



Passionate about Performance



# 2020 ANNUAL REPORT

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**OMAX AUTOS LIMITED**

[www.omaxauto.com](http://www.omaxauto.com)

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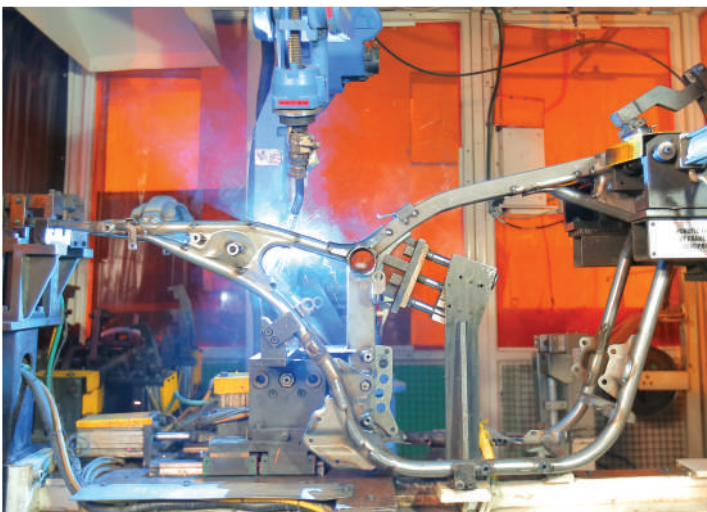


# A VERSATILE RANGE OF AUTOMOTIVE COMPONENTS

## A Versatile Range of Automotive Components

One of the leading manufacturers of Automotive Components in India, OMAX Autos Limited specializes in sheet metal components, tubular components and machined components. Focused on performance, OMAX is amongst the prime OEM (parts and assembly) suppliers in India.

With its reputation for excellence, OMAX has expanded its reach by providing a wide gamut of Assemblies, Subassemblies, Frames, Bus Structure Assemblies, Tools Fixtures and SPM to industry segments. The range of products finds application in segments like Automotive (PC & CV), Railways & Heavy Fabrication.



# OUR JOURNEY SO FAR

**1983**

The year marked the beginning of the name "Omax Autos Limited"

**1985**

The first unit started in Dharuhera as an ancillary supplier to Hero MotoCorp for Sheet Metal and Tubular Welded Components.

**1986**

Omax Autos Limited went public with more than 7500 shareholders.

**1988**

Established its second unit Automax in Gurgaon

**1989**

Diversified its customer base by roping in Carrier Aircon Ltd. in Air Conditioning Components.

**2003**

Established Its Fifth Plant-Sprocket division in Dharuhera. Bagged ISO/TS - 16949, ISO 4001 & OHSAS 18001 Certification from UL India for all Plants.

**2004**

Established its Sixth Plant at Bangalore having machining & sheet metal manufacturing facilities. Established its Seventh Plant - Indital at Dharuhera.

**2005**

Established its Eighth Plant at Binola, Gurgaon for catering to export clients.

**2006**

SAP rolled out in all Eight Plants across India.

**2007**

Automax, Gurgaon Plant merged with Binola Plant

**2013**

Merged Railway Component Division with Binola Plant (Automax) to use the available resources in better way.

