

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Thirty-first (31st) Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2021. The Management Discussion and Analysis forms part of this Report.

FINANCIAL RESULTS -

(₹ in Lakhs.)

Particulars	Financial Year	
	2020-21	2019-20
Revenue from Sale of Products / Services (Net)	33,910.81	36,224.42
Other Operating Revenue	2.21	15.88
Other Income	5.20	44.41
Total Revenue	33,918.22	36,284.71
Cost of Materials Consumed (including change in inventories)	25,797.03	27,913.39
Employee Benefit Expense	2920.12	3,445.18
Other Expenses	5195.20	5,836.07
Earnings / (Loss) before Depreciation, Financial Charges and Tax (EBIDTA)	5.87	(909.94)
Finance cost	1829.34	1,748.27
Depreciation and Amortization Expense	1146.42	1,131.16
Profit / (Loss) before exceptional item and Tax	(2969.89)	(3,789.37)
Exceptional items	-	2,100.00
Tax Expense / (Credit)	-	12.00
Profit/ (Loss) for the year	(2969.89)	(1,701.37)
Other Comprehensive Income (OCI)	(18.85)	(26.89)
Total Comprehensive Income/ (loss) (net of taxes)	(2988.74)	(1,728.26)

DIVIDEND

Inview of the loss incurred by the Company during the year, the Board of Directors of the Company has not recommended any dividend.

TRANSFER TO RESERVES IN TERMS OF THE COMPANIES ACT, 2013

Due to the loss incurred by the Company during the year, your Company is not required to transfer any amount to General Reserve Account under the Companies Act, 2013.

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SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2021 was ₹ 1,586.44 Lakhs comprising of 15,864,397 equity shares of ₹10 each. During FY 2020-21, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2021, none of the Directors or the Key Managerial Personnel of the Company holds instruments convertible into equity shares of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The COVID 19 Pandemic affected the global economy in FY2020-21. The Indian Auto Industry was affected by this pandemic and witnessed a negative growth of 14.04 per cent. The Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a negative growth of 10.58 per cent. Within this segment, while the utility vehicle market grew at 4.04 per cent the van segment and the passenger car segment recorded a negative growth of 18.50 per cent and 17.80 per cent, respectively. The commercial vehicle (CV) segment also registered a negative growth of 17.42 per cent. Within the CV segment, the medium and heavy duty commercial vehicle (M&HCV) segment registered a negative growth of 22.02 per cent and light commercial vehicle (LCV) segment registered a negative growth of 15.38 per cent. The Two wheeler segment registered a negative growth of 12.76% and three wheeler segments registered a negative growth of 46.06 per cent also.

The chart given below shows the production of various categories of vehicles during FY2020-21 vis-à-vis FY2019-20.

Segment	FY2019-20	FY2020-21	% Growth
Passenger cars	21,56,868	17,72,972	(17.80)
Utility vehicles	11,36,209	11,82,085	4.04
Vans	1,31,487	1,07,164	(18.50)
Passenger Vehicles	34,24,564	30,62,221	(10.58)
M&HCVs	2,32,414	1,81,242	(22.02)
LCV	5,24,311	4,43,697	(15.38)
Commercial vehicles	7,56,725	6,24,939	(17.42)
Three Wheelers	11,32,982	6,11,171	(46.06)
Two wheelers	2,10,32,927	1,83,49,941	(12.76)
Quadricycle	6,095	3,836	(37.06)
Total of All Categories	2,63,53,293	2,26,52,108	(14.04)

(Source SIAM report)

OPERATIONS

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

The Financial Year 2020-21 begin with the pandemic situation created by the spread of the Corona virus COVID-19, all over the world and day to day life across the globe came to a virtual stop and your Company

was not an exception. The operations were disrupted at all the manufacturing facilities of the Company. Your Company had to put a halt on its operations for some period during March, 2020 to May, 2020, considering the wellness and safety of its people and complying with Government and Health authorities' advisories during lockdown.

Your Company's sales during the first half of the year were impacted by lower volumes than expected in all segments considering various developments in auto sector like BS-VI norms transition, introduction of Electric Vehicles in passenger vehicle segment that resulted into low inventory / production for all OEMs and which was further exacerbated by COVID-19 related lockdown in March, 2020. Some of the models under Passenger Car segment and Commercial Vehicles segment, on which your Company has heavy dependence, recorded drop in volume and this had an adverse effect on sales. However, during the second half Auto market showed signs of growth bouncing back to pre-Covid levels and higher in all segments. All major customers witnessed including anchor customer of your Company recorded a positive growth in all segments.

