Total outstanding due to micro and small enterprises	**42.77**	152.09
- Total outstanding due of creditor other than micro and small enterprises (including acceptances INR 10,323.50 Lakhs (March 31, 2021: INR 11,370.42 Lakhs))	**19,041.03**	17,216.23
- Trade payables to related parties	**5.61**	109.98
	19,089.41	**17,478.30**

Terms and condition of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

For terms and conditions with related parties, refer note 36.

*Trade payable includes Acceptances of INR 10,323.50 lakhs (March 31, 2021 INR 11,370.42 Lakhs). Acceptances represent credit availed by the Company from banks for payment to suppliers of materials purchased by the Company and are payable within 90 days. Acceptances are secured under short term borrowing facilities obtained from banks and are interest bearing.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 and March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	**42.77**	152.09
Interest due on above	**-**	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	**-**	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	**-**	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

21 Financial liabilities -Trade payables (Contd.)

Trade payables ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	36.43	5.38	0.96	-	-	42.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,223.05	1,663.46	145.21	7.29	7.63	19,046.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**17,259.48**	**1,668.84**	**146.17**	**7.29**	**7.63**	**19,089.41**

Trade payables ageing schedule

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	71.12	79.76	1.21	-	-	152.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	15,922.22	1,389.22	7.30	7.63	-	17,326.21
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**15,993.34**	**1,468.98**	**8.51**	**7.63**	**-**	**17,478.30**

21.2 Contract Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance payments from customers	**1,967.87**	1,833.09
Total contract liabilities	**1,967.87**	**1,833.09**
Current	**1,967.87**	1,833.09
Non-Current	**-**	-

22 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Investor education and protection fund, will be credited by following amounts (as and when due) - Unpaid dividends	**349.70**	253.41
Creditors for purchase of plant property and equipement	**840.32**	1,140.54
Total	**1,190.02**	**1,393.95**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

23 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	338.70	1,423.92
Deferred revenue payable	542.90	-
	881.60	**1,423.92**

24 Revenue from contract with customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Sale of finished goods (automobile suspension products) (also refer note 47)	**161,378.31**	103,195.58
Other operating revenue		
- Scrap sale	**3,525.90**	2,075.08
Revenue from operations	**164,904.21**	**105,270.66**

24(a) Contract Balances

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables	**27,042.91**	19,069.25
Contract Assets	**1,056.50**	1,842.65
Contract Liabilities	**1,967.87**	1,833.09

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets relates to revenue accrued during the year but not billed to the customer at the year end.

Contract liabilities include short-term advances received from customers to deliver automobile suspension products.

25 Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other non-operating income		
Share in profit of limited liability partnership (refer note no 46)	**117.44**	462.41
Gain on disposal of property, plant and equipment (net)	**12.31**	-
Provision no longer required written back	**2.98**	540.58
Exchange fluctuation gain (net)	**76.42**	0.77
Export Incentive	**19.74**	21.44
Government grants (refer note no 20)	**189.33**	215.87
Miscellaneous income	**124.20**	160.80
Total	**542.42**	**1,401.87**

26 Finance income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income		
- From banks	**17.91**	13.58
- From subsidiary	**71.34**	127.18
- From others	**0.28**	0.74
Total	**89.53**	**141.50**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

27 (a) Cost of raw material and components consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	6,157.44	2,746.66
Add : Purchases during the year	117,675.58	70,811.57
Total	**123,833.02**	**73,558.23**
Less : Inventory at the end of the year	11,867.87	6,157.44
Cost of raw material and components consumed	**111,965.15**	**67,400.79**

27(b) Purchase of traded goods sold

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Puchase of traded goods	921.49	633.12
Total	**921.49**	**633.12**

28 Increase in inventories of finished goods and work in progress

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of year		
- Finished goods	12,284.14	9,270.30
- Work in progress	3,214.50	2,114.29
- Scrap	391.80	221.14
Total	**15,890.44**	**11,605.73**
Inventories at the beginning of year		
- Finished goods	9,270.30	5,910.91
- Work in progress	2,114.29	2,032.63
- Scrap	221.14	131.08
Total	**11,605.73**	**8,074.62**
Increase in inventories of finished goods and work in progress	**(4284.71)**	**(3531.12)**

29 Employee benefits expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	10,437.01	9,550.94
Gratuity expense (refer note no 34)	206.76	187.29
Employee stock option scheme (refer note 43)	231.63	66.18
Contribution to provident and other funds	425.78	428.21
Staff welfare expenses	640.98	435.26
Total	**11,942.16**	**10,667.88**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

30 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	**3,610.52**	2,872.96
Power and fuel	**11,012.62**	6,777.51
Job charges	**1,544.32**	963.20
Rent	**167.47**	204.03
Repair and maintenance		
- buildings	**193.48**	220.94
- plant and machinery	**541.37**	278.10
- others	**147.21**	203.24
Rates and taxes	**131.78**	127.94
Travelling and conveyance	**367.31**	251.32
Legal and professional (Refer note no 30(a) for payment made to auditors)	**559.80**	538.37
Loss on sale / discard of property, plant and equipment (net)	**-**	61.34
Impairment allowance for government grant considered doubtful (refer note 8)	**88.92**	396.71
Provision for doubtful advances	**-**	36.08
Impairment allowance for trade receivables considered doubtful	**-**	8.49
Freight, forwarding and packing	**3,270.22**	2,730.47
Sales promotion and advertisement	**489.89**	351.03
Selling expenses	**242.52**	171.28
Commission on sales	**8.33**	10.50
Warranty claims	**19.50**	13.20
Security charges	**115.65**	128.92
CSR expenses (refer note no 30(b))	**320.97**	330.09
Donation	**31.73**	2.46
Exchange fluctuation loss	**-**	75.22
Directors sitting fees	**15.30**	15.60
Insurance	**173.27**	143.99
Printing stationery and communication	**110.99**	85.99
Bank charges	**97.71**	119.99
Miscellaneous expenses	**526.19**	276.40
Total	**23,751.57**	**17,395.37**

30 (a) Payment to Auditors (excluding taxes)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor :		
- Audit fee	**27.50**	30.00
- Limited review	**22.50**	15.00
In other capacity :		
- Other services	**2.5**	4.43
Reimbursement of expenses	**4.06**	1.85
Total	**56.56**	**51.28**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

30 Other expenses (Contd.)

30 (b) CSR expenditure

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of INR 320.97 Lakhs (March 31, 2021: INR 330.09 Lakhs) towards this cause and charged the same to the Statement of Profit And Loss.

Details of CSR expenditure

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Gross amount required to be spent by the Company during the year	255.39	330.09
b) Amount spent during the year	In cash	Total
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	320.97	330.09
c) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

31 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on borrowings and others*	168.13	512.53
Interest on lease liabilities (refer note no 35(a))	111.44	71.00
Total	**279.57**	**583.53**

* Includes interest on income tax INR Nil (March 31, 2021: Rs.69.57 Lakhs) and Bill discounting charges for the financing arrangement entered into with the vendors respectively for early payments (net off early payment discounts received in nature of financing arrangements).

32 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant and Equipment (Refer note no 3)	3,193.70	3,032.14
Depreciation on right-of-use assets (refer note 35(a))	222.95	283.64
Amortisation on intangible assets (Refer note no 4)	91.08	83.57
Total	**3,507.73**	**3,399.35**

33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

33 Earnings per share (EPS) (Contd.)

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year	**13,045.77**	7,671.81
Weighted average number of equity shares during the period in calculating basic EPS	**398,484,235**	398,325,235
Effect of dilution:		
Add: Stock options granted under ESOP but yet to be exercised	**1,187,306**	-
Weighted average number of equity shares during the period in calculating diluted EPS	**399,512,541**	398,325,235
Basic EPS (in INR)	**3.28**	1.93
Diluted EPS (in INR)	**3.27**	1.93

34 Gratuity and other employment benefit plans

The Company operates three plans viz gratuity, long term service awards and benevolent fund for its employees. Under the gratuity plan every employee who has completed at least five years of service gets Gratuity on departure @15 days of last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy. Under long term service award the employee is entitled to a fixed amount on completion of ten years and fifteen years of service. The scheme of long term service award is unfunded.

(a) The following table summarize the funded status of the gratuity plans and the amount recognized in the Company's financial statement as at March 31, 2022 :

Particulars	As at March 31, 2022	As at March 31, 2021
Change in benefit obligation		
Opening defined benefit obligation	**1,526.50**	1,331.47
Service cost	**118.57**	117.90
Interest expenses	**105.66**	86.67
Benefits paid	**(59.78)**	(58.08)
Remeasurements - Actuarial (gains)/ loss	**(58.63)**	48.54
Closing defined benefit obligation (A)	**1,632.32**	**1,526.50**

Particulars	As at March 31, 2022	As at March 31, 2021
Change in plan assets		
Opening fair value of plan assets	**251.24**	257.09
Expected return on plan assets	**17.47**	17.28
Contributions by employer	**-**	-
Benefits paid	**(39.31)**	(10.41)
Remeasurements - Actuarial gains/ (loss)	**25.22**	(12.72)
Closing fair value of plan assets (B)	**254.58**	**251.24**

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at the end of the year (A)	**1,632.32**	1,526.50
Fair value of plan assets at the end of the year (B)	**254.58**	251.24
Net liability recognized in the balance sheet (A-B)	**1,377.74**	**1,275.26**
Current portion	**227.28**	127.53
Non- Current portion	**1,150.46**	**1,147.73**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34 Gratuity and other employment benefit plans (Contd.)

(b) Major categories of plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Funds managed by insurer	**100%**	100%

(c) Amount for the year ended on March 31, 2022 recognized in the statement of profit and loss under employee benefit expenses:

Particulars	As at March 31, 2022	As at March 31, 2021
Service cost	**118.57**	117.90
Net interest on the net defined benefit liability/ (asset)	**88.19**	69.39
Net gratuity cost	**206.76**	**187.29**

(d) Amount for the year ended on March 31, 2022 recognized in the statement of other comprehensive income:

Particulars	As at March 31, 2022	As at March 31, 2021
Remeasurements of the net defined benefit liability/ (assets)		
Actuarial (gains)/ losses	**(58.63)**	48.54
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (assets)	**(25.22)**	12.72
Total	**(83.85)**	**61.26**

(e) Amounts recognised in the statement of other comprehensive income as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial (gain)/loss on arising from change in demographic assumption	**-**	47.88
Actuarial loss/(gain) on arising from change in financial assumption	**(55.62)**	30.12
Actuarial loss on arising from experience adjustment	**(3.00)**	(29.47)
Actuarial loss on asset for the year	**(25.22)**	12.72
Total	**(83.85)**	**61.26**

(f) The principal assumptions used to determine benefit obligations as at March 31, 2022 are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	**7.34%**	6.94%
Average rate of increase in compensations level	**9.00%**	9.00%
Retirement age (years)	**58**	58
Mortality rate inclusive of provision for disability	**100% of IALM (2012 - 14)**	100% of IALM (2012 - 14)
Employees turnover (age)	**Withdrawal rate in (%)**	
Upto 30 years	**13.00**	13.00
From 31 to 44 years	**2.00**	2.00
Above 44 years	**1.00**	1.00

One of the principal assumptions is the discount rate, which should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34 Gratuity and other employment benefit plans (Contd.)

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

(g) The Company expects to contribute INR 235.47 Lakhs (March 31, 2021: INR 133.88 Lakhs) towards gratuity during next one year.

The following payments are expected contributions to the defined benefit plan in future years:

Gratuity

Particulars	March 31, 2022	March 31, 2021
Within the next 12 months (next annual reporting period)	**235.47**	131.88
Between 2 and 5 years	**406.00**	514.29
Between 5 and 10 years	**748.00**	663.18
Beyond 10 years	**2,154.14**	1,778.54
Total	**3,543.61**	**3,087.89**

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.70 years (March 31, 2021: 11.74 years) for the company.

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Gratuity Plan

Particulars	March 31, 2022			
	Discount rate		Future salary increases	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(126.14)	145.28	104.55	(103.88)

Particulars	March 31, 2021			
	Discount rate		Future salary increases	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(127.70)	136.90	101.79	(97.05)

The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

35 Commitments and contingencies

(a) Leases

The Company's lease asset primarily consist of leases for warehouses having the various lease terms at the incremental borrowing rate. Following is carrying value of right of use assets and movements thereof during the year ended March 31, 2022:

Particulars	Leasehold improvement	
	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Balance at the beginning of the year	**3,796.88**	4,087.91
Add: Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (refer note 3)	**-**	684.93
Additions	**159.99**	1,004.62
Disposals	**(176.19)**	(1,980.58)
Balance at the end of the year	**3,780.68**	**3,796.88**

Particulars	Leasehold improvement	
	As at March 31, 2022	As at March 31, 2021
Accumulated depreciation		
Balance at the beginning of the year	**480.14**	263.18
Add: Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (refer note 3)	**-**	28.46
Additions	**222.95**	283.64
Disposals	**(151.02)**	(95.14)
Balance at the end of the year	**552.07**	**480.14**
Net carrying amount		
	3,228.61	
Balance at the end of the year		3316.74

The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**755.18**	736.05
Addition	**159.99**	365.97
Interest on lease liabilities	**111.44**	100.70
Payment of Lease Liabilities	**219.01**	282.87
Deletions	**27.92**	164.67
Balance at the end of the year	**779.68**	**755.18**
Current Liability	**180.56**	155.12
Non- Current Liability	**599.12**	600.06

The future cash outflows relating to leases that have not yet commenced are disclosed in note 42(d)

The Company had total cash outflows for leases of INR 219.01 in March 31, 2022 (INR 282.87 in March 31, 2021). The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs.159.99 in March 31, 2022 (INR 365.97 in March 31, 2021). The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2021 is 9% .

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

35 Commitments and contingencies (Codtd.)

The following are the amounts recognised in statement of profit or loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of-use assets (Refer note 32)	**222.95**	283.64
Interest expense on lease liabilities (Refer note 31)	**111.44**	100.70
Income on de-recognition of Liability	**-**	(29.70)
Total amount recognised in (profit) or loss	**334.39**	**354.64**

(b) Capital commitments and other commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows :-

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on Capital Account and not provided forr relating to the plant expansion and revamping of machinery projects (Net of advances of INR 453.80 Lakhs; March 31,.2021: INR 587.85 Lakhs)	**1,131.24**	1,244.03
	1,131.24	**1,244.03**

(c) Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Income tax	**482.27**	474.79
(ii) Claims against company not acknowledged as debts (civil cases)	**143.47**	76.04
(iii) Custom and excise duty / service tax / GST	**38.76**	26.97
(iv) Sales tax and entry tax	**87.28**	131.44
Total	**751.78**	**709.24**

In relation to income tax matters disclosed in (i) above:

1) With respect to assessment year 2012-13 & 2013-14, the assessing officer has increased the taxable income of the Company by Rs 1,418.45 contending that the parent Company has sold material to its subsidiary firm (Jai Suspension System LLP (JSSLLP) at lower margin in order to divert its profits to JSSLLP as JSSLLP was enjoying tax exemption during that period. Tax impact of the same is INR 482.27 Lakhs (March 31, 2021: INR 474.79 Lakhs).The Company has preferred an appeal with CIT(A) and based on discussion with the legal counsel is confident of a favourable outcome.

In relation to (ii) above claims against company contested by the Company majorly comprises of:

1) Matter pending with Tamil Nadu Generation and Distribution Corporation Limited pertaining to Financial year 2012-2014 for non payment of cross subsidy charges which were introduced subsequently with retrospective effect whereas the scheme mentioned no such charges. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is INR 54.62 Lakhs. (March 31, 2021 : 54.62 Lakhs).

2) During the earlier years matter was pending with the Labour court pertaining to ESI with respect to the bifurcation of material and labour in an invoice and the ESI deducted on the same.Court vide order dated 31.08.2021 has set aside the demand raised by the department and remand back the matter to reconsider afresh. After re-consideration department vide order dated 15.03.2022 has confirmed the demand of INR 4.79 Lakhs. which company has deposited on 25.03.2022 and the amout involved is Rs.Nil (March 31, 2021: INR 14.05 Lakhs).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

35 Commitments and contingencies (Codtd.)

3) Matter pending with the EPF Appelate Tribunal pertaining to PF with respect to the PF liability on BPO consultants hired.The Company has done an analysis and is of the opinion that it has fair chance of a favourable decision. The amount involved is INR 6.71 Lakhs (March 31, 2021: INR 6.71 Lakhs).The Company has made a payment of INR 3.35 Lakhs (March 31, 2021 : INR 3.35 Lakhs) under protest in this regard.

4) Matter is pending with EPF. Department in proceedings U/s 7A of the Act for the peiod from February 2005 to March 2009, vide order dated 29.01.2016 has confirmed the demand of INR 39.29 Lakhs, which company has deposited. Thereafter on 15.10.2020 department has issued notice and vide order dated 22.04.2021 has confirmed the demand of paying interest amounting to INR 42.19 Lakhs on demand confirmed in 2016. Against said confirmation, company has filed instant Writ.

In relation to (iii) above customs and excise duty/service tax and GST contested by the Company majorly comprises of:

1) During the previous year, the Company applied under Sabka Vishwas Legacy Dispute Resolution Scheme (SVLDRS) for the resolution of part of the matters pending with Assistant Commissioner in respect of Cenvat Credit availed by the Company on service tax paid on charges of Canteen,outdoor catering and security services.Pursuant to the application made, the Company has also received the discharge certificate for the same in the current year and accordingly these cases have been closed. One matter of same nature is pending with Assistant Commissioner, Kurukshetra for which the Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is INR 15.43 Lakhs (March 31, 2021: 7.72 Lakhs).

2) Matter pending before Director General of Foreign Trade, New Delhi in respect of EPCG licence obtained by the Company, however, the same was lost without being used in 2008. The Company is under an obligation to surrender the licence in case of non utilisation and has received a letter from the office of ADGFT for the same. The Company has appeared before the authority and submitted the facts of losing the licence without utilisation. Accordingly, the Company is of the opinion that it has fair chance of a favourable decision. The amount involved is INR 8.25 Lakhs (March 31, 2021: INR 8.25 Lakhs).

3) Matters pending before Appellate Auhtority, Muradabad (Uttar Pradesh) and Appellate Auhtority, Rudrpur (Uttarakhand) pertaining to imposition of penalty on E-way bill errors.The Company has filed the present appeal before the Appellate Authority on the ground that there was typo error between invoice and Eway bill and has done an analysis and is of the opinion that it has a fair chance of a favourable decision. The amount involved is INR Nil. (March 31, 2021 : 8.36 Lakhs).Matter has been disposed off.

4) Matters pending before Appellate Auhtority pertaining to imposition of penalty due to missing details in e-way bill on dispatch of goods.The Company has filed the present appeal before the Appellate Authority and has done an analysis and is of the opinion that it has a fair chance of a favourable decision. The amount involved is INR 2.63 Lakhs. (March 31, 2021 : 2.63 Lakhs).The Company has made a payment of INR 2.63 Lakhs (March 31, 2021 : INR 2.63 Lakhs) under protest in this regard.

5) Matters pending before Asisstant Commissioner pertaining to input tax credit availed against which the Company had not produced the supporting documents for amount aggregating to Rs.12.44 Lakhs (March 31, 2021: Nil). The department has issued show cause notice to show cause as why the balance amount should not be recovered from the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

In relation to (iv) above sale tax and entry tax matters contested by the Company majorly comprises of:

1) During the previous year,the matter pending before Additional Commissioner, Grade-2, (Appeal) Fourth, Commercial Tax, Lucknow pertaining to Assessment year 2011-12 for non submission of form F. The Joint Commissioner in its order, set aside the demand against CST and VAT and allowed a refund and confirmed a demand against entry tax which is appealed for to be adjusted with the VAT refund by the Company.The Company has done an analysis and is of the opinion that it has fair chance of favourable decision on the adjustment.The amount involved is INR 32.78 Lakhs for entry tax (March 31, 2021: INR 149.59 Lakhs) after adjustment of duty paid under protest. The Company has made a payment of INR 11.95 Lakhs (March 31, 2021 : INR 22.89 Lakhs) under protest in this regard.