**2014**

Separation of Railways Division from Binola Plant

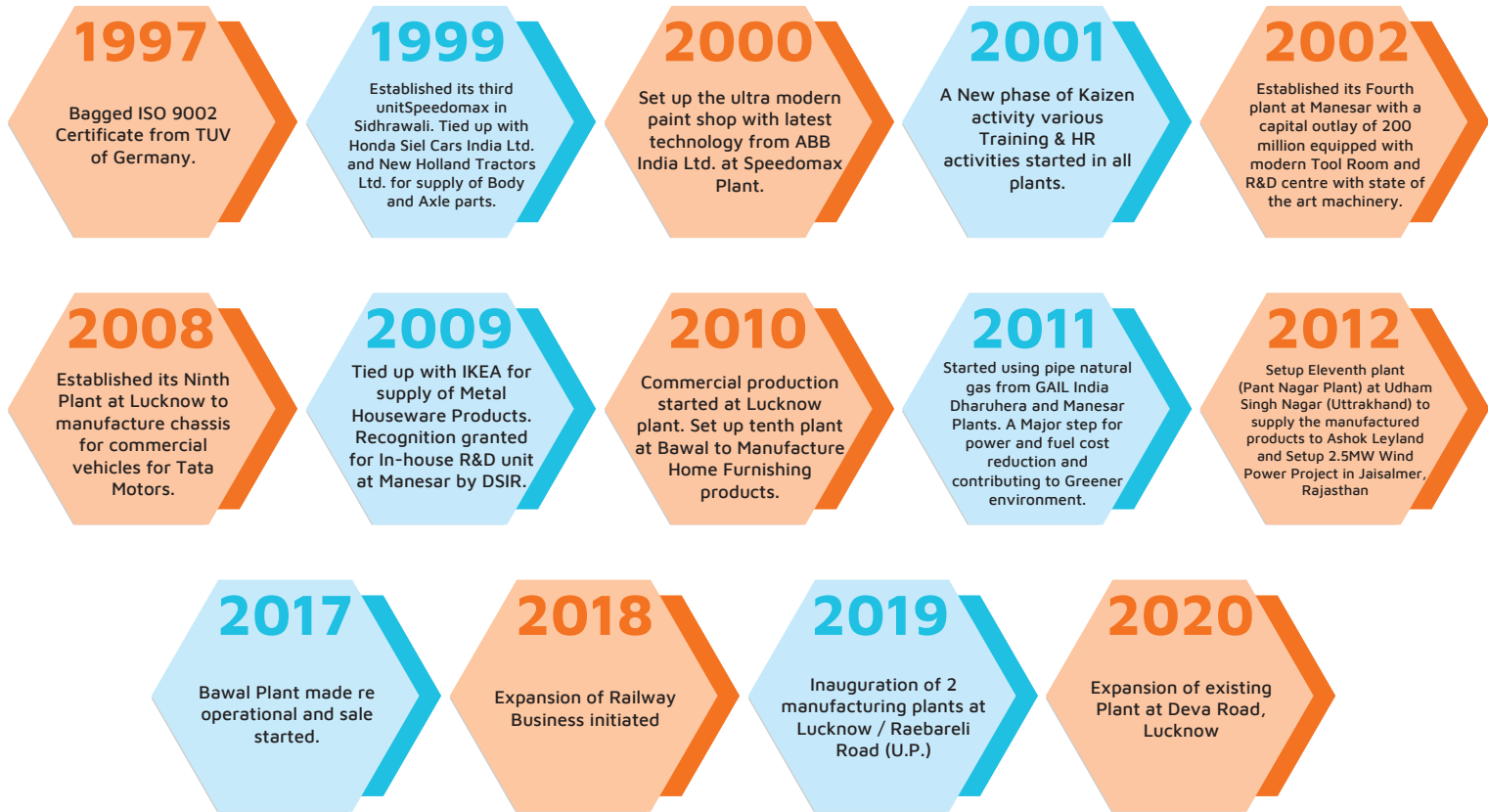
**2015**

Started the inhouse R&D centre, "Innovomax" to improve upon existing products and develop new products to meet demands of futuristic automobile industry

**2016**

Started the in - house R&D centre "Innovomax"





## The inception and progress of Omax.

A pioneer of complete automotive solutions pan India, OMAX Autos Limited was established in the year 1985. With its excellent infrastructure, highly motivated team of leaders and constant need for innovation, the company has grown in size and stature, and today, is the epitome of success. This is evident in its being one of the topmost OEM (Parts & Assembly) suppliers in the country and having a stronghold in various industry segments including Automotive (PC & CV), Railways and Heavy Fabrication.



# CORPORATE INFORMATION

Omax Autos, presently, has four manufacturing plants in India. These state of art facilities maintain high international standards. The unending passion for superlative performance has led to the use of world-class machinery and technology. The Company has two new plants in Uttar Pradesh scheduled to be operational in first quarter of current financial year 2020-21. Commercial production in these units got delayed due to Covid-19 pandemic, which is expected to commence by end of second quarter of the current financial year 2020-21.

## Board of Directors

**Mr. Bharat Kaushal**  
**Mr. Jatender Kumar Mehta**  
**Dr. Ramesh Chandra Vaish**  
**Dr. Triloki Nath Kapoor**  
**Mr. Deep Kapuria**  
**Mrs. Novel S. Lavasa**

Chairman (Independent Director)  
Managing Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

**Mr. Panja Pradeep Kumar**  
**Mr. Ravinder Kumar Mehta**  
**Mrs. Sakshi Kaura**  
**Mr. Devashish Mehta**  
**Mr. Tavinder Singh**

Independent Director  
Managing Director  
Joint Managing Director  
Joint Managing Director  
Whole time Director

## Members of the Audit Committee

**Dr. Ramesh Chandra Vaish**  
**Dr. Triloki Nath Kapoor**  
**Mr. Jatender Kumar Mehta**  
**Mrs. Novel S. Lavasa**

Chairman  
Member  
Member  
Member

**Mr. Deep Kapuria**  
**Mr. Devashish Mehta**  
**Mr. Panja Pradeep Kumar**

Member  
Member  
Member

### Company Secretary & Compliance Officer:

Mr. Sanjeeb Kumar Subudhi

### Statutory Auditors:

BGJC & Associates LLP

### Secretarial Auditor:

M/s. Chandrasekaran Associates,  
Company Secretaries

### Internal Auditors:

M/s. H.M. & Associates, Chartered Accountants  
M/s. Singhi Chugh & Kumar, Chartered Accountants  
M/s. JHS & Associates LLP (Previously N. Kochhar & Co.) Chartered Accountants