In order to achieve operational efficiency and productivity improvements, in quarter 4 of of FY 2020-21, the Company has shifted manufacturing operations located at Chakan Plant- 2, Pune (Maharashtra) from "Survey No. 679/2/2, Alandi Road, Kuruli, Chakan, Taluka - Khed, District- Pune: 410 501" (leasehold premises) to the premises of Chakan Plant 1 located at Gat No 427, Medankarwadi, June Chakan, Taluka - Khed, District- Pune: 410 501, Maharashtra, India' and these operations have been merged with Chakan Plant I.

Further, the Company has proposed to transfer ownership rights in the land along with building located at Survey No. 173, Village-Khakharia, Taluka: Savali, Near GIDC, Halol 389 350, Gujarat, India and land along with building located at Gat No. 427, Medankarwadi Chakan, Taluka: Khed, Pune 410 501 Maharashtra. Management will seek necessary approvals from concerned authorities. The Company will obtain shareholders' approval for this proposal

Financial Year 2020-21 has been a challenging year and having endured and managed to recover from the disruptions induced by a once-in-a-century event, the your Company is cautiously looking forward to 2022 with hopes of putting up a better show in the post-COVID-19 world.

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

Your Company operates its business in conformity with the highest ethical and moral standards and employee centricity. In view of the outbreak of the pandemic, your Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its plant locations and office.

The Management is confident that the cost reduction initiatives and operational efficiencies are sustainable. Your Company has been aggressively managing its net working capital and was able to keep it under control.

Your Company is focused on achieving volume growth, reduction in costs and improving product portfolio. These measures will continue to drive improvement in your Company's business.

INCOME AND EXPENDITURE

During the year under review, the net Sales excluding other operating income dropped by 6.39 per cent to ₹ 33,910.81 Lakhs as compared to previous year primarily due to reduction in Customer volumes & lower off take from key Customers. Other operating revenue decreased from ₹ 15.88 Lakhs to ₹ 2.21 Lakhs. Other income of ₹ 5.20 Lakhs mainly consists of gain on sale of assets of ₹ 36.45 Lakhs and other non- operating income of ₹ 7.96 Lakhs.

Cost of materials consumed (including change in stock) as a percentage to sales increased by 1.90 per cent to 77.03 per cent because of change in the product mix. In order to mitigate the impact, your Company is taking

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various cost reduction initiatives like negotiations with customers and vendors, blank optimization, band tolerance, CTS (Cut to Size) to coil ratio, grade change, resourcing and change in the product mix. The Management has been taking continuous steps to improve material yield.

Employee benefits expense decreased by 15.24 per cent as compared to previous year due to changes in manpower requirements and outsourcing.

Other Expenses comprising Administration and Selling Expenses have decreased to ₹ 5195.20 Lakhs largely due to reduction in sales as compared to previous year & costs related to rent and leasing, logistic costs, freight and forwarding charges, rates and taxes, power and fuel, packing materials, machinery repairs and maintenance, consultancy fees etc. During FY 2020-21, Finance cost increased to ₹ 1,829.34 Lakhs due to increased borrowings.

Your Company is taking various initiatives on productivity improvements and cost reduction Programmes.

Key Financial Ratios

Sr. No	Ratios	31.3.2021	31.3.2020	% change
1	Debtors Turnover	10.89	11.44	(13.99)
2	Inventory Turnover	36.67	20.19	83.91
3	Interest Coverage Ratio	0.00	0.67	(99.52)
4	Current Ratio	0.35	0.36	7.33
5	Debt Equity Ratio	9.72	9.03	7.69
6	Operating Profit Margin (%)	(3.36)	(5.63)	(40.28)
7	Net Profit Margin (%)	(8.76)	(4.69)	86.54
8	Return on Net Worth	(33.47)	(28.92)	15.76

Notes:

1. Current ratio is slightly increased as compared to previous FY 2019-20 mainly due to inventories.
2. Increase in debt during FY 2020-21 as compared to previous FY 2019-20 resulted in slight increase in debt equity ratio.
3. During the year under review, the net Sales dropped by 6.42 per cent to ₹ 33,913 Lakhs as compared to previous year primarily due to reduction in Customer volumes & lower off take from key Customers.