35 Commitments and contingencies (Codtd.)

2) Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of reversal of input tax credit on stock transfer on Form F. The said liability has been discharged by the Company by adjusting the amount refundable to the Company, hence as on date nothing is payable by Company to the department and is due for the approval for same from the department.The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The Amount involved is INR 25.72 Lakhs (March 31, 2021: INR 25.72 Lakhs).

3) Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of reversal of input tax credit on purchases from cancelled dealers. The Company in its reply apart from other grounds has stated that Company has rightly claimed the ITC on basis of invoices issued by the dealers..The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The Amount involved is INR 6.37 Lakhs (March 31, 2021: INR 6.37 Lakhs).

4) Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of F.Y. 2015-2016 wherein the department has claimed that the Industrial Input Certificate in respect of goods sold to the Industrial units was not issued and in the absence of the said certificate the concessional tax rates were applied.The department has raised the instant demand and asked the Company to file its objection agasint the said demand . Company has filed a detailed reply along with the Industrial Input certiifcate. The Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The Amount involved is Rs.30.92 Lakhs (March 31, 2021: Rs.30.92 Lakhs).

The Company is contesting the demands and based on past judicial precedents, favourable decisions, views from external experts, the management believes that its position will likely be upheld and will not have a material adverse impact on the Company's financial position and results of operation of the Company. Accoringly, no provision has been made in the financial statements.

(d) Other contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Guarantee given by the Company to lender of its subsidiary	**10,000.00**	13,500.00
Bank guarantees	**2,285.54**	1,815.23
Total	**12,285.54**	**15,315.23**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

36 Related party transactions

A) Related parties under IND AS-24 with whom transactions have taken place during the year

I. Subsidiary

Jai Suspension Systems LLP (till 27 May 2021) (refer note 46)

Jai Suspension Systems Pvt. Ltd (w.e.f. 28 May 2021)

Jai Suspensions Limited

Jai Automotive Components Limited

II. Key managerial personnel and their relatives

Mr. R.S. Jauhar	Chairman
Mr. P.S. Jauhar	Managing Director & CEO
Mr. H S Gujral	Director
Mr. S.P.S. Kohli	Executive Director
Mrs. Sonia Jauhar	Wife of Chairman
Mrs. Kirandeep Chadha	Sister of Chairman

III. Companies/Concerns controlled by KMP & their relatives

Jamna Agro Implements Private Limited

S.W. Farms Private Limited

Map Auto Limited (Also having significant influence over the Company)

36 Transactions with related parties

Nature of Transaction	Subsidaries		Companies/Concerns controlled by KMP & their relatives		Key management personnel and their relatives		Total	
Transactions during the year	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Raw materials and Components								
Jai Suspension Systems LLP	**164.12**	288.03	**-**	-	**-**	-	**164.12**	**288.03**
Jai Suspenssion Systems Private Limited	**113.09**	-	**-**	-	**-**	-	**113.09**	-
MAP Auto Limited	**-**	-	**-**	837.62	**-**	-	**-**	837.62
Purchase of plant property and equipement								
Jai Suspension Systems LLP	**-**	10.44	**-**	-	**-**	-	**-**	10.44
Jai Suspenssion Systems Private Limited	**17.45**	-	**-**	-	**-**	-	**17.45**	-
Job work charges								
MAP Auto Limited	**-**	-	**507.64**	324.43	**-**	-	**507.64**	324.43
Jamna Agro Implements Private Limited	**-**	-	**-**	-	**-**	-	**-**	-
Rent expense								
SW Farms Private Limited	-	-	-	26.17	**-**	-	**-**	26.17
Jamna Agro Implements Private Ltd.	-	-	-	38.23	**-**	-	**-**	38.23
Mrs Sonia Jauhar	-	-	-	-	**11.89**	11.89	**11.89**	11.89
Sale of goods								
Jai Suspension Systems LLP	**2,519.04**	12,775.56	**-**	-	**-**	-	**2,519.04**	12,775.56
Jai Suspenssion Systems Private Limited	**19,093.45**	-	**-**		**-**		**19,093.45**	-

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for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

36 Transactions with related parties (Contd.)

Nature of Transaction	Subsidiaries		Companies/Concerns controlled by KMP & their relatives		Key management personnel and their relatives		Total	
Transactions during the year	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Services (Bussiness Suport Service)								
Jai Suspenssion Systems Private Limited	**16.05**	-	-	-	-	-	**16.05**	-
Jai Automotive Components Limited	**21.87**	-	-	-	-	-	**21.87**	-
Sale of plant property and equipement								
Jai Suspension Systems LLP	-	0.53	-	-	-	-	-	0.53
Share of profits								
Jai Suspension Systems LLP	**117.44**	462.41	-	-	-	-	**117.44**	462.41
Interest income								
Jai Suspension Systems LLP	-	0.74	-	-	-	-	-	0.74
Jai Suspenssion Systems Private Limited	**0.31**	-	-	-	-	-	**0.31**	-
Jai Suspensions Limited	**62.56**	127.92	-	-	-	-	**62.56**	127.92
Jai Automotive Components Limited	**8.78**	-	-	-	-	-	**8.78**	-
Expense incurred on behalf of related party								
Jai Suspensions Limited	**44.28**	70.50	-	-	-	-	**44.28**	70.50
Jai Automotive Components Limited	**63.16**	43.74	-	-	-	-	**63.16**	43.74
Jai Suspenssion Systems Private Limited	-	-	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-	-	-
Mr. P S Jauhar	-	-	-	-	**308.53**	253.57	**308.53**	253.57
Mr. R S Jauhar	-	-	-	-	**232.22**	262.93	**232.22**	262.93
Mr. SPS Kohli	-	-	-	-	**38.57**	38.58	**38.57**	38.58
Mrs. Kirandeep Chadha	-	-	-	-	**19.15**	19.15	**19.15**	19.15
Loan given								
Jai Suspensions Limited	**100.00**	-	-	-	-	-	**100.00**	-
Jai Automotive Components Limited	**550.00**	-	-	-	-	-	**550.00**	-
Jai Suspenssion Systems Pvt Ltd	**214.00**	-	-	-	-	-	**214**	-
Repayment of loan received								
Jai Suspensions Limited	**1,651.35**	-	-	-	-	-	**1,651.35**	-
Jai Suspenssion Systems Pvt Ltd	**214.00**	-	-	-	-	-	**214.00**	-
Investment in subsidiaries made during the year								
Jai Automotive Components Limited	**1,700.00**	657.00	-	-	-	-	**1,700.00**	657.00
JAI Suspensions Limited	**2,000.00**	-	-	-	-	-	**2,000.00**	-
Jai Suspenssion Systems Pvt Ltd	**699.99**	-	-	-	-		**699.99**	-
Guarantee and collaterals								
Guarantee given by company for borrowing of related party	**7,500.00**	-	-	-	-	-	**7,500.00**	-
Jai Automotive Components Limited	**2,500.00**	-	-	-	-		**2,500.00**	-
Jai Suspension Systems LLP	-	-	-	-	-	-		-
Jai Suspension Systems Pvt Ltd	-	-	-	-	-	-	-	-
Withdrawal of guarantee given by Company for borrowing of related party	**13,500.00**	-	-	-	-	-	**13,500.00**	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

36 Transactions with related parties (Contd.)

	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Balances as at the year end								
Trade payable	**-**	495.14	**5.61**	-	**-**	-	**5.61**	495.14
Trade receivable	**2,569.16**	2,876.95	**-**	-	**-**	-	**2,569.16**	2,876.95
Other receivable	**10.60**	30.92	**-**	-	**-**	-	**10.60**	30.92
Interest receivable	**7.90**	288.55	**-**	-	**-**	-	**7.90**	288.55
Loan receivable	**650.00**	1,651.35	**-**	-	**-**	-	**650.00**	1,651.35
Investments	**7,431.98**	4,886.58	**-**	-	**-**	-	**7,431.98**	4,886.58
Guarantee given by Company for borrowings of the related party	**10,000.00**	13,500.00	**-**	-	**-**	-	**10,000.00**	13,500.00

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(b) All the liabilities for post retirement benefits being 'Gratuity' are provided on actuarial basis for the Company as a whole, the amount pertaining to Key management personnel are not included above.

(c) Transactions have been reported gross off Goods and Service Tax.

(d) Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

(e) For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loan to Subsidiary

For the terms on loan to subsidiary refer note 7.

Guarantee given by the Company

The Company has given the guarantee to the bank of Jai Suspension Systems Private Limited and Jai Automotive Components Limited (Subsidiary entity) for the utilisation of short term borrowing from the banks.

37 Segment Reporting

Ind AS 108 establishes standards for the way the Company report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company is engaged in the business of manufacturing of Automotive suspension which includes Parabolic/ Tapered leaf spring and Lift axle which constitute single reporting business segment. The entire operations are governed by the same set of risk and returns. Based on the "management approach" as defined in Ind AS 108, the management also reviews and measures the operating results taking the whole business as one segment and accordingly make decision about the resource allocation. In view of the same, separate segment information is not required to be given as per the requirements of Ind AS 108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Company has assessed that they carry same risk and rewards. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

37 Segment Reporting

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

The following is the distribution of the Company revenue of operations by geographical market, regardless of where the goods were produced:

Revenue from external customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	**162,431.96**	104,202.67
Outside India	**2,472.25**	1,067.99
Total	**164,904.21**	**105,270.66**

Sales to customers generating more than 10% of total revenue aggregates to INR 59,932.29 Lakhs (March 31, 2021 Rs.57,567.03 Lakhs)

Trade receivables from customers generating more than 10% of total revenue aggregates to INR 5,644.62 Lakhs (March 31, 2021: INR 5,208.91 Lakhs).

Trade receivable as per geographical locations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	**26,684.60**	18944.33
Outside India	**358.31**	124.92
Total	**27,042.91**	**19069.25**

The trade receivable information above is based on the location of the customers.(*restated refer Note - 51)

All other assets (other than trade receivable) used in the Company business are located in India and are used to cater both the customers (within India and outside India), accordingly the total cost incurred during the period to acquire the property, plant and equipment and intangible assets has not been disclosed.

38 Significant accounting judgements, estimates and assumptions

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

38 Significant accounting judgements, estimates and assumptions (Contd.)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black Scholes Option pricing model for ESOP scheme .The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 34.

Taxation

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

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. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized in the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

38 Significant accounting judgements, estimates and assumptions (Contd.)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 39 for such measurement.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease . The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

39 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Method of Fair Value	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets					
Security deposits paid	Amortised Cost	**353.31**	384.11	**353.31**	384.11
Investment	Fair Value through OCI	**47.29**	47.29	**47.29**	47.29
Loan	Amortised Cost	**803.08**	1,780.41	**803.08**	1,780.41
Government grant receivable	Amortised Cost	**666.33**	755.25	**666.33**	755.25
Contract Assets (unbilled revenue)	Amortised Cost	**1,056.50**	1,842.65	**1,056.50**	1,842.65
Other financial assets	Amortised Cost	**33.80**	370.12	**33.80**	370.12
Total		**2,960.31**	**5,179.83**	**2,960.31**	**5,179.83**
Financial liabilities					
Borrowings (including current maturities)*	Amortised Cost	**16,665.4**	11,468.13	**16,665.4**	11468.13
Lease liabilities	Amortised Cost	**779.68**	755.18	**779.68**	755.18
Other financial liabilities					
Security deposits received	Amortised Cost	**152.55**	142.69	**152.55**	142.69
Total		**17597.63**	**12,366 .00**	**17597.63**	**12,366 .00**

The management assessed that cash and cash equivalents, short-term borrowings, interest accrued but not due, trade receivables, trade payables and creditor for fixed asset, investor education and protection fund approximate their carrying amounts largely due to the short-term maturities of these instruments. (Refer note No- 51)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The security deposits (paid/received) are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics, and individual credit worthiness of the counterparty. Based on this evaluation allowances are taken into account for the expected losses of the security deposits.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

39 Fair values (Contd.)

Borrowing are evaluated by the Company based on parameters such as interest rates, specific country risk factors and prepayment.

The fair value of unquoted instruments, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual credit-worthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Lease obligations are evaluated by the company based on parameters such as interest rates, lease period and other lease terms.

40 Fair Value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Security deposits paid	**31-Mar-22**	**353.31**	**-**	**-**	**353.31**
Security deposits paid	31-Mar-21	384.11	-	-	384.11
Investments	**31-Mar-22**	**47.29**	**-**	**-**	**47.29**
Investments	31-Mar-21	47.29	-	-	47.29
Loan given	**31-Mar-22**	**803.08**	**-**	**-**	**803.08**
Loan given	31-Mar-21	1,780.41	-	-	1,780.41
Government grant receivable	**31-Mar-22**	**666.33**	**-**	**-**	**666.33**
Government grant receivable	31-Mar-21	755.25	-	-	755.25
Contract Assets (unbilled revenue)	**31-Mar-22**	**1,056.50**	**-**	**-**	**1,056.50**
Contract Assets (unbilled revenue)	31-Mar-21	1,842.65	-	-	1,842.65
Other financial assets	**31-Mar-22**	**33.80**	**-**	**-**	**33.80**
Other financial assets	31-Mar-21	370.12	-	-	370.12

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

40 Fair Value hierarchy (Contd.)

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022 :

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial liabilities					
Borrowings (including current maturities)	**31-Mar-22**	**16,665.40**	**-**	**-**	**16,665.40**
Borrowings (including current maturities)	31-Mar-21	11468.13	-	-	11468.13
Lease liabilities	**31-Mar-22**	**779.68**	**-**	**-**	**779.68**
Lease liabilities	31-Mar-21	755.18	-	-	755.18
Other financial liabilities					
Security deposits received	**31-Mar-22**	**152.55**	**-**	**-**	**152.55**
Security deposits received	31-Mar-21	142.69	-	-	142.69

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.The Company monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars	March 31, 2022	March 31, 2021
Borrowings including current maturities of long term borrwoing (refer note 16)*	16,665.40	11,468.13
Payable for purchase of fixed assets (refer note 21)	840.32	1,140.54
Net debts	**17,505.72**	**12,608.67**
Capital components		
Share capital	3,984.84	3,983.25
Other equity	64,323.23	54,888.42
Total equity	**68,308.07**	**58,871.67**
Capital and net debt	**85,813.79**	**71,480.34**
Gearing ratio (%)	**20.40%**	**17.64 %**

*restated - refer note 51

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

42 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors . This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective. In the event of crisis caused due to external factors such as caused by the pandemic ""COVID-19"", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(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. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations with floating interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases(including property, plant and equipment).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the translation into INR of its foreign operations by entering into forward contracts.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company’s profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company’s exposure to foreign currency changes for all other currencies is not material.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

42 Financial risk management objectives and policies (Contd.)

For the year ended March 31, 2022

Particulars	Change in currency rate (+/-)	Trade Receivables	Long Term Borrowings	Creditors for plant property and equipement	Trade Payables
EURO	1.00%	0.09	-	(1.26)	-
USD	1.00%	-	-	-	(0.01)

For the year ended March 31, 2021

Particulars	Change in currency rate (+/-)	Trade Receivables	Long Term Borrowings	Creditors for plant property and equipement	Trade Payables
EURO	1.00%	-	-	(4.08)	(0.23)
USD	1.00%	0.82	-	(0.34)	(0.39)

(b) Legal, taxation and accounting risk:

The Company is exposed to few legal and administrative proceedings arising during the course of business. The management makes an assessment of these pending cases and in case where it believes that loss arising from a proceeding is probable and can reasonably be estimated, the amount is recorded in the books of account. To mitigate these risks arising from the proceedings, the Company employs third party tax and legal experts to assist in structuring significant transactions and contracts.

(c) Credit risk

Credit risk is the risk that counterparty 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 from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The major customers of the Company are original equipment manufacturers (OEM's) which have a defined period for payment of receivables and from related party, hence the Company evaluates the concentration of risk with respect to trade receivables as low. At March 31, 2022, approximately 98% (March 31, 2021: 98%) of all the receivables outstanding were from OEMs and related party.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, all the minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 13. The Company does not hold collateral as security except in case of dealer's securities deposit in after market.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with the banks with high credit ratings. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as illustrated in Note 14.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds by doing liquidity planning. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, cash credits and advance payment terms.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

42 Financial risk management objectives and policies (Contd.)

Maturity profile of financial liabilities :

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2022						
Trade payables	16665.4	-	-	-	-	16665.40
Borrowing including current liabilities						
Lease obligations	-	66.12	173.51	487.12	971.55	1,698.30
Other financial liabilities (Excluding current maturities)	349.70	-	840.32	152.55	-	1,342.57
Total	**17015.10**	**19,155.53**	**1,013.83**	**639.67**	**971.55**	**38795.68**

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2021						
Trade payables	11468.13	-	-	-	-	11468.13
Borrowing including current liabilities	-	-	-	-	-	-
Lease obligations	-	75.00	172.01	575.03	1,150.68	1,972.72
Other financial liabilities (Excluding current maturities)	396.10	-	1,140.54	-	-	1,536.64
Total	**11,864.23**	**17,553.30**	**1,312.55**	**575.03**	**1,150.68**	**32455.79**

(e) Commodity price risk (Refer note- 51)

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchases of steel which is a volatile products and is major component of end product. The prices in these purchase contracts are linked to the price of raw steel and demand supply matrix. However, at present, the Company do not hedge its raw material procurements, as the price of the final product of the Company also vary with the price of steel which mitigate the risk of price volatility.

43 Share based payments

(A) The Company formulated an ESOP Scheme (referred as Company's Employee Stock Option Scheme, 2017) in accordance with SEBI (Share Based Employee Benefits) Regulation, 2014, which was duly approved in the Annual General Meeting of the Shareholders of the Company on August 1, 2017 and the Company also got in-principle approval from both NSE and BSE dated March 20, 2018 and March 27, 2018 respectively in respect of the said Scheme. Under the ESOP Scheme, the eligible employees shall be granted employee Stock Options which will be exercisable into equal number of equity shares of Rs 1/- each of the Company. The fair value of the share options is estimated at the grant date using a Black Scholes option pricing model, taking into account the terms and conditions upon which the share options were granted.