### Senior Management:

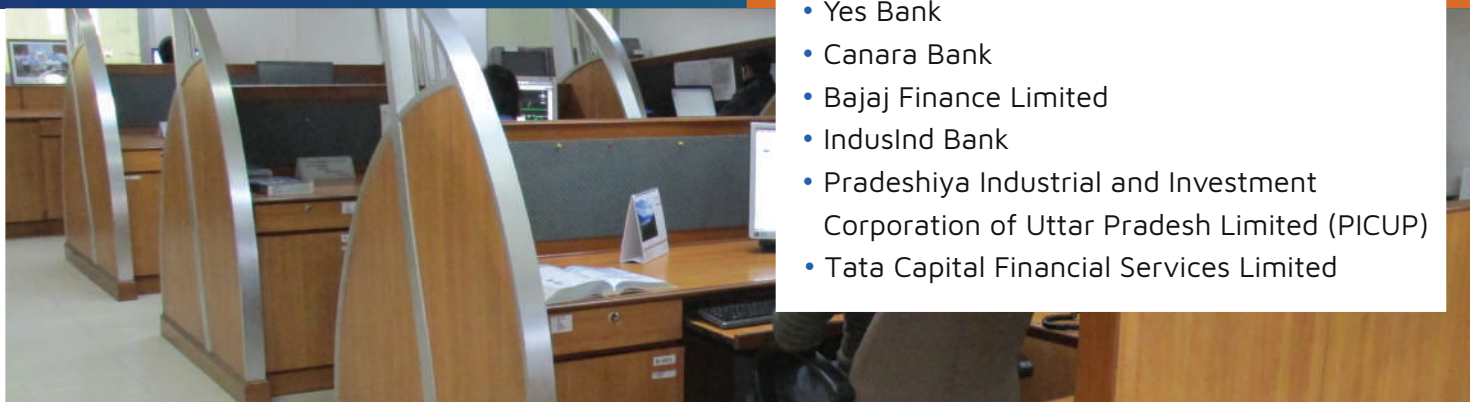
Mr. Hari Gopal Agrawal, Chief Financial Officer  
Mr. Himanshu Sharma, Chief Operating Officer

# Registrar & Share Transfer Agent

M/s Link Intime India Private Limited  
Noble Heights, 1st Floor, Plot No. NH 2,  
LSC, C-1 Block, Near Savitri Market,  
Janakpuri, New Delhi-110058  
Tel: +91-11- 4141 0592/93/94;  
Fax: +91-11-4141 0591  
E-Mail: delhi@linkintime.co.in  
Website: www.linkintime.co.in

## Our Bankers/Financiers

- HDFC Bank Limited
- ICICI Bank Limited
- The Hongkong & Shanghai Banking Corporation Limited
- Indian Bank
- Yes Bank
- Canara Bank
- Bajaj Finance Limited
- IndusInd Bank
- Pradeshiya Industrial and Investment Corporation of Uttar Pradesh Limited (PICUP)
- Tata Capital Financial Services Limited



### Registered & Corporate Office:

Plot No. B-26, Institutional Area, Sector 32, Gurugram, Haryana - 122001



### Bangalore Plant:

Plot No. 6, Bomassandra-Jigani Link Road, Bomassandra, Bangalore, Karnataka - 560099



### Lucknow Plant:

Tata Motors Vendor Park, Chinhat Industrial Area, Deva Road, Lucknow (U.P.)-226019



### Binola Plant:

Railway Division Delhi- Jaipur Highway, Village & P.O. Binola Gurugram, Haryana-123413



### Bawal Plant:

Plot No. 2, Sector-5, Bawal, Distt. Rewari, Haryana-123501

# MESSAGE FROM CHAIRMAN



## Dear Stakeholders,

I hope, you and your family members are keeping safe and healthy.

As the Chairman of the Company, I feel privileged to communicate with you through this 37th Annual Report of the Company.

Friends, we are going through an unprecedented difficult time brought upon us by this coronavirus pandemic which has now affected the entire globe. This pandemic has changed our perspective towards life. It has also compelled us to re-strategize our businesses. As the human race has survived many catastrophes in the past, we are sure that we will survive this crisis also. Hope, you all will find enough strength and immunity to fend off this short term adversity. This crisis created many challenges; but at the same time it also provided many opportunities. Though it tested human endurance, it taught us adaptability and flexibility also. It is up to us what we choose to take from it.