OPPORTUNITIES AND THREATS

• Investment in Technology / Process

To meet the Customer's expectations, it is important for the automotive industry to continuously upgrade its technology and processes. Your Company is also upgrading its technology to participate in new vehicle programmes launched by Customers. During the year under review your Company has implemented and productionised automation in weld shop for various new programmes especially at Chakan plant. Your Company has implemented SCADA (Supervisory Control and Data Acquisition) based Automated BAR CODE System for RTB higher end assembly for a customer passenger car (Nexon) Program. SCADA is a control system architecture comprising computers, networked data communications and Graphical User Interfaces (GUI) for high-level process supervisory management, while also comprising other peripheral devices like programmable logic controllers (PLC) and discrete proportional-integral-derivative (PID) controllers to interface with process plant or machinery. All these efforts have resulted in improvement in productivity and customer satisfaction. The profitability of the Indian Auto Components Industry is likely to continue to be subdued due to pricing Pressures from OEMs.

- **Company's own technology / processes / system improvement plan:**

Your Company is undertaking various new technology initiatives, process upgradation and system enhancements like installation of Robotic Welding Lines for new Customer programmes at Chakan and Pantnagar plants,

SEGMENT-WISE PERFORMANCE

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

FUTURE OUTLOOK

The COVID 19 Pandemic affected the global economy in FY2020-21. The Auto Industry was affected by this pandemic and witnessed a negative growth of 14.04 per cent. The Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a negative growth of 10.58 per cent. Within this segment, while the Utility vehicle market grew at 4.04 per cent the Van segment and the Passenger Car segment recorded a negative growth of 18.50 per cent and 17.80 per cent respectively. The Commercial Vehicle segment also registered a negative growth of 17.42 per cent. Within the CV segment, the M&HCV segment registered a negative growth of 22.02 per cent and LCV segment registered a negative growth of 15.38 per cent. The Two wheeler segment registered a negative growth of 12.76% and three wheeler segments registered a negative growth of 46.06 per cent also.

According to outlook of SIAM in financial year 2021-22, there is estimated growth of 22% in the passenger vehicles, 28% in Commercial Vehicle, 18% in 2 & 3 wheeler vehicle segment and 13 % in tractor segment.

Considering the vaccination drive for all age groups, we expect that the growth will pick-up from Aug' 2021 onwards subject to all parts available for OEM to build the vehicle and supply chain issues that may create adverse impact and put brakes to growth momentum temporarily.

Apart from the cost reduction programmes, your Company has been aggressively pursuing new business opportunities in off- road, Commercial Vehicles, and Three Wheeler Segment by targeting greater share of business from existing and new Customers and ramp up of business in Utility Vehicle Segment. This will not only increase the sales but also will help to reduce the dependency on one segment resulting in reducing overall risk.

Your Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business with the required support from the Promoter Company as well. Your Company is focusing more on off road and commercial vehicle segment wherein recently Government has announced economic relief package to agriculture & infrastructure sector. The said plan takes into account reductions in costs through operational efficiency, improvement initiatives and rationalization of existing operations, adding new businesses, crude oil prices and increase in sales volumes from the existing and new customers etc. which will help in improving the Company's future financial performance.

However, key concerns relates to slowing down in economy, fast recovery of auto industry, higher prices of BS-VI rollout vehicles, impact of Axle load norms, rise in commodity price, and dipped consumer sentiment owing to uncertainty surrounding the Pandemic continue to be challenging times for the auto industry.

RISKS AND CONCERNS

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

Risks Identified and Mitigating actions:

- **Concentrated Customer Base:** Your Company has taken steps to mitigate this risk by business development activities to enhance and increase the customer base and striving to increase share of business with existing customers where Company's share is low.

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- **Rising input costs:** Rising input costs are a risk and hence, your Company has on going improvement initiatives like conversion cost reduction, supply chain efficiency improvement and material yield improvement.
- **Skill Availability:** Your Company focuses on recruitment and in-house skill development to address this Challenge.
- **Market risk:** The COVID-19 pandemic can lead to disruption in supply chain management and manufacturing processes that may impact business goals and profitability. Your Company is taking all necessary measures to minimize the impact of COVID-19 outbreak.

Your Company is working diligently to mitigate the above risks and concerns.