Details of the ESOP Scheme:

a) Total number of Options granted: 25,55,000 Stock Options

b) Grant date : 26 December,2020

c) Exercise Price: Rs.50 each Option.

d) Exercise Period: 3 years post vesting.

e) Fair value of option : Rs.31.10

f) Method of settlement: Equity.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

43 Share based payments (Contd.)

g) Vesting conditions: Employee remaining in the employment of the Company during the vesting period.

h) Vesting period: Vesting will start after one year from Grant Date i.e. 26 Dec, 2020

I year	II year	III year	IV year	V year
10%	10%	5%	0	75%

Particulars	March 31,2022				
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4	Vesting period-5
Outstanding Stock Options (number) at the beginning of the year	25,55,000	-	-	-	-
Options granted during the year	-	-	-	-	-
Options Lapsed during the year	-	-	-	-	-
Options vested during the year	2,55,500	-	-	-	-
Options exercised during the year	159,000	-	-	-	-
Options outstanding at the end of the year	2,396,000	-	-	-	-
Exercise Price	50	50	50		50
Vesting Date	27 December, 2021	27 December, 2022	27 December, 2023	27 December, 2024	27 December, 2025

Particulars	March 31, 2021				
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4	Vesting period-5
Outstanding Stock Options (number) at the beginning of the year	-	-	-	-	-
Options granted during the year	2,555,000	-	-	-	-
Options Lapsed during the year	-	-	-	-	-
Options vested during the year	-	-	-	-	-
Options exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	2,555,000	-	-	-	-
Exercise Price	50	50	50	-	50
Vesting Date	27 December 2021	27 December 2022	27 December 2023	27 December 2024	27 December 2025
Weighted Average remaining life as at March 31, 2021	0.74	1.74	2.74	3.75	4.75

The expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2022	March 31, 2021
Expense for the year (refer note 29)	**231.63**	66.18
Total	**231.63**	**66.18**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

43 Share based payments (Contd.)

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year :

Equity Shares	March 31, 2022		March 31, 2021	
	Number	WAEP	Number	WAEP
Outstanding at the beginning of the year	25,55,000	31.10	-	-
Granted during the year	-		25,55,000	31.10
Lapsed during the year	-	-	-	-
Exercised during the year	159,000	50.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	23,96,000	29.85	25,55,000	31.10
Exercisable at the end of the year	96,500	50.00	-	-

44 Deferred tax assets (net)

Particulars	March 31, 2022	March 31, 2021
Deferred tax assets (net)	730.32	494.45
Total	**730.32**	**494.45**

Income tax expenses reported in the statement of profit and loss comprises:	March 31, 2022	March 31, 2021
Current Income tax :		
Current Income tax charge	4674.16	2868.46
Deferred tax :		
Relating to origination and reversal of temporary differences	(266.73)	(275.16)
Income tax expenses reported in statement of profit and loss	**4,407.41**	**2,593.30**

Statement of other comprehensive income/(loss)	March 31, 2022	March 31, 2021
Net gain/(loss) on remeasurements of defined benefit plan	83.85	(61.26)
Deferred tax asset charged on above	(21.10)	15.42
Other comprehensive income/(loss) for the year net of tax	**62.75**	**(45.84)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

Particulars	March 31, 2022	March 31, 2021
Accounting profit before tax	17,453.2	10,265.11
Statutory income tax rate	25.17%	25.17%
Computed tax expenses	4,392.62	2,583.52
Adjustments in respect of current income tax of previous years	-	5.29
Deferred tax on remeasurement of defined benefit plan	-	15.42
Non-deductible expenses for tax purposes :		
Income not considered for tax purpose i.e.income from subsidiary	(29.56)	(116.38)
Expenses/(Income)not considered for tax purpose (Permanent differences)	44.37	117.92
Others	-	18.37
At the effective income tax rate of 25.25% (March 31, 2021: 25.26%)	4407.43	2,593.30

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

44 Deferred tax assets (net) (Contd.)

Deferred tax asset comprises the following:

Deferred tax asset / (liabilities)	Balance Sheet		During the year	
	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Property, plant and equipment - Impact of difference between tax depreciation and depreciation charged to financial statements	**(802.69)**	(692.97)	**(109.73)**	96.22
Adjustments in respect of deferred tax of previous years	**-**	-	**9.76**	(30.85)
Impact of Government grant deferred	**(289.92)**	(289.92)	**-**	(232.46)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis				
Allowance for doubtful debts	**63.54**	63.54	**-**	12.46
Provision for contingencies	**55.02**	35.24	**19.79**	(20.59)
Provision for price difference	**645.39**	428.17	**217.22**	37.33
Provision for warranty	**15.39**	24.32	**(8.93)**	1.10
Impact of Government grant deferred	**167.70**	190.08	**(22.38)**	190.08
Gratuity	**346.75**	320.96	**25.79**	50.56
Employee incentive	**9.37**	9.08	**0.29**	9.08
Leave encashments	**152.19**	175.94	**(23.74)**	39.55
Bonus payable	**54.87**	59.33	**(4.45)**	(18.95)
Other expenditure (net)	**312.71**	170.68	**142.03**	126.21
Total	**730.32**	**494.45**	**245.63**	**259.74**

Reconciliation of deferred tax assets (net)	March 31, 2022	March 31, 2021
Balance at the beginning of the year	**494.45**	203.86
Tax expenses recognised in statement of profit and loss	**245.63**	259.74
Tax expenses related to earlier years	**(9.76)**	30.85
Balance at the end of the year	**730.32**	**494.45**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Effective tax rate has been calculated on profit before tax.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

45 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Remarks for variance (in case of variance more than 25%)
Current ratio	Current Assets	Current Liabilities	**1.46**	1.28	14.46%	
Debt- Equity Ratio*	Total Debt (including lease liability)	Shareholder's Equity	**0.26**	0.21	23.00%	
Debt Service Coverage ratio	Earnings for Debt Service = Net Profit after Taxes + Non-Cash Operating Expenses	Debt Service = Interest & Lease Payments + Principal Repayments	**43.61**	15.21	(186.82)%	The Company generated higher profitability due to better capacity utilization and imporved effieciencies.
Return on Equity ratio	Net Profits after Taxes – Preference Dividend	Average Shareholder's Equity	**20.52%**	13.82%	(48.48%)	The Company generated higher profitability due to better capacity utilization and imporved effieciencies.
Inventory Turnover ratio	Cost of Goods Sold= Cost of Raw Material and Components consumed + Purchase of traded goods + Increase in Inventories of finished goods and work in progress	Average Inventory	**4.43**	4.07	8.75%	
Trade Receivable Turnover Ratio*	Net Sales =Sale of finished goods - Sales Return	Average Trade Receivable	**7.00**	7.69	(9.03%)	
Trade Payable Turnover Ratio	Net Purchases = Purchases of raw matgerials and components + Purchase of traded goods - Purchase Return	Average Trade Payables	**7.76**	8.99	(13.65%)	
Net Capital Turnover Ratio	Net Sales = Sale of finished goods - Sales Return	Working Capital = Current Assets – Current Liabilities	**8.05**	10.22	(21.30%)	
Net Profit ratio	Net Profit	Net Sales = Sale of finished goods - Sales Return	**8.08%**	7.43%	(8.74%)	
Return on Capital Employed	Earnings before Interest and Taxes	Capital Employed = Tangible net worth (Total equity) + Total debt - Deferred tax assets	**20.75%**	15.17%	(36.83%)	The Company generated higher profitability due to better capacity utilization and imporved effieciencies.
Return on Investment	Since there is no return on Company's investments, hence the ratio has not been computed					

*restated- refer note no. 51

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

46 During the current year, Jai Suspension Systems LLP (hereinafter referred to as "LLP") has been converted into a private limited company namely "Jai Suspension Systems Private Limited" by virtue of provisions of section 366 to 369 of the Companies Act, 2013 w.e.f 28th May 2021 vide Certification of Incorporation dated June 01, 2021 issued by the Registrar of Companies, NCT of Delhi & Haryana. On the basis of internal assessment, as well as legal advice, the management is of the view that such conversion should be tax-neutral in the hands of the LLP as well as the partners of LLP under the provisions of the Income-tax Act, 1961. Further, till the date of conversion, LLP earned profits for the period April 01, 2021 to May 27, 2021 and accordingly Rs. 117.44 Lakhs (share of profits) has been credited to the respective current accounts of the partners.

47 Revenue is measured by the Company at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of finished goods, the Company considers the effect of various factors such as price differences and volume based discounts, rebates and other promotion incentive schemes (""trade schemes"") provided to the customers. Adequate Provisions have been made for such price differences, and trade schemes, with a corresponding impact on the revenue. Accordingly, revenue for the current year is net of price differences, trade schemes, rebates, discounts, etc.

48 Company had given loan of Rs.100 lakhs to Jai Suspensions Limited repayable in 3 years in (equal quaterly installment) after moratorium period of two years at interest rate of 9% or 1 year MCLR + 0.65% spread p.a. whichever is higher and Rs.550 lakhs to Jai Automotive Components Limited repayble on demand at interest rate of 9% or 1 year MCLR + 0.65% spread p.a. whichever is higher.

49 Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

50 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company have transactions with companies struck off, which are listed below:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding at 31st March, 2022	Transactoins during the year ended 31st March, 2022	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding at 31st March, 2021	Relationship with the Struck off company, if any, to be disclosed
Sew Eurodrive India Pvt Ltd	Payables	**-**	**0.73**	Supplier	-	Supplier
Maxin Hydro Dynamic India Pvt Ltd	Payables	**0.75**	**4.04**	Supplier	-	Supplier
	Receivables	**-**	**-**	Supplier	(0.23)	Supplier
Fanuc India Pvt.Ltd.	Payables	**0.08**	**2.23**	Supplier	1.48	Supplier
Star Wire India Ltd.	Payables	**0.02**	**-**	Supplier	0.02	Supplier
Rajdeep Automation Pvt. Ltd.	Payables	**-**	**0.93**	Supplier	-	Supplier
Inox India Private Limited	Payables	**-**	**-**	Supplier	4.86	Supplier
Metz Lab Private Limited	Payables	**0.02**	**0.12**	Supplier	0.02	Supplier
Qfocus Engineering India (P) Ltd.	Payables	**-**	**0.62**	Supplier	-	Supplier
Schwing Stetter(India) Pvt Ltd	Receivables	**4.66**	**56.28**	Customer	6.92	Customer

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

50 Other Statutory Information (Contd.)

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

51 As at March 31, 2021, the Company presented its trade receivables, net of the amounts subject to bill discounting, for one of its principal customer, with a bank. The customer is of very high standing and with an impeccable payment record. As a result, trade receivables and bill discounting liabilities have each been understated by Rs. 11,468.13 lakhs as at March 31, 2021 since the Company saw no risk of any liability arising on this account. Nonetheless in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', even though the Company sees no risk of any liability arising on account of the bill discounting availed (wherein the bill discounting charges are borne by the customer), the trade receivable balance and bill discounting availed (and treated as a liability) at March 31, 2021 have been restated along with consequential changes in the standalone cash flow statement. There is no impact on the standalone profit before tax, profit after tax and total comprehensive income for the year ended March 31, 2021.

52 Amounts appearing as zero "0" in the standalone financial statements are below the rounding off norm adopted by the Company.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

INDEPENDENT AUDITOR'S REPORT

To the Members of **Jamna Auto Industries Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jamna Auto Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

As explained in Note 50 to the consolidated financial statements, trade receivable balance and short-term borrowings at March 31, 2021 have been grossed up by Rs 11,468.13 lakhs in accordance with the Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. There is no impact on the consolidated profit before tax, profit after tax and total comprehensive income for the year ended March 31, 2021. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recording of price adjustments and their impact on revenue recognition (as described in Note 47 of the consolidated financial statements)	
Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable from its customers. In determining the transaction price for the sale of products, the Group considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/share of business, rebates etc provided to the customers. The Group's business also requires passing on these credits related to price adjustments and others to the customers for the sales made by the Group. The Group, at the year end, has provided for such price adjustments to be passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors. The estimated liabilities on this account at the year-end is shown under note 18 to the financial statements and the same consequentially impacts the revenue appearing in note 24 to the financial statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	Our audit procedures included the following: o Assessed the Group's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; o Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price adjustments as per understanding with the customers, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls; o Evaluated management's methodology and assumptions used in the calculations of price adjustments as per arrangements with customers; o Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per arrangement with customers; o Tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations; o Performed analytical procedures to identify any unusual trends and identify any unusual items for further testing. Compared ratio of these price adjustments as a percentage of sales for both current year and previous year and tested the specific exception, if any.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion and Analysis and Business Responsibility Report but does not include the financial statements and our auditors Report thereon.

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

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

Responsibilities of Management for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of Rs 14,780.34 lakhs as at March 31, 2022, and total revenues of Rs 24,650.52 lakhs and net cash outflows of Rs. 28.14 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The consolidated balance sheet, the consolidated statement of profit and loss including the statement of other comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

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

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 35(c) to the consolidated financial statements;

      ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2022.

      iv. a) The respective management of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective management of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) The dividend declared or paid during the year/ subsequent to the year- end by the Holding Company, is in compliance with section 123 of the Act.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813AJJKEG4023

Place of Signature: Gurugram
Date: 21 May 2022

Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Jamna Auto Industries Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership number: 091813
UDIN: 22091813AJJKEG4023

Place: Gurugram
Date: 21 May 2022

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated financial statements of Jamna Auto Industries Limited

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

In conjunction with our audit of the consolidated financial statements of Jamna Auto Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813AJJKEG4023

Place of Signature: Gurugram
Date: 21 May 2022

CONSOLIDATED BALANCE SHEET

as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Note	As at March 31, 2022	As at March 31, 2021 (RESTATED)*
A	**Assets**			
1	**Non-current assets**			
	Property, plant and equipment	3	**35,885.07**	28,469.15
	Capital work in progress	3(a)	**5,343.29**	13,375.58
	Intangible assets	4	**182.82**	168.13
	Right-of-use assets	35(a)	**7,539.00**	6,454.79
	Financial assets			
	Investments	5	**47.29**	47.29
	Other financial assets	7	**383.63**	367.06
	Non current tax assets (net)	8	**373.22**	230.36
	Other non-current assets	9	**1,825.55**	2,160.95
	Deferred tax assets	10	**877.38**	635.52
			52,457.25	**51,908.83**
2	**Current assets**			
	Inventories	11	**31,324.40**	20,955.94
	Contract assets	12.2	**1,056.50**	2,046.53
	Financial assets			
	Loans	6	**264.24**	1,331.35
	Trade receivables	12.1	**28,856.80**	17,049.69
	Cash and cash equivalents	13A	**2,253.42**	3,802.11
	Other bank balances	13.1	**405.50**	315.81
	Other financial assets	7	**698.42**	857.46
	Other current assets	9	**2,003.11**	1,484.50
			66,862.39	47,843.39
	Total-Assets		**1,19,319.64**	**99,752.22**
B	**Equity and Liabilities**			
1	**Equity**			
	Equity share capital	14	**3,984.84**	3,983.25
	Other equity	15	**64,483.23**	54,017.41
	Equity attributable to equity holders of the parent company		**68,468.07**	58,000.66
	Non-controlling interest	15	**0.16**	0.14
	Total equity		**68,468.23**	**58,000.80**
2	**Non-current liabilities**			
	Financial liabilities			
	Borrowings	16	**-**	-
	Lease liabilites	35(a)	**1,089.44**	907.36
	Other financial liabilities	17	**162.85**	148.12
	Long term provisions	18	**1,853.17**	1,861.33
	Deferred government grant	19	**1,264.89**	1,411.78
			4,370.35	**4,328.59**
3	**Current liabilities**			
	Contract Liabilities	20.2	**1,967.87**	1,836.61
	Financial liabilities			
	Borrowings	16	**17,787.93**	11,468.13
	Lease liabilities	35(a)	**244.94**	171.35
	Trade payables			
	- Total outstanding dues of micro and small enterprises	20.1	**458.25**	470.37
	- Total outstanding dues of creditors other than micro and small enterprises	20.1	**19,795.09**	18,002.38
	Other financial liabilities	21	**1,267.45**	1,396.36
	Deferred government grant	19	**98.89**	141.34
	Liabilities for current tax (net)	22	**32.31**	-
	Short term provisions	18	**3,590.86**	2,429.84
	Other current liabilities	23	**1,237.47**	1,506.45
			46,481.06	**37,422.83**
	Total equity and liabilities		**1,19,319.64**	**99,752.22**

* refer note 50

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	24	**1,71,787.53**	1,07,947.84
Other income	25	**451.56**	992.96
Total income		**1,72,239.09**	**1,08,940.80**
Expenses			
Cost of raw materials and components consumed	27(a)	**1,15,778.09**	69,352.31
Purchase of traded goods	27(b)	**921.49**	633.12
Increase in inventories of finished goods and work in progress	28	**(4,340.96)**	(4,180.54)
Employee benefit expenses	29	**12,456.61**	11,176.11
Other expenses	30	**24,343.60**	17,720.52
Total expenses		**1,49,158.83**	**94,701.52**
Profit before finance costs, depreciation/amortisation expense and tax		23,080.26	14,239.28
Finance cost			
Finance costs	31	**318.96**	611.98
Finance income	26	**39.53**	18.97
Net finance cost		**279.43**	**593.01**
Depreciation and amortisation expense	32	**3,673.49**	3,558.09
Profit before tax		**19,127.34**	**10,088.18**
Tax expense	45		
Current tax		**5,318.59**	3,144.65
Deferred tax credit		**(271.68)**	(352.76)
Total tax expense		**5,046.91**	**2,791.89**
Profit for the year		**14,080.43**	7,296.29
Less: Share of minority in profits		**0.01**	0.01
Profit for the year		**14,080.42**	7,296.28
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
- Re-measurement (losses)/gains on defined benefit plans		**79.16**	(44.16)
- Income tax effect		**(20.06)**	7.64
Other comprehensive income for the year, net of tax		**59.10**	**(36.52)**
Total comprehensive income for the year, net of tax		**14,139.53**	**7,259.77**
Total comprehensive income for the year attributable to:			
Equity holders of the parent		**14,139.52**	7,259.76
Non-controlling interests		**0.01**	0.01
Earnings per equity share {par value INR 1 (absolute amount) per share}			
- Basic (in INR)	33	**3.53**	1.83
- Diluted (in INR)		**3.52**	1.83
Significant accounting policies	2.1		
The accompanying notes form an integral part of the financial statements			

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

(a) Equity share capital :

Particulars	No. of shares*	Amount
Equity shares of INR 1 each issued, subscribed and paid (refer note no 14)		
Balance as at April 1, 2020	39,81,86,585	3,983.25
Closing balance as at March 31, 2021	**39,81,86,585**	**3,983.25**
Add : Allotment of share (under ESOP scheme) (refer note no 43)	1,59,000	1.59
Closing balance as at March 31, 2022	**39,83,45,585**	**3,984.84**

* No. of shares issued, subscribed and fully paid only.

(b) Other equity (refer note no. 15)

Particulars	Capital reserve	Amalgamation reserve	Capital redemption reserve	Securities premium account	General reserve	Retained Earnings	Share based payment reserve	Total	Non-controlling interest	Total equity including Non-controlling interest
As at April 1, 2020	315.71	1,481.46	400.00	15,117.60	4,077.62	26,294.88	-	47,687.27	0.13	47,687.40
Add: Profit for the year	-	-	-	-	-	7,296.29	-	7,296.29	-	7,296.29
Add: Security premium for the year	-	-	-	-	-	-	-	-	-	-
Less: Dividend paid	-	-	-	-	-	(995.81)	-	(995.81)	-	(995.81)
Add: Non controlling interest during the year									0.01	0.01
Add Option granted during the year	-	-	-	-	-	-	66.18	66.18	-	66.18
Add: Other comprehensive income for the year	-	-	-	-	-	(36.52)	-	(36.52)	-	(36.52)
As at March 31, 2021	**315.71**	**1,481.46**	**400.00**	**15,117.60**	**4,077.62**	**32,558.84**	**66.18**	**54,017.41**	**0.14**	**54,017.55**
Add: Profit for the year	-	-	-	-	-	14,080.43	-	14,080.43	-	14,080.43
Add: Security premium for the year	-	-	-	77.92	-	-	-	77.92	-	77.92
Less: Final dividend paid during the year	-	-	-	-	-	(1,991.63)	-	(1,991.63)	-	(1,991.63)
Less: Interim dividend paid	-	-	-	-	-	(1,991.63)		(1,991.63)	-	(1,991.63)
Add Option granted during the year	-	-	-	-	-	-	231.63	231.63	-	231.63
Add: Non controlling interest during the year	-	-	-	-	-	-	-	-	0.02	0.02
ESOP reserve transferred to General reserve	-	-	-	-	49.45	-	(49.45)	-	-	-
Add: Other comprehensive income for the year	-	-	-	-	-	59.10	-	59.10	-	59.10
As at March 31, 2022	**315.71**	**1,481.46**	**400.00**	**15,195.52**	**4,127.07**	**42,715.11**	**248.36**	**64,483.23**	**0.16**	**64,483.39**

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the financial statements
As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507
Place : New Delhi
Date May 21,2022

Shakti Goyal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)*
A. Cash flow from operating activities		
Profit before tax	**19,127.34**	10,088.18
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	**3,673.49**	3,558.09
(Gain)/loss on sale of property, plant and equipment	**(26.66)**	60.02
Finance cost	**318.96**	611.98
Finance income	**(39.53)**	(18.97)
Excess provision no longer required written back	**(8.57)**	(587.47)
Impairment allowance for trade receivables and advances considered doubtful	**(2.30)**	48.07
Government grant and export incentive income recognised	**(189.33)**	(215.87)
Provision for Government grant recoverable	**88.92**	396.71
Employee stock option expenses	**231.63**	66.18
Unrealised foreign exchange loss (net)	**(7.18)**	(195.85)
Operating profit before working capital changes	**23,166.77**	**13,811.07**
Changes in operating assets and liabilities:		
Increase in trade payable and other current liabilities	**1,651.70**	17,480.81
Increase in provision (Non current & current)	**1,232.02**	648.60
Increase in trade receivables	**(11,799.41)**	(9,051.37)
Increase in inventories	**(10,368.46)**	(7,957.94)
Decrease/(increase) in loans	**1,067.11**	(1,244.50)
Movement in government grant	**-**	19.15
Increase in other financial liabilities	**14.73**	-
Decrease/ (increase) in other assets & other financial assets	**564.62**	(929.66)
Cash generated from operations	**5,529.08**	12,776.16
Direct taxes paid (net)	**(5,420.28)**	(2,770.76)
Net cash flow from operating activities	**108.80**	**10,005.40**
B. Cash flow from investing activities		
Purchase for property, plant and equipment (including costs for Right-of-use asset)	**(3,702.78)**	(3,260.62)
Proceeds from sale of property, plant and equipment	**38.16**	1,459.32
Investment in fixed deposits	**6.60**	(9.97)
Interest received (finance income)	**41.92**	17.61
Net cash used in investing activities	**(3,616.10)**	**(1,793.66)**

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)*
C. Cash flow from financing activities		
Proceeds from shares issued under ESOP scheme	**79.50**	-
Dividend paid (including dividend distribution tax) and deposit to investor education & protection fund	**(3,983.25)**	(995.81)
Payment of principal portion of lease liabilities	**(287.93)**	(211.65)
Repayment of long term borrowings	**-**	(5,491.96)
Proceeds from short term borrowings (net)	**6,319.80**	2,860.94
Interest paid	**(169.51)**	(642.48)
Net cash flow from/(used in) financing activities	**1,958.61**	**(4,480.96)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(1,548.69)**	**3,730.78**
Cash and cash equivalents at the beginning of the year	**3,802.11**	71.33
Cash and cash equivalents at the end of the year	**2,253.42**	3,802.11
Components of cash and cash equivalents:		
Cash in hand	**17.98**	12.86
Balances with scheduled banks		
- On current account	**2,235.44**	3,789.25
	2,253.42	**3,802.11**

The above cash flow statement has been prepared under the " Indirect Method" as set out in Indian Accounting Standard-7 , "Statement of cash flow".