STATE OF COMPANY'S AFFAIRS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. Your Company has developed internal control systems by documenting procedures covering financial and operating functions. These systems are providing a reasonable assurance with regard to its financial and operations controls. The Audit Committee satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

Some significant features of the internal control systems are:

- SAP is used for control of all transactions including finance, materials, dispatch, quality, costing etc. across all locations.
- A detailed preparation and subsequent monitoring of both Annual Budgets & Capital Expenditure budgets for all its functions.
- Internal audits are conducted by external auditors and they audit all aspects of business based on audit programmes finalized by the Audit Committee.
- Review of the financial performance by Audit Committee.

RELATED PARTIES

Note No. 35 of the Financial Statements sets out the nature of transactions with Related Parties. Transactions with Related Parties are carried out in the ordinary course of business and at arm's length. The details of the transactions are tabled before the Audit Committee. Further details on this are explained in the Corporate Governance Report. None of the transactions with related parties falls under the scope of Section 188 (1) of the Companies Act, 2013. Hence, no particulars are being provided in Form AOC-2.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of the Companies Act, 2013, and Rules made there under, amended from time to time, your Company is not mandatorily required to spend any amount in view of the losses. Your Company has however been undertaking CSR initiatives voluntarily. CSR Committee constituted in terms of Section 135 of the Companies Act, 2013 monitors the CSR activities undertaken by the Company as per CSR Policy. The CSR Policy has been uploaded on the website of the Company: www.autostampings.com. The employees from all plants of the Company voluntarily contribute their time by visiting orphanages/ old age homes, schools, etc. to provide some companionship and succor to children and aged people.

ENVIRONMENT, HEALTH AND SAFETY

Company is committed to provide a safe, secure and healthy workplace and this has been documented in the Health, Safety and Environment (HSE) policy which is part of the Overarching Wellness strategy of Company. Company has therefore adopted a comprehensive approach to implement this by adopting 'Total Safety Culture' concept across its operations. All the Plants of your Company have been certified for EMS 14001 and OHSAS 18001 and National Safety Council (NSC). During the period under review, all plants are especially focused on the wellness (Safety) initiative like, Safety week celebration, annual medical checkup, road safety traffic management in plant premises and monthly wellness programme have been conducted by Group Medical Chief Officer.

Your Company has engaged the British Safety Council (BSC) for certification. Your Company is in process of getting BSC Certification in the FY 2020-21. Internal Audits of BSC for health, safety and environment have been conducted at all Plants every quarter wherein all plants received 5 star ratings. Further safety training and awareness initiatives have been undertaken during the year. Health checks and counseling are extended to employees by Group Medical Chief.

During the year, the approach to safety has been further strengthened in all operations in our company. Regular safety drills and safety audits are conducted at all plants. The requisite training is provided to the employees in Safety. Safety enforcement is continuously being monitored and the company is taking guidance from reputed agencies in this activity.

To mitigate pandemic situation, continuous awareness of risks is being evaluated and steps like wearing of masks, sanitization, social distancing, SOPs in canteen, face punching instead of thumb punching, punching cards given to all official staff, temperature checking is being done. The company is connecting to local agencies for dissipation of information like vaccination centres. 80% of employees above the age of 45 have already taken the vaccine.

Company has taken initiatives to reduce its carbon footprint by reducing power consumption and selling steel scrap to be reprocessed and sold. Also initiated reuse of cartoon boxes for normal packing.

There is a continued focus on tracking of "near miss" incidences which has resulted not only in reduction of reportable accidents but even in first aid injuries and non-reportable accidents. Safety competitions, presentations on safety kaizens, environment mock drills, etc. are conducted for achieving a safe and healthy work environment.

Your Company has taken initiatives to reduce its carbon footprint by reducing power consumption and selling steel scrap to be reprocessed and sold.

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

QUALITY INITIATIVES

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

• Appointment of Directors

At the 30th Annual General Meeting of the Company held on August 20, 2020, Ms. Bhavana Bindra was appointed as Independent Director of the Company for first term of five years w.e.f. July 15, 2019.