* refer note 50

Refer note 13B for change in financing activities disclosure pursuant to amendment to Ind AS 7.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

per Pankaj Chadha
Partner
Membership No.: 091813

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place: Gurugram
Date: May 21, 2022

Place : New Delhi
Date May 21,2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Jamna Auto Industries Limited (the company) and its subsidiaries, Jai Suspension Systems LLP (till 27 May 2021), Jai Suspension Systems Private Limited (w.e.f 28 May 2021), Jai Suspensions Limited and Jai Automotive Components Limited (collectively, referred as the Group) for the year ended March 31, 2022. The Group is engaged in manufacturing and selling of Tapered Leaf, Parabolic Springs and Lift Axles. The Group has its manufacturing facilities at Malanpur, Chennai, Yamuna Nagar, Jamshedpur, Hosur, Pillaipakkam and Pune.

The Company is public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Jai Spring Road, Yamuna Nagar, Haryana —135001

The consolidated financial statements were approved for issue in accordance with a resolution of the board of directors on May 21, 2022.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value as referred in the accounting policies:

(a) Certain financial assets and liabilities measured at fair value and

(b) Derivative financial instruments.

The consolidated financial Statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR 00,000), except wherever otherwise stated.

2.1 Basis of Consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2022.

Consolidation procedure:

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non—controlling interests, even if this results in the non—controlling interests having a deficit balance.

2.2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

b) Foreign currencies

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (‘the functional currency’). The financial statements are presented in Indian Rupee (INR), which is the Group’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

c) Property, plant and equipment (PPE)

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

- Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

- The Group identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant Equipment, i.e., when the Group intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment

Cost of leasehold improvements on property, plant and equipment are amortized on a straight-line basis over the period of lease or their useful lives, whichever is shorter.

Depreciation on other property, plant and equipment is calculated on a straight-line basis using rates arrived at based on the useful lives estimated by the management. The Group identifies and determines cost of each component/part of the asset separately, if the Component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining components of the asset. These components are depreciated separately over their useful lives and the remaining components are depreciated over the useful life of the principal assets. The Group has used following estimated useful life to provide depreciation on its property, plant and equipment:

Particulars	Estimated Useful Life (Years)
Factory buildings	30
Other buildings	60
Plant and machinery[1]	15-20
Research and development equipment	1
Furniture and fixtures[2]	4
Vehicles[2]	4
Office equipment[2]	3
Computers	3

1. The management has estimated, supported by independent assessment, the useful life of certain plant and machinery as 20 years, which is higher than those indicated in schedule II of the Companies Act 2013.
2. The management has estimated, based on its internal assessment and past experience, the useful life of these blocks of assets as lower than the life indicated for respective block of assets in schedule II of the Companies Act 2013.

Residual value of plant and machinery is considered at 5%.

Property, plant and equipment individually costing up to INR 0.05 lakhs are depreciated at the rate of 100 percent.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The useful lives of the intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Software is amortized on a straight-line basis over the period of five years.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

Group as a lessee

The Group's lease asset classes primarily comprise of lease for Land & Building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

(i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

'Lease liabilities' and 'Right of Use Assets' have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs that an entity incurs in connection with the borrowing of funds and charged to Statement of Profit & Loss. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

g) Impairment of non-financial asset

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the forecast period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

h) Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Investments in quoted and unquoted equity instruments are recognized at fair value through Other Comprehensive income.

i) Inventories

Raw materials, components and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

Traded goods are valued at cost.

Scrap is valued at net realizable value.

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. Obsolete and non-moving inventory are determined on the basis of regular review and are valued at net realizable value or cost whichever is lower.

j) Revenue from Contract with customers

The Group manufactures and sells a range of automobile suspension products. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized:

1) Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

(i) Warranty Obligations

The Group generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), consistent with its current practice. The Group adjust the transaction price for the time value of money where the period between the transfer of the promised goods or services to the customer and payment by customer exceed one year.

(ii) Significant financing components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(iii) Schemes

The Group operates several sales incentive programs wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme program such as credit notes, tours, reimbursement etc. Revenue from contract with customer is presented deducting cost of all these schemes.

2) Service income

Job work charges are accrued, as and when services are performed.

3) Interest income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "other income" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Finance income" in the statement of profit and loss.

4) Share of profit from LLP

Share of profit from LLP is recognized when the right to receive share of profit is established.

5) Export incentives

Export incentives are accrued in the underlying period of export sales in accordance with the terms of the export benefit scheme, provided that there is no significant uncertainty regarding the entitlement to the credit and the amount thereof.

Contract balances

(i) Trade receivables

A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (x) Financial instruments – initial recognition and subsequent measurement.

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(ii) Contract Assets

Contract assets relates to revenue accrued during the year but not billed to the customer at the period end.

(iii) Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates three defined benefit plans for its employees i.e. gratuity, long service award and benevolent fund. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for these plans using the projected unit credit method.

Re-measurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

l) Taxes

Tax expense for the year comprises of current tax and deferred tax.

Current Income Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for all deductible timing differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement” under the head deferred tax assets. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

m) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments which are classified as equity-settled transactions.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised as an employee benefit expense with a corresponding increase in ‘Share Based Payment Reserve’ in other equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions.

Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

n) Segment reporting

Identification of segments - The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

Segment accounting policies - The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

o) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

p) Earnings 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 period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

q) Provisions

General

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty provision

Provision for warranty related costs are recognized when the product is sold. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

Provision for price difference

The Group recognizes the price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimates and management's assessment, considering the past trend and various other factors. These provisions are reviewed on a regular basis and adjusted with respective element with statement of profit and loss from the adequacy and reasonability point of view.

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r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

t) Dividend

The Group recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorized, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, interest income, finance costs and tax expense.

v) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether

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transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Financial guarantee
- Financial instruments (including those carried at amortized cost)

w) Suppliers Credit / Vendor Bill Discounting

The Holding Company enters into deferred payment arrangements (acceptances) whereby banks/financial institutions initially make payment to Holding Company's suppliers for raw materials, goods and services directly, while the Holding Company continues to recognize the liability till settlement with the bank/financial institution at a later date, which is normally effected within a period of 90 days.

The arrangement provides working capital timing benefits and the economic substance of the transaction is determined to be operating in nature. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements are recognized as 'Acceptances' under Trade Payables. Interest borne by the Holding Company on such arrangements is accounted under the head 'Finance Cost'.

x) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are only classified as debt instruments at amortized cost.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) **Business Model Test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) **Cash Flow Characteristics Test:** Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed

an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk of the Group has not increased significantly, 12-month ECL is used to provide for impairment loss.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 16 .

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Financial guarantee contracts

Financial guarantee contracts obtained by the Group are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the Group fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the financial guarantee is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization in accordance with the principles of Ind AS 115.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

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- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.These amendments had no impact on the financial statements of the Group.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020. These amendments had no impact on the financial statements of the Group.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS. These amendments had no impact on the financial statements of the Group.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the financial statements of the Group.

3 Property, plant and equipment

Particulars	Freehold land	Leasehold Improvment	Building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computer hardware	Total tangible assets
Gross Block									
As at April 1, 2020	4,263.41	10.46	9,880.56	29,274.85	257.01	335.81	197.51	194.94	44,414.55
Less: adjustment (refer note 1 below)	676.51	-	-	-	-	-	-	-	676.51
Add: Additions	-	10.35	1,769.40	499.58	53.47	202.08	57.81	29.80	2,622.49
Less: Disposals	-	-	64.79	784.58	2.19	26.20	1.16	35.66	914.58
As at March 31, 2021	**3,586.90**	**20.81**	**11,585.17**	**28,989.85**	**308.29**	**511.69**	**254.16**	**189.08**	**45,445.95**
Add: Additions	-	111.26	1,656.32	8,524.03	23.97	182.48	80.46	102.71	10,681.23
Less: Disposals	-	-	-	47.70	12.04	71.07	11.41	18.17	160.39
As at March 31, 2022	**3,586.90**	**132.07**	**13,241.49**	**37,466.18**	**320.22**	**623.10**	**323.21**	**273.62**	**55,966.79**
Accumulated Depreciation									
As at April 1, 2020	12.73	4.84	1,436.11	12,689.09	131.58	179.46	155.31	126.51	14,735.63
Less: adjustments (refer note 1 below)	12.73	-	-	7.31	-	-	-	-	20.04
Add: Charge for the year	-	1.69	448.86	2,428.27	71.49	89.25	49.09	42.04	3,130.69
Less: Disposals	-	-	64.79	747.19	1.28	25.38	1.08	34.46	874.18
As at March 31, 2021	**-**	**6.53**	**1,820.18**	**14,362.86**	**201.79**	**243.33**	**203.32**	**134.09**	**16,976.81**
Add: Charge for the year	-	57.38	499.21	2,442.59	51.28	111.60	51.06	40.69	3,253.81
Less: Disposals	-	-	-	47.56	11.29	60.71	11.36	17.97	148.89
As at March 31, 2022	**-**	**63.91**	**2,319.39**	**16,757.89**	**241.78**	**294.22**	**243.02**	**156.81**	**20,081.73**
Net carrying amount									
As at March 31, 2022	**3,586.90**	**68.16**	**10,922.10**	**20,708.29**	**78.44**	**328.88**	**80.19**	**116.81**	**35,885.07**
As at March 31, 2021	**3,586.90**	**14.28**	**9,764.99**	**14,626.99**	**106.50**	**268.00**	**50.84**	**54.99**	**28,469.15**

Note 1: Based on contractual agreement, a portion of land representing right of use asset was transferred thereto during the previous year. The said reclassification did not have material impact on the financial statements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

3 (a) Capital Work-in-progress (CWIP)

i) For Capital-work-in progress, ageing as at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,429.47	150.11	3,746.61	17.10	5,343.29
Projects temporarily suspended	-	-	-	-	-
Total	**1,429.47**	**150.11**	**3,746.61**	**17.10**	**5,343.29**

ii) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule as at March 31, 2022

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Jamshedpur Plant-Parabolic Line	1,183.14	-	-	-	1,183.14
Malanpur Plant-Parabolic Line	2,122.46	-	-	-	2,122.46
Total	**3,305.60**	**-**	**-**	**-**	**3,305.60**

iii) For Capital-work-in progress, ageing as at March 31, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,911.01	9,623.94	819.60	21.03	13,375.58
Projects temporarily suspended	-	-	-	-	-
Total	**2,911.01**	**9,623.94**	**819.60**	**21.03**	**13,375.58**

iv) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule as at March 31, 2021

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Malanpur Plant (Parabolic Line)	3,201.62	-	-	-	3,201.62
Chennai Plant (Parabolic Line)	5,592.52	-	-	-	5,592.52
Jamshedpur Plant (Parabolic Line)	1,191.29	-	-	-	1,191.29
Total	**9,985.43**	**-**	**-**	**-**	**9,985.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

4 Intangible Assets

Particulars	Computer Software	Total Intangible assets
Cost		
As at April 1, 2020	406.29	406.29
Add: Additions	25.55	25.55
As at March 31, 2021	**431.84**	**431.84**
Add: Additions	105.95	105.95
As at March 31, 2022	**537.79**	**537.79**
Accumulated amortisation		
As at April 1, 2020	180.00	180.00
Add: Amortisation for the year	83.71	83.71
As at March 31, 2021	**263.71**	**263.71**
Add: Amortisation for the year	91.26	91.26
As at March 31, 2022	**354.97**	**354.97**
Net carrying amount		
As at March 31, 2022	**182.82**	**182.82**
As at March 31, 2021	**168.13**	**168.13**

5 Investments

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through OCI (fully paid up)		
Unquoted equity shares		
100 equity share of INR 655 each in TCP Limited (March 31, 2021 : 100 equity shares of INR 655 each)	**0.66**	0.66
466,263 equity share of INR 10 each in IND Bharath Powergencom Limited (March 31, 2021 : 466,263 shares of INR 10 each)	**46.63**	46.63
Total	**47.29**	**47.29**

6 Financial assets - Loans (considered good)

Particulars	Current	
	As at March 31, 2022	As at March 31, 2021
Inter Corporate Deposits (secured)*	**105.00**	1,200.00
Loan to employees (unsecured)	**159.24**	131.35
Total	**264.24**	**1,331.35**

During the period, the Subsidiary “Jai Suspension Systems Private Limited “ has signed a Business Transfer Agreement (BTA) with M/s Kalka Steels, a partnership firm, to acquire their tractor parts business i.e. manufacturing of tractor seats on going concern basis subject to fulfillment of conditions stated therein. The subsidiary has agreed to pay a lump sum consideration of INR 50 Lakhs (subject to certain adjustment as on BTA closing date) and shall takeover the manufacturing business of Tractor Seats along-with Employees, Plant and Machinery, Current Assets & Liabilities etc except Land & Building.

*The subsidiary company has advanced a loan to a firm M/s Kalka Steels during the year for General Corporate Purposes payable on demand and secured by a Demand Promissory Note. Rate of interest applicable is 7% p.a. (Mar 31, 2021: The subsidiary company had advanced a loan to a company called AIS Glass Solutions Limited (GS) during the year for General Corporate Purposes payable within 60 days secured by a Demand Promissory Note. Rate of interest applicable is 7% p.a. payable on repayment date)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

7 Other financial assets

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security deposits at amortised cost	379.53	362.96	5.63	34.92
Non current bank balances (refer note 13.1)	4.10	4.10	-	-
Balance with sales tax, excise and custom authorities	-	-	23.76	62.20
Government grant receivable				
- considered good	-	-	666.33	755.25
- considered doubtful	-	-	485.63	396.71
Interest accrued	-	-	2.70	5.09
Total	**383.63**	**367.06**	**1,184.05**	**1,254.17**
Less: Provision for Government grant*	-	-	(485.63)	(396.71)
Grand Total	**383.63**	**367.06**	**698.42**	**857.46**

*As at the balance sheet date, in accordance with Ind AS accounting, the revenue recognised has exceeded by INR 485.63 Lakhs (March 31, 2021- INR 396.71 lakhs) than the amount actually received till date in lieu of the government grant receivable. The Group expects to recover the same in due corse ,within a period of 12 months from the balance sheet date, however considering ongoing delays, based on princples of expected credit loss, the Group has recorded a provision for impairment of amount recoverable equivalent to the revenue recognised over and above the actual receipt i.e. INR 485.63 lakhs (INR 396.71 lakhs upto March 31, 2021).

8 Tax assets (net)

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance income tax (net)	373.22	230.36	-	-
Total	**373.22**	**230.36**	**-**	**-**

9 Other assets

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital advances				
Unsecured considered good	1,074.19	1,369.85	-	-
Unsecured considered doubtful	21.23	21.93	-	-
Sub Total	1,095.42	1,391.78	-	-
Less: Provision for doubtful advances	(21.23)	(21.93)	-	-
Total (A)	**1,074.19**	**1,369.85**	**-**	**-**
Advance to suppliers				
- considered good	-	-	479.04	438.94
- considered doubtful	41.52	41.52	-	-
Prepaid expenses	366.95	343.77	313.27	173.28
Deferred Rent	111.56	112.20	1.28	1.28
Balance with government authorities	-	-	1,109.82	687.18
Duty paid under protest	231.15	199.67	-	-
Other recoverable in cash or kind				
- considered good	45.06	138.82	99.70	183.82
- considered doubtful	-	-	12.43	12.43
Less :- Allowances for doubtful advances	(44.88)	(44.88)	(12.43)	(12.43)
Total (B)	**751.36**	**791.10**	**2,003.11**	**1,484.50**
Grand Total (A+B)	**1,825.55**	**2,160.95**	**2,003.11**	**1,484.50**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

10 Deferred tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for bad and doubtful debts	66.40	67.51
Provision for contingency	**55.01**	35.24
Provision for price difference	**645.39**	491.68
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**1,200.56**	981.92
Total deferred tax asset	**1,967.36**	**1,576.35**
Less :- Deferred tax liability		
Excess of depreciation/ amortisation on fixed assets under income tax law over depreciation/ amortisation provided in accounts	**(807.44)**	(696.85)
Others	**(282.53)**	(243.98)
Total deferred tax (liabilities)	**(1,089.98)**	**(940.83)**
Deferred tax assets (net)	**877.38**	**635.52**
Deferred tax assets (net)	**877.38**	**635.52**

11 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw material (at cost) [includes goods in transit: INR 229.59 Lakhs (March 31, 2021: INR 282.72 Lakhs)	10,442.73	5,331.51
Components (at cost)	1,522.36	1,214.01
Work-in-progress (at cost)	3,348.52	2,254.21
Finished goods (at lower of cost or net realisable value) [includes sales in transit: INR 1,463.57 Lakhs (March 31, 2021: INR 1,132.54 Lakhs)]	13,193.01	10,117.02
Traded goods (at cost)	**439.84**	213.70
Stores and spares (at cost)	**1,986.13**	1,604.34
Scrap (at net realisable value)	**391.81**	221.15
Total	**31,324.40**	**20,955.94**

12 Trade receivables and contract assets

12.1 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**28,856.80**	17,049.69
Total	**28,856.80**	**17,049.69**
There is no security against the trade receivables. The breakup is as follows:-		
Unsecured, considered good	**28,856.80**	17,049.69
Unsecured, considered doubtful	**263.84**	263.84
Total	**29,120.64**	**17,313.53**
Less: Allowance for unsecured, considered doubtful	**(263.84)**	(263.84)
Total	**28,856.80**	**17,049.69**

*refer Note 50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

12 Trade receivables and contract assets (Contd..)

12.1 Trade receivables (Contd..)

Trade receivable includes receivable amounting to INR 17,787.91 Lakhs (March 21: INR 11,468.13 Lakhs) from a customer, which are subject to bill discounting arrangement under the tripartite agreement between the Parent Company, Kotak Mahindra Bank Ltd and the customer, where the obligation to pay may arise due to unforeseen event of default by the Parent Company's customer which is initially identified by the said customer to the bank. The Parent Company therefore continues to recognise the transferred assets and liability in the financial statements.

No trade receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer Note 36.

Trade receivables Ageing Schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	21,893.06	6,899.72	64.02	-	-	-	28,856.80
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	120.98	25.11	72.23	45.51	263.84
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	
Disputed Trade receivables - considered good	-	-	-	-	-	-	
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**21,893.06**	**6,899.72**	**185.00**	**25.11**	**72.23**	**45.51**	**29,120.64**
Less: Allowance for credit loss	-	-	-	-	-	-	263.84
Net Trade Receivables							**28,856.80**

Trade receivables Ageing Schedule

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total (Restated)*
Undisputed Trade Receivables – considered good	15,499.94	1,540.00	9.75	-	-	-	17,049.69
Undisputed Trade receivable – credit impaired	-	120.98	25.12	72.23	45.51	-	263.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

12 Trade receivables and contract assets (Contd..)

12.1 Trade receivables (Contd..)

Trade receivables Ageing Schedule (Contd..)

As at 31 March 2021 (Contd..)

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total (Restated)*
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**15,499.94**	**1,660.98**	**34.87**	**72.23**	**45.51**	**-**	**17,313.53**
Less: Allowance for credit loss	-	-	-	-	-	-	263.84
Net Trade Receivables							**17,049.69**

*refer note 50

12.2 Contract assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Revenue		
Total	**1,056.50**	**2,046.53**
Current	**1,056.50**	2,046.53
Non Current	**1,056.50**	2,046.53

13 Cash and bank balances

13A Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
On current account	**2,235.44**	3,789.25
Cash on hand	**17.98**	12.86
Total	**2,253.42**	**3,802.11**

13B Changes in liabilities arising from financing activities

Particulars	April 01, 2021	Cash Flows	Other	March 31, 2022
Current borrowings	11,468.13	6,319.80	-	**17,787.93**
Current lease liabilities	177.10	(287.93)	355.77	**244.94**
Non-current borrowings	-	-	-	**-**
Non-current lease liabilities	1,881.67	-	(792.23)	**1,089.44**
Total liabilities arising from financing activities	**13,526.90**	**6,031.87**	**(436.47)**	**19,122.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

13 Cash and bank balances

13B Changes in liabilities arising from financing activities

Particulars	April 01, 2020	Cash Flows	Foreign Exchange	Other	March 31, 2021
Current borrowings	8,607.19	2,860.94	-	-	11,468.13
Current lease liabilities	5.75	-	-	171.35	177.10
Non-current borrowings	5,639.57	(5,491.96)	(147.61)	-	-
Non-current lease liabilities	974.31	-	-	907.36	1,881.67
Total liabilities arising from financing activities	**15,226.82**	**(2,631.02)**	**(147.61)**	**1,078.71**	**13,526.90**

13.1 Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
On unpaid dividend account	**349.70**	253.41
Fixed deposits with original maturity of more than 12 months #	**4.10**	4.10
Fixed deposits with original maturity of more than 3 months and less than 12 months	**55.80**	62.40
Total	**409.60**	**319.91**
Amount disclosed under non current assets (refer note 7)	**(4.10)**	(4.10)
Total	**405.50**	**315.81**

Includes fixed deposit kept as margin money INR 4.10 Lakhs (March 31, 2021: INR 4.10 Lakhs)

14 Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised share capital (amount per share in absolute rupees)		
63,88,65,000 (March 31, 2021: 63,88,65,000) equity shares of INR 1 each	**6,388.65**	6,388.65
350,000 (March 31, 2021: 350,000) 12.50% optionally convertible cumulative preference shares of INR 100 each	**350.00**	350.00
Total	**6,738.65**	**6,738.65**
Issued, subscribed and paid up equity shares (amount per share in absolute rupees)		
Subscribed and fully paid (398,345,585 (March 31, 2021: 398,186,585) equity shares of INR 1 each)	**3,983.46**	3,981.87
Subscribed but not fully paid (2,77,300 (March 31, 2021: 2,77,300) equity shares of INR 1 each, amount called up INR 1 each)	**2.77**	2.77
Less: Call in arrears (held by other than directors)	**(1.39)**	(1.39)
Total	**3,984.84**	**3,983.25**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

14 Share capital

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Share - Subscribed and fully paid up				
At the beginning of the year	39,81,86,585	3,981.87	39,81,86,585	3,981.87
Add : Allotment of share (under ESOP scheme) (refer note no 43)	1,59,000	1.59		
Add : Partial paid up converted to fully paid up	-	-	-	-
At the end of the year	**39,83,45,585**	**3,983.46**	**39,81,86,585**	**3,981.87**
Equity Share - Subscribed but not fully paid up				
At the beginning of the year	2,77,300	2.77	2,77,300	2.77
At the end of the year	2,77,300	2.77	2,77,300	2.77

b. Term and Rights attached to equity shares

Each shareholder is entitled to one vote per share. The Group pays and declares dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Group :

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class
MAP Auto Limited	13,50,05,021	33.87%	13,50,05,021	33.88%
Pradeep Singh Jauhar	2,58,44,323	6.48%	2,28,44,323	5.73%

As per records of the Group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Shares reserved from issued under options

For details of shares reserved for issue under the share based payment plan of the Company, please refer note no 43.

e. Forfeited shares (amount originally paid up, included in capital reserve)

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity share capital (2,81,900 equity shares (March 31, 2021: 2,81,900) of INR 1 (absolute amount) each, amount called up INR 1 (absolute amount) each.	2,81,900	1.45	2,81,900	1.45
	2,81,900	**1.45**	**2,81,900**	**1.45**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

14 Share capital

f. Details of shares held by promoters

As at 31 March 2022

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1) Pradeep Singh Jauhar	2,28,44,323	30,00,000	2,58,44,323	6.48	0.75
2) Randeep Singh Jauhar	1,75,16,360	-	1,75,16,360	4.39	-
3) Bhupinder Singh Jauhar	71,03,240	-	71,03,240	1.78	-
4) Sonia Jauhar	32,31,860	(30,00,000)	2,31,860	0.06	(0.75)
5) Kirandeep Chadha	23,000	-	23,000	0.01	-
6) Map Auto Limited	13,50,05,021	-	13,50,05,021	33.87	-
7) S W Farms Private Limited	1,24,89,630	-	1,24,89,630	3.13	-
8) Jamna Agro Implements Private Limited	10,22,000	-	10,22,000	0.26	-
Total	**19,92,35,434**	**-**	**19,92,35,434**	**49.98**	**-**

Details of shares held by promoters

As at 31 March 2021

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1) Pradeep Singh Jauhar	2,15,21,070	13,23,253	2,28,44,323	5.73	0.33
2) Randeep Singh Jauhar	1,75,16,360	-	1,75,16,360	4.40	-
3) Bhupinder Singh Jauhar	71,03,240	-	71,03,240	1.78	-
4) Sonia Jauhar	32,31,860	-	32,31,860	0.81	-
5) Kirandeep Chadha	10,000	13,000	23,000	0.01	-
6) Map Auto Limited	13,20,32,728	29,72,293	13,50,05,021	33.88	0.75
7) S.W. Farms Private Limited	1,24,89,630	-	1,24,89,630	3.13	-
8) Jamna Agro Implements Private Limited	10,00,000	22,000	10,22,000	0.26	0.01
Total	**19,49,04,888**	**43,30,546**	**19,92,35,434**	**50.00**	**1.09**

15 Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account		
Balance at the beginning of the year	**15,117.60**	15,117.60
Add : Premium on issue of shares under options (Refer note no 43)	**77.92**	-
Add : Premium on conversion of partially paid shares to fully paid	**-**	**-**
Balance at the end of the year	**15,195.52**	15,117.60
Surplus/(deficit) in the Statement of profit and loss		
Balance at the beginning of the year	**32,558.84**	26,294.88
Add: Profit for the year	**14,080.43**	7,296.29
Less:- Final dividend paid (refer note 1 below)	**(1,991.63)**	-
Less:- Interim dividend paid (refer note 2 below)	**(1,991.63)**	(995.81)
Add : Re-measurement gains / (losses) on defined benefit plans (net of tax)	**59.10**	(36.52)
Net surplus in the Statement of Profit and Loss	**42,715.11**	**32,558.84**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

15 Other Equity (Contd..)

Particulars	As at March 31, 2022	As at March 31, 2021
Share based payment reserve (refer note no 5 below)		
Balance at the beginning of the year	**66.18**	-
Add: Stock options granted during the year	**231.63**	66.18
Less: Transfer to General reserve	**(49.45)**	-
Balance at the end of the year	**248.36**	**66.18**
Other Reserves		
Capital reserve (refer note no 3 below)	**315.71**	315.71
Capital redemption reserve (refer note no 4 below)	**400.00**	400.00
Amalgamation reserve	**1,481.46**	1,481.46
General reserve (refer note no 6 below)	**4,127.07**	4,077.62
Total	**6,324.24**	**6,274.79**
Total reserve & surplus	**64,483.23**	**54,017.41**
Non-controlling interest	**0.16**	0.14
Total	**64,483.39**	**54,017.55**

(1) The Parent Company has paid a final dividend of INR 0.50 (absolute amount) for every equity share of INR 1 (absolute amount) per equity share of INR 1 (absolute amount) for the financial year ended March 31, 2021

(2) The Parent Company has declared a interim dividend of INR 0.50 for every equity share of INR 1 (absolute amount) (March 31, 2021 INR 0.25) (absolute amount) per equity share of INR 1 (absolute amount).

(3) Includes INR 247 Lakhs (March 31, 2021: INR 247 Lakhs) amount forfeited against warrants and application money received in earlier years.

(4) Represents reserve created on account of redemption of preference shares during earlier years.

(5) The Parent Company formulated an ESOP Scheme (referred as Company's Employee Stock Option Scheme, 2017) in accordance with SEBI (Share Based Employee Benefits) Regulation, 2014, which was duly approved in the Annual General Meeting of the Shareholders of the Parent Company on August 1, 2017 and the Parent Company also got in-principle approval from both NSE and BSE dated March 20, 2018 and March 27, 2018 respectively in respect of the said Scheme. During the previous year, pursuant to the approval by the Compensation Committee of the Board of Directors on December 26, 2020, the Parent Company has granted options to certain eligible employees under the said approved Scheme. (Also, refer note 43).

(6) The amount transferred to general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(7) The Board of Directors of the Parent Company at their meeting held on May 21, 2022 recommended a final dividend of INR 1 (absolute amount) per equity share of INR 1 (absolute amount) each of the Parent Company. Final dividend is subject to the approval of shareholders.

16 Financial liabilities - Borrowings

Particulars	Non-current		current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021 (Restated)*
Short term borrowings				
Borrowings on account of sales discounting	**-**	-	**17,787.93**	11,468.13
Total short term borrowings	**-**	**-**	**17,787.93**	**11,468.13**
The above include				
Aggregate Secured loans	**-**	-	**-**	-
Aggregate Unsecured loans	**-**	-	**17,787.93**	**11,468.13**

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16 Financial liabilities - Borrowings (Contd..)

Short term borrowings- for Parent Company

The Parent Company has a cash credit account facility from HDFC Bank and Kotak Bank amounting to INR Nil (March 31, 2021: INR Nil) carrying rate of interest ranging from 4.50% to 7.30% and 4.50% to 7.20% respectively and facility of working capital loan from HDFC Bank and Kotak Mahindra Bank amounting to INR Nil (March 31, 2021: INR Nil) carrying rate of interest 4.50% to 7.40% and 4.50% to 7.30% respectively. The security against these facilities are as follows:

(a) First pari passu charge on entire current assets of the Parent Company

(b) Second pari passu charge to be shared with other lenders on all existing and future movable fixed assets of the Company situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai.

(c) Second pari passu charge on all immovable fixed assets of the Company situated at Malanpur, Jamshedpur, Yamuna Nagar and Chennai to be shared with other secured working capital lenders.

(d) Bills Discounting from Kotak Mahindra Bank Limited (Unsecured) having no interest cost to the Company.

* Represent bill discounting outstanding, refer note number 50. Customer is same and position remains unchanged from financial year 2021.

Short term borrowings-for Subsidiary entity

The subsidiary has a facility for short term borrowing from banks. The balance outstanding as at the year end is INR Nil (March 31, 2021 : INR Nil) which carries interest rate 6 months MCLR + 0,65% and is secured by :

- First pari passu charge on all current assets and movable fixed asset of the subsidiary and
- Corporate guarantee of the parent company"

The Parent Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Parent Company. The quarterly returns/statements filed by the Parent Company with such banks are not in agreement with the books of accounts of the Parent Company and the details are as follows:

Quarter ended	Value per books of account	Value per quarterly return/statement	Discrepancy	Discrepancy details
Inventories				Quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of valuation rate and reported value were less than actual value hence there is no impact on drawing power.
June 30, 2021	23,047.12	20,591.73	2,455.39	
September 30, 2021	22,193.44	21,654.65	538.79	
December 31, 2021	25,846.74	24,065.52	1,781.23	
March 31, 2022	28,157.61	26,978.00	1,179.61	
Trade receivables (net of related party receivables and bill discounted)				Quarterly statements filed with the bank were on provisional numbers and the difference is mainly on account of goods in transit and reported value were less than actual value hence there is no impact on drawing power.
June 30, 2021	6,297.79	6,686.00	(388.21)	
September 30, 2021	3,760.32	3,483.00	277.32	
December 31, 2021	8,322.17	8,565.00	(242.83)	
March 31, 2022	7,538.80	7,308.00	230.80	

17 Other financial liabilities

Particulars	Non-current	
	As at March 31, 2022	**As at March 31, 2021**
Security deposits at amortised cost	**162.85**	148.12
	162.85	**148.12**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

18 Provisions

Particulars	Long - term		Short - term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits				
Provision for leave encashment	**514.49**	558.29	**115.31**	158.88
Provision for long service award	**28.64**	26.03	**10.21**	11.48
Provision for benevolent fund	**57.41**	56.94	**11.60**	11.37
Provision for gratuity (refer note 34)	**1,252.63**	1,220.07	**228.30**	128.48
Sub Total	**1,853.17**	**1,861.33**	**365.42**	**310.21**
Other provisions				
Provision for warranties (refer note 18(a))	**-**	-	**61.15**	96.63
Provision for contingencies (refer note 18(b))	**-**	-	**140.00**	140.00
Provision for price differences (refer note 18(c))	**-**	-	**3,024.29**	1,883.00
Sub Total	**-**	**-**	**3,225.44**	**2,119.63**
Grand Total	**1,853.17**	**1,861.33**	**3,590.86**	**2,429.84**

18(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
At the beginning of the year	**96.63**	92.25
Arising during the year	**19.50**	13.20
Utilized during the year	**(54.98)**	(8.82)
At the end of the year	**61.15**	**96.63**
Current portion	**61.15**	96.63
Non-current portion	**-**	-

18(b) Provision for contingencies (also refer note 35)

Provision for contingencies represents provision made against possible tax losses based on the tax assessments and other possible losses based on the best estimate of the management.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
At the beginning of the year	**140.00**	544.08
Arising during the year	**-**	-
Utilized during the year*	**-**	404.08
At the end of the year	**140.00**	**140.00**

*The parent company majorly utilised the provisions against the two land parcels Indore out of which one was surrendered and the other was registered in the company's name during previous year.

18(c) Previous price difference (also refer note 47)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
At the beginning of the year	**1,883.00**	1,552.91
Arising during the year	**1,177.48**	857.86
Utilized during the year	**(36.19)**	(527.77)
At the end of the year	**3,024.29**	**1,883.00**
Current portion	**3,024.29**	1,883.00
Non-current portion	**-**	-

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19 Deferred government grant

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	1,553.12	1,759.28
Recognised during the year	-	9.71
Released to the statement of profit and loss (refer note 25)	(189.33)	(215.87)
At the end of the year	**1,363.79**	**1,553.12**
Current	98.89	141.34
Non Current	1,264.89	1,411.78

Notes:

1 Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

2 The Group has opted the EPCG scheme, to avail the benefit of saving of custom duty by committing export of goods worth six times, of the value of duty saved, over a period of six years from the date of utilisation of benefit. Duty so saved has been recognised as Government grant and being released to profit & loss on the basis of export obligation fulfilled.

3 At the year end, the Group has an outstanding export obligation of INR 15,915.57 Lakhs (March 31, 2021: INR 18,186.64 Lakhs)

20 Financial liabilities -Trade payables

20.1 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
- Total outstanding dues of micro and small enterprises	458.25	470.37
- Total outstanding dues of creditors other than micro and small enterprises (including acceptances INR 10,323.50 Lakhs (March 31, 2021: Rs. 11,370.42 Lakhs)*	19,795.09	18,002.38
Total	**20,253.34**	**18,472.75**

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

*Trade payable includes Acceptances of INR 10,323.50 lakhs (March 31, 2021 INR 11,370.42 Lakhs). Acceptances represent credit availed by the Holding Company from banks for payment to suppliers of materials purchased by the Holding Company and are payable within 90 days. Acceptances are secured under short term borrowing facilities obtained from banks and are interest bearing.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 and March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	458.25	470.37
Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

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for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

20 Financial liabilities -Trade payables (Contd..)

20.1 Trade payables (Contd..)

Particulars	As at March 31, 2022	As at March 31, 2021
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Trade payables ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	36.43	420.86	0.96	-	-	458.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,223.44	2,406.40	145.26	10.15	9.84	19,795.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**17,259.87**	**2,827.26**	**146.22**	**10.15**	**9.84**	**20,253.34**

Trade payables ageing schedule

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	71.12	398.20	1.05	-	-	470.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	15,922.22	2,060.17	10.15	9.84	-	18,002.38
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**15,993.34**	**2,458.37**	**11.20**	**9.84**	**-**	**18,472.75**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

20 Financial liabilities -Trade payables (Contd..)

21.2 Contract Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance payments from customers	1,967.87	1,836.61
Total contract liabilities	**1,967.87**	**1,836.61**
Current	1,967.87	1,836.61
Non-Current	-	-

21 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Investor education and protection fund - Unpaid dividends	349.70	253.41
Creditors for purchase of property, plant and equipment	917.75	1,142.95
Total	**1,267.45**	**1,396.36**

22 Current tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax liabilities	32.31	-
Total	**32.31**	**-**

23 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	694.57	1,506.45
Deferred income	542.90	-
Total	**1,237.47**	**1,506.45**

24 Revenue from contract with customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Sale of finished goods (automobile suspension products) (also refer note 47)	1,68,234.96	1,05,815.49
Other operating revenue		
- Scrap sale	3,552.57	2,132.35
Revenue from operations	**1,71,787.53**	**1,07,947.84**

24(a) Contract balances

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Trade Receivables*	28,856.80	17,049.69
Contract Assets	1,056.50	2,046.53
Contract Liabilities	1,967.87	1,836.61

*refer note 50

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for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

24 Revenue from contract with customers (Contd..)

24(a) Contract balances (Contd..)

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets relates to revenue accrued during the year but not billed to the customer at the year end.

Contract liabilities include short-term advances received from customers to deliver automobile suspension products.

25 Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other non-operating income		
Gain on disposal of property, plant and equipment (net)	26.66	-
Provision no longer required, written back	8.57	587.47
Exchange fluctuation gain (net)	76.42	3.91
Export incentives	19.74	21.44
Government grants (refer note 19)	189.33	215.87
Miscellaneous income	130.84	164.27
Total	**451.56**	**992.96**

26 Finance income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income		
- from banks	39.53	18.97
Total	**39.53**	**18.97**

27 Cost of raw material and components consumed

27(a) Particulars

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	6,758.90	3,038.72
Add : Purchases during the year	1,21,423.81	73,072.49
Sub Total	**1,28,182.71**	**76,111.21**
Less : Inventory at the end of the year	12,404.62	6,758.90
Total	**1,15,778.09**	**69,352.31**

27(b) Purchase of traded goods

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of traded goods	921.49	633.12
Total	**921.49**	**633.12**

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28 Increase in inventories of finished goods and work in progress

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of year		
- Finished goods	13,193.01	10,117.02
- Work in progress	3,348.52	2,254.21
- Scrap	391.81	221.15
Total	**16,933.34**	**12,592.38**
Inventories at the beginning of year		
- Finished goods	10,117.02	6,181.38
- Work in progress	2,254.21	2,099.38
- Scrap	221.15	131.08
Total	**12,592.38**	**8,411.84**
Increase in inventories of finished goods and work in progress	**(4,340.96)**	**(4,180.54)**

29 Employee benefits expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	10,906.95	10,006.89
Gratuity expense (refer note 34)	216.19	202.07
Employee stock option scheme (refer note 43)	231.63	66.18
Contribution to provident fund and other funds	444.56	453.58
Staff welfare expenses	657.28	447.39
Total	**12,456.61**	**11,176.11**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

30 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	3,810.33	2,996.98
Power and fuel	11,038.02	6,794.71
Job work charges	1,652.34	1,022.80
Rent	181.97	210.38
Repair and maintenance		
- Buildings	196.61	221.06
- Plant and machinery	557.11	288.82
- Others	155.99	210.15
Rates and taxes	174.17	133.39
Travelling and conveyance	379.25	254.41
Legal and professional	594.34	557.28
Loss on sale / discard of fixed assets	-	60.02
Provision for doubtful government grant (refer note 7)	88.92	396.71
Provision for doubtful advances	-	39.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

30 Other expenses (Contd..)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment allowance for trade receivables considered doubtful	-	8.49
Freight, forwarding and packing	**3,328.18**	2,767.68
Sales promotion and advertisement	**489.96**	351.03
Selling expenses	**242.52**	171.28
Commission on sales	**8.33**	10.50
Warranty expense	**20.29**	14.57
Security charges	**123.11**	133.30
Contribution towards Corporate Social Responsibility (CSR) (refer note 30(a) below)	**320.97**	330.09
Donation	**31.73**	2.46
Exchange fluctuation loss	-	78.36
Director sitting fees	**15.30**	15.60
Insurance	**178.84**	151.93
Printing stationery and communication	**112.49**	86.99
Bank charges	**98.22**	120.62
Miscellaneous expenses	**544.61**	291.33
Total	**24,343.60**	**17,720.52**

30 (a) CSR expenditure

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of INR 320.97 lakhs (March 31, 2021: INR 330.09 lakhs) towards this cause and charged the same to the Statement of Profit And Loss.