Retirement / resignation / Cessation of Directorship

Mr. Sanjay Sinha (DIN: 01521346) retired by rotation and was re-appointed in the 30th Annual General

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Meeting held on August 20, 2020. Mr. Deepak Rastogi (DIN: 08210898) will retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

During the year, there was a casual vacancy due to sad demise of Mr. Shrikant Sarpotdar, Independent Director of the Company. The Board of Directors placed on record its sincere appreciation for the valuable guidance and immense contributions made by Mr. Shrikant Sarpotdar during his tenure as Director of the Company.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are: Mr. Jitendraa Dikkshit, Manager designated as Chief Executive Officer, Mr. Yogesh Jaju, Chief Financial Officer and Mr. Prasad Zinjurde, Company Secretary.

During the period under review, Mr. Ashutosh Kulkarni resigned as a Company Secretary of the Company with effect from close of working hours of August 26, 2020. The Board placed on record his sincere appreciation for valuable contribution made by him during his tenure with the Company.

Mr. Prasad Zinjurde was appointed as Company Secretary of the Company w.e.f. October 19, 2020.

EVALUATION OF DIRECTORS, THE BOARD & ITS COMMITTEES

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on January 5, 2017, the Board has carried out the annual performance evaluation for FY 2020-21 of (a) its own performance; (b) the Directors individually; and (c) the working of its Committees viz. 'Audit Committee', 'Nomination and Remuneration Committee', 'Corporate Social Responsibility Committee' and the 'Stakeholders Relationship Committee'. The details of evaluation process have been explained in the Corporate Governance Report.

REMUNERATION POLICY

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

POLICY WRT QUALIFICATIONS, ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

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

DECLARATION BY INDEPENDENT DIRECTORS

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

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

BOARD AND COMMITTEE MEETINGS

The details of Board and Committee meetings held during the year are given in the Corporate Governance Report.

CHANGE IN THE NATURE OF BUSINESS

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

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

The Company has prepared a strategic plan for the next five years after recognizing effect of COVID 19. With continued efforts, the company is expected to address material uncertainty in future. Also the performance of the Company has improved quarter on Quarter basis. Further, there have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

DEPOSITS

The Company has not accepted deposits under Chapter V of the Companies Act, 2013 during the year under review. No amount on account of principal or interest on deposit from public was outstanding as on March 31, 2021.

CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

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

1. in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed and there are no material departures;
2. accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the loss of the Company for the year ended on that date;

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3. proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

EXTRACT OF ANNUAL RETURN –

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of Companies (Management and Administration) Rules, 2014 as amended from time to time, the extract of Annual Return in Form MGT-9 is annexed as Annexure II to this Report.

The extract of the Annual Return of the Company can also be accessed on the website of the Company at www.autostampings.com

PERSONNEL

At the end of March, 2021, your Company had 435 employees (excluding trainees and apprentices) as compared to 570 employees as on March 31, 2020.

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

Your Company has HR help desk to resolve grievances/day to day issues of employees within time bound manner. This results in maintaining transparent culture and help to increase satisfaction level of the employees.

Considering the competitive market scenario, it has become essential to have substantial improvement in the productivity on the shop floor. Your Company has been implementing TPM, WCSQ, Kaizen and other various systems to improve overall performance of all plants.

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

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

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

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

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Your Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. Awareness Programmes were conducted at various plants of the Company. Your Company has not received any complaint of sexual harassment during the financial year 2020- 21.

Your Company has not received any complaint of sexual harassment during the financial year 2020- 21.

RISK MANAGEMENT

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

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

AUDITORS

1. Statutory Auditors:

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

The Statutory Auditors' Report for FY 2020-21 on the financial statement of the Company forms part of this Annual Report.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended March 31, 2021. The observations of the Statutory Auditors in their Reports are self-explanatory and therefore Directors don't have any further comments to offer on the same.

2. Secretarial Auditors:

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

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and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Prajot Tungare & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for FY 2020-21. The Report of the Secretarial Audit is annexed herewith as Annexure IV to this Report. There are no qualifications, reservations or adverse remarks or disclaimer in the said report and therefore Directors don't have any further comments to offer on the same

Pursuant to Listing Regulations read with SEBI circular No.LIST/COMP/14/2018 dated June 20, 2018, a certificate from M/s. Prajot Tungare & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to Corporate Governance Report.

COMPLIANCE OF SECRETARIAL STANDARDS

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

REPORTING OF FRAUDS BY AUDITORS

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

FORWARD LOOKING STATEMENTS

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

ACKNOWLEDGEMENTS

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

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

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

Place: Pune
Date : April 26, 2021