Details of CSR expenditure

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Gross amount required to be spent by the Parent Company during the year	**255.39**	330.09
b) Amount spent during the year ending March 31, 2022		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	**320.97**	330.09
c) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

31 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on borrowings and others*	**170.82**	515.92
Interest on lease liabilities (refer note 35(a)) (net)	**148.14**	96.06
Total	**318.96**	**611.98**

* Includes interest on income tax Rs. Nil (March 31, 2021: Rs.69.57 Lakhs) and Bill discounting charges for the financing arrangement entered into with the vendors and customers respectively for early payments and receipts (net of early payment discounts received in nature of financing arrangements).

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(All amounts in INR lakhs, unless otherwise stated)

32 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 3)	**3,253.81**	3,130.71
Depreciation on right-of-use assets (refer note 35(a))	**328.42**	343.77
Amortisation of intangible assets (refer note 4)	**91.26**	83.61
Total	**3,673.49**	**3,558.09**

33 Earnings per share (EPS)

"Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year	**14,080.43**	7,296.29
Weighted average number of equity shares during the period in calculating basic EPS	**39,83,37,885**	39,83,25,235
Effect of dilution:		
Add: Stock options granted under ESOP but yet to be exercised	**11,87,306**	-
Weighted average number of equity shares during the period in calculating diluted EPS	**39,95,25,191**	39,83,25,235
Basic EPS (in Rs.)	**3.53**	1.83
Diluted EPS (in Rs.)	**3.52**	1.83

34 Gratuity and other employment benefit plans

The group operates three plans viz gratuity, long term service awards and benevolent fund for its employees. Under the gratuity plan every employee who has completed at least five years of service gets Gratuity on departure @15 days of last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy. Under long term service award the employee is entitled to a fixed amount on completion of ten years and fifteen years of service. The scheme of long term service award is unfunded.

(a) The following table summarize the funded status of the gratuity plans and the amount recognized in the Group's financial statements as at March 31, 2022 :

Particulars	As at March 31, 2022	As at March 31, 2021
Change in benefit obligation		
Opening defined benefit obligation	**1,599.79**	1,427.45
Service cost	**124.48**	125.65
Interest expenses	**109.14**	93.33
Benefits paid	**(44.00)**	(78.07)
Remeasurements - Actuarial (gains)/ loss	**(53.94)**	31.43
Closing defined benefit obligation (A)	**1,735.47**	**1,599.79**

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for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34 Gratuity and other employment benefit plans

Particulars	As at March 31, 2022	As at March 31, 2021
Change in plan assets		
Opening fair value of plan assets	**251.24**	257.09
Expected return on plan assets	**17.43**	17.28
Contributions by employer	**-**	
Benefits paid	**(39.35)**	(10.40)
Remeasurements - Actuarial gains/ (loss)	**25.22**	(12.73)
Closing fair value of plan assets (B)	**254.54**	**251.24**

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligations at the end of the year (A)	**1,735.47**	1,599.79
Fair value of plan assets at the end of the year (B)	**254.54**	251.24
Net liability recognized in the balance sheet (A-B)	**1,480.93**	**1,348.55**
Current portion	**228.30**	128.48
Non- Current portion	**1,252.63**	**1,220.07**

(b) Major categories of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Funds managed by insurer	**100%**	100%

(c) Amount for the year ended on March 31, 2022 recognize in the statement of profit and loss under benifit expenses:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Service cost	**124.48**	125.65
Net interest on the net defined benefit liability/ (asset)	**91.71**	76.42
Net gratuity cost	**216.19**	**202.07**

(d) Amount for the year ended on March 31, 2022 recognized in the statement of other comprehensive income:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements of the net defined benefit liability/ (assets)		
Actuarial (gains)/ losses	**(53.94)**	31.43
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (assets)	**(25.22)**	12.73
Total	**(79.16)**	**44.16**

(e) Amounts recognised in the statement of other comprehensive income as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss on arising from change in demographic assumption	**-**	47.88
Actuarial loss/(gain) on arising from change in financial assumption	**(55.62)**	30.12
Actuarial loss on arising from experience adjustment	**1.68**	(46.57)
Actuarial loss on asset for the year	**(25.22)**	12.73
Total	**(79.16)**	**44.16**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
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34 Gratuity and other employment benefit plans

(f) The principal assumptions used to determine benefit obligations as at March 31, 2022 are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (For Parent)	**7.34%**	6.94%
Discount rate (For Subsidiaries)	7.36%	6.97%
Average rate of increase in compensations level (For Parent)	9.00%	9.00%
Average rate of increase in compensations level (For Subsidiaries)	10.00%	10.00%
Retirement age (years)	58	58
Mortality rate inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Employees turnover (age) -For Parent	**Withdrawal rate in (%)**	
Upto 30 years	13.00	13.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Employees turnover (age) -For Subsidiary	**Withdrawal rate in (%)**	
Upto 30 years	6.50%	6.50%
From 31 to 44 years	2.00%	2.00%
Above 44 years	0.90%	0.90%

One of the principal assumptions is the discount rate, which should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(g) The Group expects to contribute Rs. 133.16 Lakhs (March 31, 2021: Rs. 133.02 Lakhs) towards gratuity during the year 2022-23.

The following payments are expected contributions to the defined benefit plan in future years:

Gratuity

Particulars	March 31, 2022	March 31, 2021
Within the next 12 months (next annual reporting period)	**133.16**	133.02
Between 2 and 5 years	**528.82**	528.43
Between 5 and 10 years	**754.71**	702.26
Beyond 10 years	**1,778.54**	1,778.54
Total	**3,195.23**	**3,142.25**

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.70 years (March 31, 2021: 11.74 years) for the Company.

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31, 2021 is as shown below:

Gratuity plan

Particulars	March 31, 2022			
	Discount rate		Future salary increases	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(133.34)	153.28	(127.70)	136.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34 Gratuity and other employment benefit plans

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31, 2021 is as shown below: (Contd..)

Particulars	March 31, 2021			
	Discount rate		Future salary increases	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(137.62)	148.73	(113.15)	106.80

The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

35 Commitments and contingencies

(a) Leases

The Company's lease asset primarily consist of leases for warehouses having the various lease terms at the incremental borrowing rate.

Following is carrying value of right of use assets and movements thereof during the year ended March 31, 2022:

Particulars	Leasehold improvement	
	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Balance at the beginning of the year	**7,075.20**	7,307.00
Add: Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (refer note 3)	**-**	676.51
Add: Additions	**1,448.28**	1,063.85
Less: Disposals	**(187.28)**	(1,980.58)
Balance at the end of the year	**8,336.20**	**7,075.20**

Particulars	Leasehold improvement	
	As at March 31, 2022	As at March 31, 2021
Accumulated depreciation		
Balance at the beginning of the year	**620.40**	343.32
Add: Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (refer note 3)		20.04
Add: Additions	**328.42**	343.77
Less: Disposals	**(151.62)**	(95.14)
Balance at the end of the year	**797.20**	**620.40**

Net carrying amount

Particulars	Leasehold improvement	
	As at March 31, 2022	As at March 31, 2021
Balance at the end of the year	**7,539.00**	**6,454.79**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

35 Commitments and contingencies (Contd..)

(a) Leases (Contd..)

The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2022 and March 31, 2021:

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year	1,078.71	980.05
Addition	430.38	424.33
Interest on lease liabilities	148.14	125.75
Payment of lease liabilities	284.00	286.76
Deletions	38.85	164.67
Balance at the end of the year	**1,334.38**	**1,078.71**
Current Liability	244.94	171.35
Non- Current Liability	1089.44	907.36

The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2021 is 9% .

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets (Refer note 32)	328.42	343.77
Interest expense on lease liabilities (Refer note 31)	148.14	125.75
Income on de-recognition of liability (Refer note 31)	-	(29.69)
Total amount recognised in profit or loss	**476.56**	**439.82**

(b) Capital commitments and other commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances)	2,263.32	3,067.16
Total	**2,263.32**	**3,067.16**

(c) Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2022	March 31, 2021
(i) Income tax	1,038.74	1,031.26
(ii) Claims against company not acknowledged as debts (civil cases)	143.47	76.04
(iii) Custom and excise duty / service tax / GST	39.10	27.31
(iv) Sales tax and entry tax	195.24	248.76
Total	**1,416.55**	**1,383.37**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

35 Commitments and contingencies (Contd..)

In relation to income tax matters disclosed in (i) above:

1 With respect to assessment year 2012-13 & 2013-14, the assessing officer has increased the taxable income of the Parent Company by INR 1,418.45 contending that the parent company has sold material to its subsidiary firm (Jai Suspension System LLP (JSSLLP or LLP) at lower margin in order to divert its profits to LLP as the LLP was enjoying tax exemption during that period. Tax impact of the same is INR 482.27 Lakhs (March 31, 2021: INR 474.79 Lakhs).The Parent company has preferred an appeal with CIT(A) and based on discussion with the legal counsel is confident of a favourable outcome.

2 An order dated 21/12/2016 had been received from the Income Tax for the AY 2013-14, wherein disallowance of deduction u/s 80-IC had been made for INR 1,800.89 Lacs for excess claim of deduction on account of interunit transfer as per provisions of section 80-IA (10). The tax effect of such additions made is INR 556.47 Lacs (Previous year INR 556.47 lacs). The Subsidiary Company preferred an appeal before CIT (A) and based on internal assessment and discussion with its legal counsel, subsidiary company is confident of a favorable outcome.

In relation to (ii) above claims majorly comprises of in respect of Parent company:

1 Matter pending with Tamil Nadu Generation and Distribution Corporation Limited pertaining to Financial year 2012-2014 for non payment of cross subsidy charges which were introduced subsequently with retrospective effect whereas the scheme mentioned no such charges. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The amount involved is INR 54.62 Lakhs (March 31, 2021 : INR 54.62 Lakhs).

2 During the earlier years matter was pending with the Labour court pertaining to ESI with respect to the bifurcation of material and labour in an invoice and the ESI deducted on the same.Court vide order dated 31.08.2021 has set aside the demand raised by the department and remand back the matter to reconsider afresh. After re-consideration department vide order dated 15.03.2022 has confirmed the demand of INR 4.79 Lakhs. which company has deposited on 25.03.2022 and the amout involved is INR Nil (March 31, 2021: INR 14.05 Lakhs).

3 Matter pending with the EPF Appelate Tribunal pertaining to PF with respect to the PF liability on BPO consultants hired. The Parent Company has done an analysis and is of the opinion that it has fair chance of a favourable decision. The amount involved is INR 6.71 lakhs (March 31, 2021: INR 6.71 lakhs).The parent company has made a payment of INR 3.35 lakhs (March 31, 2021: INR 3.35 lakhs) under protest in this regard.

4 Matter is pending with EPF. Department in proceedings U/s 7A of the Act for the peiod from February 2005 to March 2009, vide order dated 29.01.2016 has confirmed the demand of Rs. 39.29 lakhs which company has deposited. Thereafter on 15.10.2020 department has issued notice and vide order dated 22.04.2021 has confirmed the demand of paying interest amounting to Rs. 42.19 lakhs on demand confirmed in 2016. Against said confirmation, parent company has filed instant writ petition.

In relation to (iii) above customs and excise duty/service tax and GST contested by the Group majorly comprises of:

1 During the previous year, the parent company applied under Sabka Vishwas Legacy Dispute Resolution Scheme (SVLDRS) for the resolution of part of the matters pending with Assistant Commissioner in respect of Cenvat Credit availed by the parent company on service tax paid on charges of Canteen,outdoor catering and security services. Pursuant to the application made, the parent company has also received the discharge certificate for the same in the current year and accordingly these cases have been closed. One matter of same nature is pending with Assistant Commissioner, Kurukshetra for which the parent company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is INR 15.43 lacs (March 31, 2021: INR 7.72 lacs).

2 Matter pending before Director General of Foreign Trade, New Delhi in respect of EPCG licence obtained by the parent company, however, the same was lost without being used in 2008. The parent company is under an obligation to surrender the licence in case of non utilisation and has received a letter from the office of ADGFT for the same. The parent company has appeared before the authority and submitted the facts of losing the licence without utilisation. Accordingly, the parent company is of the opinion that it has fair chance of a favourable decision. The amount involved is INR 8.25 lacs (March 31, 2021: INR 8.25 lacs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
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35 Commitments and contingencies (Contd..)

3 Matters pending before Appellate Auhtority, Muradabad (Uttar Pradesh) and Appellate Auhtority, Rudrpur (Uttarakhand) pertaining to imposition of penalty on E-way bill errors.The parent company has filed the present appeal before the Appellate Authority on the ground that there was typo error between invoice and Eway bill and has done an analysis and is of the opinion that it has a fair chance of a favourable decision. The amount involved is INR Nil. (March 31, 2021 : INR 8.36 lakhs). Matter has been disposed off.

4 Matters pending before Appellate Auhtority pertaining to imposition of penalty due to missing details in e-way bill on dispatch of goods.The parent company has filed the present appeal before the Appellate Authority and has done an analysis and is of the opinion that it has a fair chance of a favourable decision. The amount involved is INR 2.63 lakhs. (March 31, 2021 : INR 2.63 lakhs). The parent company has made a payment of INR 2.63 lacs (March 31, 2021 : INR 2.63 lakhs) under protest in this regard.

5 Matters pending before Asisstant Commissioner pertaining to input tax credit availed against which the parent company had not produced the supporting documents for amount aggregating to INR 12.44 Lakhs (March 31, 2021: INR Nil). The department has issued show cause notice to show cause as why the balance amount should not be recovered from the parent company.

6 Under the Uttrakhand CGST Act, demand of INR 0.34 lakhs (March 31, 2021: INR Nil) has been raised by CGST department by imposing penalty. The subsidiary company preferred appeals against such orders and based on legal advice and internal assessment entity is confident that no liability is probable in the matter.

In relation to (iv) above sale tax and entry tax matters contested by the Company majorly comprises of:

1 During the previous year,the matter pending before Additional Commissioner, Grade-2, (Appeal) Fourth, Commercial Tax, Lucknow pertaining to Assessment year 2011-12 for non submission of form F. The Joint Commissioner in its order, set aside the demand against CST and VAT and allowed a refund and confirmed a demand against entry tax which is appealed for to be adjusted with the VAT refund by the parent company. The parent company has done an analysis and is of the opinion that it has fair chance of favourable decision on the adjustment.The amount involved is INR 32.78 lakhs for entry tax (March 31, 2021: INR 149.59 lakhs) after adjustment of duty paid under protest. The parent company has made a payment of INR 11.95 lakhs (March 31, 2021 : INR 22.89 lakhs) under protest in this regard.

2 Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of reversal of input tax credit on stock transfer on Form F. The said liability has been discharged by the parent company by adjusting the amount refundable to the Parent Company, hence as on date nothing is payable by parent company to the department and is due for the approval for same from the department.The parent company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is INR 25.72 lakhs (March 31, 2021: INR 25.72 lakhs).

3 Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of reversal of input tax credit on purchases from cancelled dealers. TheParent Company in its reply apart from other grounds has stated that Parent Company has rightly claimed the ITC on basis of invoices issued by the dealers..The Parent Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is INR 6.37 lakhs (March 31, 2021: INR 6.37 lakhs).

4 Matter pending before Assistant Commissioner (ST), Chengalpattu Assessment Circle in respect of F.Y. 2015-2016 wherein the department has claimed that the Industrial Input Certificate in respect of goods sold to the Industrial units was not issued and in the absence of the said certificate the concessional tax rates were applied.The department has raised the instant demand and asked the Parent Company to file its objection agasint the said demand . Parent Company has filed a detailed reply along with the Industrial Input certiifcate.The Parent Company has done an analysis and is of the opinion that it has fair chance of favourable decision. The amount involved is INR30.92 lakhs (March 31, 2021: INR 30.92 lakhs).

5 The Subsidiary Company received sales tax assessment orders under Uttrakhand VAT Act/CST Act for the financial years 2011-12 wherein assessing officer raised demand of INR 3.07 lakhs. The Subsidiary Company preferred appeals against such orders and based on legal advice and internal assessment company is confident that no liability is probable in the matter.

6 Under CST Act 1956 demand for INR 10.78 lakhs has been raised by CST department against Subsidiary Company, after giving effect to the appeal order passed by JCIT. The LLP preferred appeals before ITAT against the order passed by JCIT and based on legal advice and internal assessment company is confident that no liability is probable in the matter.

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35 Commitments and contingencies (Contd..)

7 An order dated 24/06/2013 was passed by Hon'ble Calcutta High Court (Single Bench) holding that Entry Tax imposition was unconstitutional and quashed the same. After this, the matter was taken up by West Bengal Government for review by the larger bench of the High Court. The petition was admitted by the High Court. The High Court (Larger Bench) refused to grant refund of the entry tax already deposited and also directed to carry on assessment proceedings in the matter. Pursuant to the order, the Subsidiary Company had stopped paying Entry Tax in West Bengal. As the matter is subjudice, the liability on account of entry tax is taken in the contingent liability for FY 2013-14 to FY 2017-18 till the disposal of appeal pending before larger bench of the High Court. The amount involved is INR 88.40 lakhs.

8 Under Central Sales Act, 1956, LLP received orders for financial years 2013-14 wherein demand of INR 5.70 lakhs had been raised. The Subsidiary Company preferred rectification against such orders and is confident that no liability is probable in the matter.

During the period, the subsidiary company Jai Suspension systems private limited has signed a Business Transfer Agreement with M/s Kalka Steels, a partnership firm, to acquire their tractor parts business i.e. manufacturing of tractor seats on going concern basis subject to fulfillment of conditions stated therein. Also refer note 6.

(d) Other contingent liabilities

Particulars	March 31, 2022	March 31, 2021
Bank guarantees	**2,285.54**	1,815.23
Total	**2,285.54**	**1,815.23**

36 Related party transactions

A) Related parties under IND AS-24 with whom transactions have taken place during the year

I. Key managerial personnel and their relatives

Mr. R.S. Jauhar	Chairman
Mr. P.S. Jauhar	Managing Director & CEO
Mr. S.P.S. Kohli	Executive Director
Mrs. Sonia Jauhar	Wife of Chariman
Mrs. Kirandeep Chadha	Sister of Chairman

II. Companies/Concerns controlled by KMP & their relatives

Jamna Agro Implements Private Limited

S.W. Farms Private Limited

Map Auto Limited

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36 Related party transactions (Contd..)

A) Transactions with related parties

Nature of Transaction	Companies/Concerns controlled by KMP & their relatives		Key management personnel and their relatives		Total	
Transactions during the year	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of raw materials and components						
MAP Auto Limited	-	837.62	-	-	-	837.62
Job work charges						
MAP Auto Limited	507.64	324.43	-	-	507.64	324.43
Rent expense						
SW Farms Private Limited	-	26.17	-	-	-	26.17
Jamna Agro Implements Private Limited	38.23	38.23	-	-	38.23	38.23
Mrs Sonia Jauhar	-	-	14.01	14.01	14.01	14.01
Remuneration						
Mr. B S Jauhar	-	-	-	177.89	-	177.89
Mr. P S Jauhar	-	-	308.53	253.57	308.53	253.57
Mr. R S Jauhar	-	-	232.22	262.93	232.22	262.93
Mr. SPS Kohli	-	-	38.57	38.58	38.57	38.58
Mrs. Kirandeep Chadha	-	-	19.15	19.15	19.15	19.15

	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Balances as at the year end						
Trade payable- MAP Auto Limited	5.60	16.59	-	-	5.60	16.59

Notes

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(b) All the liabilities for post retirement benefits being 'Gratuity' are provided on actuarial basis for the Group as a whole, the amount pertaining to Key management personnel are not included above.

(c) Transactions have been reported gross off Goods and Service Tax.

(d) Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.
(e) For the year ended March 31, 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(e) For the year ended March 31, 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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37 Segment Reporting

Ind AS 108 establishes standards for the way the Group report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group is engaged in the business of manufacturing of Automotive suspension which includes Parabolic/ Tapered leaf spring and Lift axle which constitute single reporting business segment. The entire operations are governed by the same set of risk and returns. Based on the "management approach" as defined in Ind AS 108, the management also reviews and measures the operating results taking the whole business as one segment and accordingly make decision about the resource allocation. In view of the same, separate segment information is not required to be given as per the requirements of Ind AS 108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The analysis of geographical segment is based on the geographical location of the customers. The Group operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Group has assessed that they carry same risk and rewards. The Group has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

The following is the distribution of the Group revenue of operations by geographical market, regardless of where the goods were produced:

Revenue from external customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	**1,69,315.28**	1,06,879.85
Outside India	**2,472.25**	1,067.99
Total	**1,71,787.53**	**1,07,947.84**

Sales to customers generating more than 10% of total revenue aggregates to INR 82,113.29 lakhs (March 31, 2021: INR 59,932.29 lakhs)

Trade receivables from customers generating more than 10% of total revenue aggregates to INR 6,335.99 lakhs (March 31, 2021: INR 3,044.69 lakhs).

Trade receivable as per geographical locations

Particulars	For the year ended March 31, 2022	For the year ended 31-Mar-2021 (Restated)*
Within India*	**28,498.49**	16,924.77
Outside India	**358.31**	124.92
Total	**28,856.80**	**17,049.69**

*refer note 50

The trade receivable information above is based on the location of the customers.

All other assets (other than trade receivable) used in the Group business are located in India and are used to cater both the customers (within India and outside India), accordingly the total cost incurred during the period to acquire the property, plant and equipment and intangible assets has not been disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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38 Significant accounting judgements, estimates and assumptions

The preparation of the Group financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Black Scholes Option pricing model for ESOP scheme .The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts in INR lakhs, unless otherwise stated)

38 Significant accounting judgements, estimates and assumptions (Contd..)

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 34.

Taxation

“In preparing consolidated financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Group 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. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized in the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 39 for such measurement.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease . The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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39 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Method	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets					
Security deposits paid	Amortised Cost	**385.46**	397.88	**385.46**	397.88
Investment	Fair Value through OCI	**47.29**	47.29	**47.29**	47.29
Loan	Amortised Cost	**914.24**	1,331.35	**914.24**	1,331.35
Government grant receivable	Amortised Cost	**666.33**	755.25	**666.33**	755.25
Contract Assets (unbilled revenue)	Amortised Cost	**935.79**	2,046.53	**935.79**	2,046.53
Other financial assets	Amortised Cost	**704.47**	71.39	**704.47**	71.39
Total		**3,653.58**	**4,649.69**	**3,653.58**	**4,649.69**
Financial liabilities					
Borrowings (including current maturities)*	Amortised Cost	**17,787.93**	11,468.13	**17,787.93**	11,468.13
Lease liabilities	Amortised Cost	**2,456.91**	1,078.71	**2,456.91**	1,078.71
Other financial liabilities					
Security deposits received	Amortised Cost	**157.98**	148.12	**157.98**	148.12
Total		**20,402.82**	**12,694.96**	**20,402.82**	**12,694.96**

*refer note 50

The management assessed that cash and cash equivalents, short-term borrowings, interest accrued but not due, trade receivables, trade payables and creditor for fixed asset, investor education and protection fund approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The security deposits (paid/received) are evaluated by the Group based on parameters such as interest rate, risk factors , risk characteristics, and individual credit worthiness of the counterparty. Based on this evaluation allowances are taken into account for the expected losses of the security deposits.

Borrowing are evaluated by the Group based on parameters such as interest rates, specific country risk factors and prepayment.

The fair value of unquoted instruments, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Long-term receivables/payables are evaluated by the Group based on parameters such as interest rates, risk factors, individual credit-worthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Lease obligations are evaluated by the company based on parameters such as interest rates, lease period and other lease terms.

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40 Fair Value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Security deposits paid	**31-Mar-22**	**385.46**	**-**	**-**	**385.46**
Security deposits paid	31-Mar-21	397.88	-	-	397.88
Investments	**31-Mar-22**	**47.29**	**-**	**-**	**47.29**
Investments	31-Mar-21	47.29	-	-	47.29
Loan	**31-Mar-22**	**914.24**	**-**	**-**	**914.24**
Loan	31-Mar-21	1,331.35	-	-	1,331.35
Government grant receivable	**31-Mar-22**	**666.33**	**-**	**-**	**666.33**
Government grant receivable	31-Mar-21	755.25	-	-	755.25
Contract Assets (unbilled revenue)	**31-Mar-22**	**935.79**	**-**	**-**	**935.79**
Contract Assets (unbilled revenue)	31-Mar-21	2,046.53	-	-	2,046.53
Other financial assets	**31-Mar-22**	**704.47**	**-**	**-**	**704.47**
Other financial assets	31-Mar-21	71.39	-	-	71.39

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs *(Restated)
			(Level 1)	(Level 2)	(Level 3)
Financial liabilities					
Borrowings (including current maturities)	**31-Mar-22**	**17,787.93**	**-**	**-**	**17,787.93**
Borrowings (including current maturities) *	31-Mar-21	11,468.13	-	-	11,468.13
Lease liabilities	**31-Mar-22**	**2,456.91**	**-**	**-**	**2,456.91**
Lease liabilities	31-Mar-21	1,078.71	-	-	1,078.71
Other financial liabilities					
Security deposits received	**31-Mar-22**	**157.98**	**-**	**-**	**157.98**
Security deposits received	31-Mar-21	148.12	-	-	148.12

*refer note 50

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

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41 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.The Group monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars	March 31, 2022	March 31, 2021 (Restated)*
Borrowings including current maturities of long term borrowing (refer note 16)*	**17,787.93**	11,468.13
Payable for purchase of property, plant and equipment (refer note 21)	**840.32**	1,142.95
Net debts	**18,628.25**	**12,611.08**
Capital components		
Share capital	**3,984.97**	3,983.25
Other equity	**64,483.23**	54,017.41
Total equity	**68,468.20**	**58,000.66**
Capital and net debt	**87,096.45**	**70,611.74**
Gearing ratio (%)	**21.39%**	17.86%

*refer note 50

In order to achieve this overall objective, the Group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

42 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also enters into derivative transactions.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market risk, credit risk and liquidity risk.The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a finance department that advises on financial risks and the appropriate financial risk governance framework for the Group. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors . This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective. In the event of crisis caused due to external factors such as caused by pandemic ""COVID-19"", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

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The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(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. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases(including property, plant and equipment).

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Group hedges its exposure to fluctuations on the translation into INR of its foreign operations by entering into forward contracts.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

For the year ended March 31, 2022

Particulars	Change in currency rate (+/-)	Trade Receivables	Long Term Borrowings	Creditors for property, plant and equipment	Trade Payables
EURO	1.00%	0.09	-	(1.26)	-
USD	1.00%	-	-	-	(0.01)

For the year ended March 31, 2021

Particulars	Change in currency rate (+/-)	Trade Receivables	Long Term Borrowings	Creditors for property, plant and equipment	Trade Payables
EURO	1.00%	-	-	(4.08)	(0.23)
USD	1.00%	0.82	-	(0.34)	(0.39)

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(b) Legal, taxation and accounting risk:

The Company is exposed to few legal and administrative proceedings arising during the course of business. The management makes an assessment of these pending cases and in case where it believes that loss arising from a proceeding is probable and can reasonably be estimated, the amount is recorded in the books of account. To mitigate these risks arising from the proceedings, the Company employs third party tax and legal experts to assist in structuring significant transactions and contracts.

(c) Credit risk

Credit risk is the risk that counterparty 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 from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The major customers of the Group are original equipment manufacturers (OEM's) which have a defined period for payment of receivables and from related party, hence the Company evaluates the concentration of risk with respect to trade receivables as low. At March 31, 2022, approximately 98% (March 31, 2021: 98%) of all the receivables outstanding were from OEMs.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, all the minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 13. The Company does not hold collateral as security except in case of dealer's securities deposit in after market.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with the banks with high credit ratings. The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as illustrated in Note 13.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds by doing liquidity planning. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, cash credits and advance payment terms.

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42 Financial risk management objectives and policies (Contd..)

Maturity profile of financial liabilities :

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2022						
Borrowings (Including current maturities of long term borrowings)	17,787.93	-	-	-	-	17,787.93
Trade payables	-	20,253.34	-	-	-	20,253.34
Lease obligations	-	81.13	222.88	609.65	1,340.19	2,253.85
Other financial liabilities (Excluding current maturities)	432.00	-	840.32	157.98	-	1,430.30
Total	**18,219.93**	**20,334.47**	**1,063.20**	**767.63**	**1,340.19**	**41,725.42**
March 31, 2021						
Borrowings (Including current maturities of long term borrowings)*	11,468.13	-	-	-	-	11,468.13
Trade payables	-	18,472.76	-	-	-	18,472.76
Lease obligations	-	78.88	184.97	615.23	1,406.96	2,286.04
Other financial liabilities (Excluding current maturities)	401.53	-	1,142.95	-	-	1,544.48
Total	**11,869.66**	**18,551.64**	**1,327.92**	**615.23**	**1,406.96**	**33,771.41**

*restated- refer note 50

(e) Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchases of steel which is a volatile products and is major component of end product. The prices in these purchase contracts are linked to the price of raw steel and demand supply matrix. However, at present, the Group do not hedge its raw material procurements, as the price of the final product of the Group also vary with the price of steel which mitigate the risk of price volatility.

43 Share based payments

(A) The Group formulated an ESOP Scheme (referred as Company's Employee Stock Option Scheme, 2017) in accordance with SEBI (Share Based Employee Benefits) Regulation, 2014, which was duly approved in the Annual General Meeting of the Shareholders of the Company on August 1, 2017 and the Company also got in-principle approval from both NSE and BSE dated March 20, 2018 and March 27, 2018 respectively in respect of the said Scheme.Under the ESOP Scheme, the eligible employees shall be granted employee Stock Options which will be exercisable into equal number of equity shares of Rs 1/- each of the Company. The fair value of the share options is estimated at the grant date using a Black Scholes option pricing model, taking into account the terms and conditions upon which the share options were granted.

Details of the ESOP Scheme:

a) Total number of Options granted: 2,555,000 Stock Options

b) Grant date : 26 December,2020

c) Exercise Price: Rs.50 each Option.

d) Exercise Period: 3 years post vesting.

e) Fair value of option : Rs.31.10

f) Method of settlement: Equity.

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43 Share based payments (Contd..)

g) Vesting conditions: Employee remaining in the employment of the Company during the vesting period.

h) Vesting period: Vesting will start after one year from Grant Date i.e. 26 December, 2020

I year	II year	III year	IV year	V year
10%	10%	5%	0	75%

Particulars	March 31,2022				
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4	Vesting period-5
Outstanding Stock Options (number) at the beginning of the year	25,55,000	-	-	-	-
Options granted during the year	-	-	-	-	-
Options Lapsed during the year	-	-	-	-	-
Options vested during the year	2,55,500	-	-	-	-
Options exercised during the year	1,59,000	-	-	-	-
Options outstanding at the end of the year	23,96,000	-	-	-	-
Exercise Price	50	50	50		50
Vesting Date	27 December 2021	27 December 2022	27 December 2023	27 December 2024	27 December 2025
Weighted Average remaining life as at March 31, 2022	-	0.74	1.74	2.75	3.75

Particulars	March 31,2022				
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4	Vesting period-5
Outstanding Stock Options (number) at the beginning of the year	-	-	-	-	-
Options granted during the year	25,55,000	-	-	-	-
Options Lapsed during the year	-	-	-	-	-
Options vested during the year	-	-	-	-	-
Options exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	25,55,000	-	-	-	-
Exercise Price	50	50	50	-	50
Vesting Date	27 December 2021	27 December 2022	27 December 2023	27 December 2024	27 December 2025
Weighted Average remaining life as at March 31, 2021	0.74	1.74	2.74	3.75	4.75

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43 Share based payments (Contd..)

The expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2022	March 31, 2021
Expense for the year (refer note 29)	231.63	66.18
Total	**231.63**	**66.18**

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year :

Equity Shares	March 31, 2022		March 31, 2021	
	Number	WAEP	Number	WAEP
Outstanding at the beginning of the year	25,55,000	31.10	-	-
Granted during the year	-	-	25,55,000	31.10
Lapsed during the year	-	-	-	-
Exercised during the year	1,59,000	50.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	23,96,000	29.85	25,55,000	31.10
Exercisable at the end of the year	96,500	50.00	-	-

44 Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year ended March 31, 2022

Name of the Entity	As at March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in total comprehensive income		Share in profit or loss		Share in other comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount
Jamna Auto Industries Limited (Consolidated)	100.00%	68,468.23	100.00%	14,139.53	100.00%	14,080.43	100.00%	59.10
Parent Company	99.77%	68,308.07	92.71%	13,108.52	92.26%	13,045.77	0.44%	62.75
India Subsidiaries	11.16%	7,640.87	7.66%	1,082.73	7.68%	1,086.37	(0.03%)	(3.64)
Minority interests in the subsidiaries	0.00%	0.16	0.00%	0.01	0.00%	0.01	0.00%	-
Eliminations	(10.93%)	(7,480.87)	(0.37%)	(51.72)	(0.37%)	(51.72)	0.00%	-
Total	**110.93%**	**68,468.23**	**100.37%**	**14,139.53**	**100.00%**	**14,080.43**	**100.00%**	**59.10**

Note: Above figures for the net assets and share in total comprehensive income of entities are after elimination of all intra group transactions.

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44 Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year ended March 31, 2022 (Contd..)

Name of the Entity	As at March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in total comprehensive income		Share in profit or loss		Share in other comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount
Jamna Auto Industries Limited (Consolidated)	100.00%	58,000.80	100.00%	7,259.77	100.00%	7,296.29	100.00%	(36.52)
Parent Company	416.36%	58,871.67	53.93%	7,625.97	54.26%	7,671.81	(0.32%)	(45.84)
India Subsidiaries	29.21%	4,130.38	1.17%	166.09	1.11%	156.77	0.07%	9.32
Minority interests in the subsidiaries	0.00%	0.14	0.00%	0.01	0.00%	0.01	0.00%	-
Eliminations	(35.37%)	(5,001.40)	(3.76%)	(532.29)	(3.76%)	(532.30)	0.00%	-
Total	**100.00%**	**58,000.80**	**100.00%**	**7,259.77**	**100.00%**	**7,296.29**	**100.00%**	**(36.52)**

Note: Above figures for the net assets and share in total comprehensive income of entities are after elimination of all intra group transactions.

S. No.	Name of Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interest		Reporting dates used for consolidation
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
1	Jai Suspension Systems LLP (JSSLLLP) (till 27 May 2021)	India	-	99.9985%	0.0015%	0.0015%	March 31,2022
2	Jai Suspension Systems Private Limited (wef 28 May 2021)	India	99.9985%	-	0.0015%	0.0015%	March 31,2022
3	Jai Suspension Limited (JSL)	India	100%	100%	-	-	March 31,2022
4	Jai Automotive Components Limited (JACL)	India	100%	100%	-	-	March 31,2022

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45 Deferred tax assets (net)

Particulars	31-Mar-22	31-Mar-21
Deferred tax assets (net)	**877.38**	635.52
Total	**877.38**	**635.52**

Income tax expenses reported in the statement of profit and loss comprises:	31-Mar-22	31-Mar-21
Current Income tax :		
Current Income tax charge	**5,318.59**	3,144.65
Deferred tax :		
Relating to origination and reversal of temporary differences	**(271.68)**	**(352.76)**
Income tax expenses reported in statement of profit and loss	**5,046.91**	**2791.89**

Statement of other comprehensive income/(loss)	31-Mar-22	31-Mar-21
Net gain/(loss) on remeasurements of defined benefit plan	**79.16**	(44.16)
Deferred tax asset charged on above	**(20.06)**	7.64
Other comprehensive income/(loss) for the year net of tax	**59.10**	**(36.52)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

Particulars	31-Mar-22	31-Mar-21
Accounting profit before tax	**19,127.34**	10,088.18
Statutory income tax rate	**25.17%**	25.85%
Computed tax expenses	**4,813.97**	2,607.99
Non-deductible expenses for tax purposes	**-**	8.72
Expenses/(Income)not considered for tax purpose (Permanent differences)	**253.74**	149.13
Others	**(20.80)**	26.05
At the effective income tax rate of 26.39% (March 31, 2021: 27.67%)	**5,046.91**	2,791.89

Deferred tax asset comprises the following:

Deferred tax asset / (liabilities)	Balance Sheet		During the year	
	31-Mar-22	31-Mar-21	For the year ended March 31, 2022	For the year ended March 31, 2021
Property, plant and equipment - Impact of difference between tax depreciation and depreciation charged to financial statements	**(807.44)**	(696.85)	**(110.60)**	105.98
Adjustments in respect of deferred tax of previous years	**-**	-	**9.76**	(30.25)
Impact of Government grant deferred	**(289.92)**	(289.92)	**-**	(232.46)
Deferred tax on profit elimination	**7.39**	45.94	**(38.55)**	59.32
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis				
Allowance for doubtful debts	**66.40**	67.51	**(1.11)**	12.46

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Deferred tax asset / (liabilities)	Balance Sheet		During the year	
	31-Mar-22	31-Mar-21	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**-**	-	**-**	(94.31)
Provision for contingencies	**55.01**	35.24	**19.78**	(20.59)
Provision for price difference	**645.39**	491.68	**153.71**	100.84
Provision for warranty	**15.39**	24.32	**(8.93)**	1.10
Impact of Government grant deferred	**167.70**	190.08	**(22.38)**	190.08
Gratuity	**346.75**	343.86	**2.89**	73.46
Employee incentive	**9.37**	9.08	**0.29**	9.08
Leave encashments	**152.19**	180.84	**(28.65)**	44.45
Bonus payable	**54.87**	61.66	**(6.79)**	(16.62)
Other expenditure (net)	**454.28**	172.08	**282.20**	127.62
Total	**877.38**	**635.52**	**251.62**	**330.15**

Reconciliation of deferred tax assets (net)	31-Mar-22	31-Mar-21
Balance at the beginning of the year	**635.52**	275.12
Tax expenses recognised in statement of profit and loss	**251.62**	330.15
Tax expenses related to earlier years	**(9.76)**	30.25
Balance at the end of the year	**877.38**	**635.52**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Effective tax rate has been calculated on profit before tax.

46 During the period, Jai Suspension Systems LLP (hereinafter referred to as "LLP") has been converted into a private limited company namely "Jai Suspension Systems Private Limited" by virtue of provisions of section 366 to 369 of the Companies Act, 2013 w.e.f. 28 May 2021 vide Certification of Incorporation dated 01 June 2021 issued by the Registrar of Companies, NCT of Delhi & Haryana. On the basis of internal assessment, as well as legal advice, the management is of the view that such conversion should be tax-neutral in the hands of the LLP as well as the partners of LLP under the provisions of the Income-tax Act, 1961. Further, till the date of conversion, LLP earned profits for the period April 01, 2021 to May 27, 2021 and accordingly INR 117.44 Lakhs (share of profits) has been credited to the respective current accounts of the partners.

47 "Revenue is measured by the Group at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of finished goods, the Group considers the effect of various factors such as price differences and volume based discounts, rebates and other promotion incentive schemes (""trade schemes"") provided to the customers. Adequate Provisions have been made for such price differences, and trade schemes, with a corresponding impact on the revenue. Accordingly, revenue for the current year is net of price differences, trade schemes, rebates, discounts, etc.

48 Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

49 Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Parent Company has transactions with companies struck off, as stated below:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding at 31st March, 2022	Transactoins during the year	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding at 31st March, 2021	Relationship with the Struck off company, if any, to be disclosed
Sew Eurodrive India Pvt Ltd	Payables	0.00	0.73	Suppliers	0.00	Suppliers
Maxin Hydro Dynamic India	Payables	0.75	4.04	Suppliers	0.00	Suppliers
Pvt Ltd	Receivables	0.00	0.00	Suppliers	-0.23	Suppliers
Fanuc India Pvt.Ltd.	Payables	0.08	2.23	Suppliers	1.48	Suppliers
Star Wire India Ltd.	Payables	0.02	0.00	Suppliers	0.02	Suppliers
Rajdeep Automation Pvt. Ltd.	Payables	0.00	0.93	Suppliers	0.00	Suppliers
Inox India Private Limited	Payables	0.00	0.00	Suppliers	4.86	Suppliers
Metz Lab Private Limited	Payables	0.02	0.12	Suppliers	0.02	Suppliers
Qfocus Engineering India (P) Ltd.	Payables	0.00	0.62	Suppliers	0.00	Suppliers
Schwing Stetter(India) Pvt Ltd	Receivables	4.66	56.28	Customer	6.92	Customer

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary all:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

50 As at March 31, 2021, the Group presented its trade receivables, net of the amounts subject to bill discounting, for one of its principal customer, with a bank. The customer is of very high standing and with an impeccable payment record. As a result, while trade receivables and bill discounting liabilities have, each, been understated by Rs. 11,468.13 lakhs as at March 31, 2021 since the Group saw no risk of any liability arising on this account. Nonetheless in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

50 (Contd..)

Errors', even though the Group sees no risk of any liability arising on account of the bill discounting availed (wherein the bill discounting charges are borne by the customer), the trade receivable balance and bill discounting availed (and treated as a liability) at March 31, 2021 have been restated along with consequential changes in the consolidated cash flow statement. There is no impact on the consolidated profit before tax, profit after tax and total comprehensive income for the year ended March 31, 2021.

51 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Group.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Pankaj Chadha
Partner
Membership No.: 091813

Place: Gurugram
Date: May 21, 2022

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN : 00744518

R.S. Jauhar
Chairman & Executive Director
DIN : 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place : New Delhi
Date May 21,2022

FORM AOC- 1

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

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

Part "A": Subsidiaries

(All amounts in INR lakhs)

S. No.	Name of Subsidiary	Jai Suspensions Limited	Jai Automotive Components Limited	Jai Suspensions Systems Pvt. Ltd.
	Reporting Period	April 01, 2021 to March 31, 2022	April 01, 2021 to March 31, 2022	April 01, 2021 to March 31, 2022
1	The date since when subsidiary was acquired	31/08/2016	03/12/2019	28/05/2021
2	Reporting Currency	INR	INR	INR
3	Exchange Rate	-	-	-
4	Share Capital	2,100.00	4,632.00	700.00
5	Reserves and Surplus	(660.72)	(513.52)	1383.11
6	Total Assets	1,540.40	5387.57	7852.37
7	Total Liabilities	1540.40	5387.57	7852.37
8	Investments	-	-	-
9	Turnover	-	-	-
10	Profit before taxation	(120.55)	(292.96)	1857.90
11	Provision for taxation	-	-	481.79
12	Profit after taxation	(120.55)	(292.96)	1376.11
13	Proposed Dividend	-	-	-
14	% of shareholding	100.00%	100.00%	99.9985%

Notes:

1. Jai Suspensions Limited and Jai Automotive Components Limited are yet to commence their business operations.
2. There were no subsidiaries that have been liquidated or sold during the year.

For and on behalf of the Board of Directors of
Jamna Auto Industries Limited

P.S. Jauhar
Managing Director & CEO
DIN: 00744518

R.S. Jauhar
Chairman & Executive
Director DIN: 00746186

Praveen Lakhera
Company Secretary
Membership No: A12507

Shakti Goyal
Chief Financial Officer

Place: New Delhi
Date: May 21, 2022

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Jamna Auto Industries Ltd.

Registered Office
Jai Spring Road, Industrial Area
Yamuna Nagar - 135 001
Ph. & Fax No. 01732-251810/11/14

NOTICE

Notice is hereby given that the 56th Annual General Meeting of the members of the Company is scheduled to be held on at Friday, August 19, 2022 at 12:30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

Ordinary business

Item No. 1

To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended on March 31, 2022, together with the reports of the Board of Directors and Auditors thereon.

Item No. 2

To confirm interim dividend of Rs.0.50 (Fifty Paisa) on each equity share of the Company paid to shareholders and to declare final dividend amounting of Rs. 1.00 (One Rupee) on each equity share of the Company for the financial year ended on 31 March, 2022.

Item No. 3

To appoint a director in place of Mr. P. S. Jauhar (DIN: 00744518) who retires by rotation and, being eligible, offers himself for reappointment.

Special business

Item No. 4

To ratify the remuneration of M/s Jangira & Associates as Cost Auditors of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder approval of the members of the Company be and is hereby accorded for payment of remuneration amounting to Rs. 200,000 (Rupees Two Lacs) excluding out of pocket expenses to M/s Jangira & Associates, Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company for the financial year 2022-23."

Item No. 5

To approve the transactions with Jai Suspension Systems Private Limited, and in this regard, to consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and policy on related part transactions, subject to such approval of appropriate authority as may be necessary, approval of the members be and is hereby accorded to the Company to enter into or continue to enter the following contracts or arrangements or transactions upto the next Annual General Meeting with Jai Suspension Systems Pvt. Ltd. ("the Subsidiary"):

1. Sale, purchase, supply of goods or material or availing, rendering any services, renting of property from/to Subsidiary;
2. Providing guarantee on behalf of Subsidiary;
3. Giving/making loans, inter-corporate deposits, advances or investments to/in Subsidiary;
4. Providing management support services; and
5. Use of Company's Trade Mark for sale of products by the Subsidiary.

not exceeding in aggregate Rs.400 Crores (Rupees Four Hundred Crores) in a financial year for all such contracts, arrangements and transactions that may be entered into by the Company with the Subsidiary, provided that the such contracts, arrangements and transactions are entered into/ carried out on arm's length basis and on such terms and conditions, price and rates as agreed between the Company and Subsidiary."

Item No. 6

To approve the appointment of Ms. Rashmi Duggal (DIN: 09602912) as an Independent Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 16, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company be and is hereby granted for the appointment of Ms. Rashmi Duggal (DIN: 09602912) as an Independent Director of the Company for initial term of five consecutive years effective from May 21, 2022 and term of her office shall not be liable to retire by rotation".

By order of the Board of Directors
For **Jamna Auto Industries Limited**

Date: May 21, 2022
Place: New Delhi

Praveen Lakhera
Company Secretary & Head-Legal

NOTES:

1) The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), setting out material facts relating to the Special Businesses to be transacted at the 56th Annual General Meeting ("AGM") is annexed hereto.

2) In view of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Ministry of Corporate Affairs General Circular No. 14/2020 dated April 08, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10, 2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021 and General circular No. 03/2022 dated May 05, 2022 physical attendance of the Members to the AGM venue is not required and general meeting to be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members shall attend and participate in the ensuing AGM through VC/OAVM.

   In terms of the MCA circulars, the physical attendance of members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM of the Company will be held through VC / OAVM, the Route Map for AGM venue is not annexed in this Notice.

3) Members attending the meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

   a. **For shares held in electronic form:** to their Depository Participants (DPs).

   b. **For shares held in physical form:** Company has issued letter to shareholders and prescribed forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. Members are requested to register/update the same by writing to the RTA with relevant attachments at M/s. Skyline Financial Services Pvt. Ltd. at D-153/A, First Floor, Okhla Industrial Area, Phase – I, New Delhi –110020 or at Email Id: grievances@skylinerta.com; or admin@skylinerta.com; or parveen@skylinerta.com; Ph. No. +91- 11-40450193-97. The formats are also available on the website of the Company at www.jaispring.com.

5) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.jaispring.com and on the website of the Company's Registrar and Transfer Agents, M/s. Skyline Financial Services Pvt. Ltd. at www.skylinerta.com.It may be noted that any service request can be processed only after the folio is KYC Compliant.

6) Details pursuant to Regulation 36(3) of Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking appointment/re-appointment as mentioned under Item no. 3 & 6 forms integral part of this Notice. The Company has received relevant declarations from Mr. P. S. Jauhar and Ms. Rashmi Duggal for seeking their re-appointment/appointment.

7) Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8) The Register of Members and Share Transfer Books of the Company shall remain close from August 13, 2022 to August 19, 2022 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of final dividend, if approved by the members.

9) The final dividend as recommended by the Board, if declared at the AGM, will be paid within 30 days from the date of declaration to those members:

   a) Whose name appear as member in the register of member of the Company as on August 12, 2022.

   b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on August 12, 2022. to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

10) SEBI has mandated that the requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository except in the cases of transmission or transposition of securities. In view of the above, members holding shares in physical form are requested to open a Demat account with a Depository Participant (DP) and deposit their share certificates with such DP and get their shares dematerialized at the earliest to avoid any kind of inconvenience. Depository Participant will guide you about the process of dematerialization of shares or you may refer the following links for understanding the process of dematerialization of shares NSDL:https://nsdl.co.in/faqs/faq.php(dematerialization) CDSL: https://www.cdslindia.com/Investors/open-demat.html

11) Pursuant to the provisions of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016, dividend remaining unclaimed/ unpaid for a period of 7 years from the date of transfer to the Company's unpaid dividend account and all shares in respect of which dividend has not been paid or claimed for seven consecutive years will be transferred to the Investor Education and Protection Fund (IEPF). Please be informed that following are the dates of dividends declared and the corresponding dates when unclaimed dividends and shares are due for transfer to IEPF:

Financial Year	Date of Declaration Dividend	Due Date for transfer to Investor Education and Protection Fund
2014-15 (Final Dividend)	September 29, 2015	October 30, 2022
2015-16 (Final Dividend)	August 12, 2016	September 12, 2023
2016-17 (Interim Dividend)	November 09, 2016	December 10, 2023
2016-17 (Final Dividend)	August 01, 2017	September 1, 2024
2017-18 (Interim Dividend)	November 11, 2017	December 12, 2024
2017-18 (Final Dividend)	September 29, 2018	October 30, 2025
2018-19 (Interim Dividend)	November 12, 2018	December 13, 2025
2018-19 (Final Dividend)	July 30, 2020	August 30, 2026
2019-20 (First Interim Dividend)	November 14, 2019	December 15, 2026
2019-20 (Second Interim Dividend)	March 5, 2020	April 5, 2027
2020-21 (Interim Dividend)	February 05, 2021	March 5, 2028
2020-21 (Final Dividend)	September 22, 2021	October 22, 2028
2021-22 (Interim Dividend)	November 10, 2021	December 10, 2028

In view of the above, members, who have not claimed their dividends for the above financial years, are requested to make their claims to the Company or Registrar and Transfer Agent.

The information in respect of unclaimed dividends due for transfer to the IEPF is also given in the Corporate Governance Report forming part of Annual Report. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company i.e. at www.jaispring.com and also filed the details with the Ministry of Corporate Affairs. The details of members whose shares have already been transferred to IEPF Authority have also been hosted on the website of the Company. Member whose shares have been transferred to IEPF Authority can claim the same from the IEPF Authority. The procedure for claiming of shares from IEPF Authority has been provided on the website www.iepf.gov.in

12) Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020. Accordingly, the Company shall be liable to deduct withholding tax ('TDS') as per the rates applicable to each category of shareholders. However, no tax shall be deducted on the dividend payable to resident Individuals if the total dividend to be received by them during any financial year does not exceed Rs. 5,000.

The Company has provided the facility to the shareholders (liable to pay tax) to apply to the Company for non-deduction of TDS or deduction of TDS at a lower rate by providing the necessary documents to the Company.

13) Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by August 10, 2022 through email on investor.relations@jaispring.com. Such questions shall be replied by the Company suitably.

14) As per SEBI directions, now the physical instrument should necessarily mention the bank account details of the investors. In view of this, members holding shares in electronic form are hereby informed that bank particulars registered with their respective depository accounts will be used for payment of dividend. The Company or RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

15) Notice, inter-alia, explaining the manner of attending AGM through VC/OAVM and electronic voting (e-voting) along with explanatory statement of 56th AGM of the Company and with the

Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. members may note that the Notice and Annual Report 2021-22 will also be available on Company's website www.jaispring.com, website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.

16) THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on August 16, 2022 at 09:00 A.M. and ends on August 18, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date August 12, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 12, 2022.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	A. NSDL IDeAS facility, If you are already registered, follow the below steps: i. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. ii. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. iii. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. iv. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. v. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. IF THE USER IS NOT REGISTERED FOR IDEAS E-SERVICES, Register option is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp . 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Type of shareholders	Login Method
	NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

2) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3) Now you are ready for e-Voting as the Voting page opens.

4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5) Upon confirmation, the message "Vote cast successfully" will be displayed.

6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to contact@csrsm.com with a copy marked to Company at investor.relations@jaispring.com and NSDL at evoting@nsdl.co.in and can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of HYPERLINK www.evoting.nsdl.com or call on toll free no.: 1800-1020-990/ 1800-224-430 or send a request at HYPERLINK mailto:evoting@nsdl.co.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@jaispring.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@jaispring.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those members/ shareholders, who will present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.

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

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@jaispring.com latest by August 10, 2022. The same will be replied by the company suitably. The requests received after cut off date August 10, 2022 to register as speaker shareholder shall not be entertained.

17) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

18) Relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement shall be available for inspection through electronic mode as per request received from interested members. Members are requested to send their requests on investor.relations@jaispring.com.

19) M/s RSM & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

20) The Scrutinizer shall immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-Voting and e-vote cast during the AGM and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total e-vote cast before the AGM in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

    The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jaispirng.com and on the website of NSDL immediately after the declaration of result. The results shall also be immediately forwarded to the Stock Exchanges where Company's shares are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. Jangira & Associates, Cost Accountants as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023. In accordance with the provisions of Section 148 of the Companies Act, 2013 and the rules made thereunder, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, the approval of the members is being sought for ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of this Notice. Accordingly, the consent of the members is being sought for ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2023.

Item No. 5

The Company enters into various transactions with its subsidiary company i.e. Jai Suspension Systems Private Limited in its ordinary course of business and at arm's length basis.

Pursuant to Regulation 23(4) of SEBI Listing Regulations read with SEBI circulars no. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30 March, 2022 and SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 8 April, 2022 and policy on related party transactions, approval of the shareholders is required for entering into material related party transactions with the Subsidiary.

In view of the above, the ongoing transactions with the Subsidiary is material in nature for which approval of unrelated members of the Company is requested by an ordinary resolution.

1	Type, material terms and particulars of the proposed transaction	Jai Suspension Systems Private Limited is a subsidiary of the Company. The following transactions with Subsidiary are proposed as per the business requirements in ordinary course of business of the Company/ Subsidiary at arms' length basis. The consideration, scope of work and other terms & conditions may vary for each transaction: 1. Sale, purchase, supply of goods or material or availing, rendering any services, renting of property from/to Subsidiary; 2. Providing guarantee on behalf of Subsidiary; 3. Giving/making loans, inter-corporate deposits, advances or investments to/in Subsidiary; 4. Providing management support services; 5. Use of Company's Trade Mark for sale of products by Subsidiary.
2	Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Jai Suspension Systems Private Limited is a subsidiary of the Company. The Company holds 99.9985% of equity share capital of the Subsidiary. The transaction is material related party transaction.
3	Tenure of the proposed transaction	Upto next Annual General Meeting.
4	Value of the proposed transaction	Rs.400 Crores (Rupees Four Hundred Crores) aggregate in a financial year.
5	The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	23.52 % approximately
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, additional disclosure shall be made in accordance with provisions contained under Listing Regulations: a. details of the source of funds in connection with the proposed transaction • nature of indebtedness; • cost of funds • tenure; b. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction;	The transactions related to loans, inter-corporate deposits, advances or investments, if entered shall be made in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7	Justification as to why the RPT is in the interest of the Company	The Company does sale, purchase, provides / receives services to / from subsidiary and also provides financial support to the subsidiary, which is significant for expansion and growth of the business of the group.
8	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable.
9	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	322% approximately.

The Audit Committee and the Board of Directors of the Company at their meetings have granted their approval for entering into transactions with the Subsidiary.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Board, therefore, recommends the Ordinary Resolution at Item No. 5 of the Notice for approval by the members.

Item No 6

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has appointed Ms. Rashmi Duggal (DIN: 09602912) as an Independent Director for initial term of 5 years effective from May 21, 2022. Ms. Rashmi Duggal initially appointed as Additional Director with effect from May 21, 2022. The Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director. She has also submitted a declaration that she meets the criteria of independence as provided in Section 149 of the Act and Regulation 16 of the Listing Regulations.

Ms. Rashmi Duggal (DIN: 09602912) is Post Graduate in Economics and holds Diploma in Business Management and CAIIB. She is retired from State Bank of India in the year 2021 as General Manager. Ms Duggal has worked in different capacities during her more than 3 decades of association with the Bank. She has vast experience in various sectors such as industrial finance, operations, and administrative activities.

Considering her knowledge and experience, the Board is of the opinion that having Ms. Rashmi Duggal on the Board would be beneficial for the Company, therefore it is proposed to appoint Ms. Duggal for the initial term of 5 year with effect from May 21, 2022. A brief profile of Ms. Duggal is annexed with this notice.

The Nomination and Remuneration Committee has identified the following core skills/expertise/competencies for the Independent Directors required in the context of the business:

a) Industry Experience and Knowledge
b) Financial Literacy
c) Legal/ Advocacy/ Regulatory Experience
d) Strategic Planning/ Strategic Development
e) Strategic Marketing
f) Risk Management

Ms. Rashmi Duggal has all the Skills / expertise/ competencies except Industry Experience and Legal Knowledge as identified above for performing the functions as Independent Director of the Company.

In the opinion of the Nomination and Remuneration Committee and the Board, Ms. Rashmi Duggal is a person of integrity and possesses the expertise, requisite qualifications, and relevant experience in the fields of Banking, Industrial Finance, Administration, General Management etc., for performing her role as an independent director of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Ms. Rashmi Duggal (DIN 09602912), are concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of this Notice. The Board, therefore, recommends the Ordinary Resolution at Item No. 6 of the Notice for approval by the members.

By order of the Board of Directors
For **Jamna Auto Industries Limited**

Date: May 21, 2022
Place: New Delhi

Praveen Lakhera
Company Secretary & Head-Legal

Brief Profile of the Director seeking appointment or re-appointment in the 56th AGM in pursuance of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

Name	Mr. P.S. Jauhar	Ms. Rashmi Duggal
Director's Identification Number (DIN)	00744518	096029012
Age	57 years	61 years
Qualifications	Commerce Graduate	Post Graduate in Economics, Diploma in Business Management and CAIIB
Date of First Appointment	March 11,2008	May 21, 2022
Nature of Expertise in Specific Functional Area	Mr. P. S. Jauhar is the Managing Director & CEO. He looks after the day-to day operations of the Company. Mr. Jauhar is a commerce graduate and has experience of 3 decades in the auto component industry, especially in the area of automobile suspension system.	Ms. Duggal is a retired Banker with vast knowledge and experience of 37 years in Banking, industrial finance, operations and administrative areas.
List of Directorships held in other Companies	Director in Map Auto Limited	-
Chairmanship/ membership of Committees of other public companies	-	-
Number of shares held in the Company	2,58,44,323 equity shares	-
Relationship between directors inter-se	Mr. R.S. Jauhar and Mr. P.S. Jauhar are related to each other	-
Last Salary Drawn (in Rs.)	Rs. 3.08 Cores	She will be paid sitting fees for attending the meetings of the Board of Directors and Board Committees.

NOTES