Despite the fact that this pandemic was unpredictable and no one was ever prepared for it, the Company however has managed to handle it to a great extent. The pandemic and consequent lockdowns and restrictions imposed on various industrial and economic activities have posed several challenges to the Company. Initially, all the units of the Company were to be closed due to nationwide shut down. However, later all the plants and units resumed operations gradually, and now on their way to normalcy. This shut down of economic activities has hampered the business of the Company in the current fiscal. However, the management is confident to get over the situation very soon.

As far as the global economy and Indian economy are concerned, 2019-20 was not among the best of the years. The Indian auto industry was also not immune to it. Despite the same, the Company did reasonably well during 2019-20. The Company ended the year with a turnover of Rs. 488 Cr. compared to Rs. 1004 Cr. for the previous year; the decline in turnover was mainly due to exit from 2W business. However, PBT increased from Rs. 5.15 Crores in 2018-19 (0.51%) to Rs. 6.95 Cr. in 2019-20 (1.42%), despite the low turnover. Railway business did well during the year and grew around 19%. However, due to economic slowdown, particularly in auto industry, CV and PC businesses had low turnovers. However, the management is still optimistic and confident to achieve doubling the turnover of these businesses in next 2-3 years. I am pleased to share that our two new plants in Uttar Pradesh to manufacture long member and railway parts/components are in advance stage of commissioning. Though, they both were expected to be operational during the current year, due to Covid crisis, the start of operation got delayed a bit. However, the management is confident that both the plants would be operational before end of this fiscal. Once operational, these plants would add volume and profitability to the overall business of the Company.

Keeping pace with the fast evolving technology has been the major focus area of the management. Company has its own in-house R&D Centers, which are effortlessly working on developing new products for our customers. The management is striving hard to develop new products for its customers. Hopefully, we would be able to add new product lines to our business soon.

Friends, tough time never lasts, but tough men do. The management is confident that with your support we will recover from this short term situation. Government is doing whatever it could, to contain this pandemic situation. Health experts are working on vaccines which will be available for general public very soon. Hopefully, the situation will be normal in few months. I hope, the economy will gain its speed back by early next year and attain the level of previous year. With the operation of two new plants, the Company is also expected to return to its growth path. So, let's keep our fingers crossed.

Last, but not the least, I take this opportunity to thank all the customers, vendors and shareholders for their unstinted support to the Company. Wish all the shareholders and other stakeholders a very healthy and safe festive seasons ahead.

**Bharat Kaushal**  
(Chairman)



# MESSAGE FROM MANAGING DIRECTOR



## Dear Stakeholders,

I hope you all are safe and healthy and taking good care of yourself and your family members; particularly, the elders and children. We all are going through an unprecedented difficult time. As I said earlier, when going gets tough, the tough gets going. The COVID-19 pandemic has completely changed the socio-economic fabric of the society. More than five months have passed now, but we are still struggling to find a solution to contain this pandemic. Life has come to a standstill. This pandemic has put a catastrophic impact on the economy. Governments, leaders and policy makers are in a fix, whether to save lives or save the economy. People all over the world have now started to adapt to a new way of living and working. Hope, we all will find strength and calmness to sail through this difficult time.

It's my pleasure to connect with you through this 37th Annual Report of the Company. Another year passed by but not many things to cherish. The fiscal year 2019-20 turned out to be a forgettable year for the automotive industry with massive challenges throughout and the unprecedented COVID-19 crisis towards the end of the financial year. With continuing slowdown in the economy, the auto industry did not do very well during the fiscal year 2019-20. Myriad factors contributed to the declining trend in the auto industry. Meeting Bharat Stage VI emission norms and consequent rise in cost of vehicles, push for electric vehicles, high fuel costs, lack of financing options are few factors which contributed to this. Due to economic slowdown, the consumer sentiment was also not good. The auto industry registered a de-growth of about 14.73% on y-o-y basis. The Commercial Vehicles business and Passenger Vehicles business, on which the Company is greatly relying, registered a de-growth of 28.75% and 17.88% respectively. The auto industry is strongly interlinked with underlying economic activities. Considering the impact of Covid 19 pandemic, the future in CV and PV markets looks subdued in short term. The other business area in which the Company did well is Railway component business. Though this business area performed reasonably well, going forward, the performance will depend upon government's policy decisions on Indian Railway in current and coming years.

The global economy recorded its lowest growth of the decade in 2019, falling to 2.3% as a result of lingering trade disputes and a slowdown in domestic investment. In January, 2020, the U.N.'s annual report forecasted a modest acceleration in global growth of 2.5% in 2020 and 2.7% in 2021. However, after the outbreak of Covid 19 pandemic, the situation has now changed drastically. Hence, global economy will remain subdued to a large extent in the current fiscal. The International Monetary Fund (IMF) projected the global growth at -4.9% in 2020, 1.9 percentage points below the April, 2020 World Economic Outlook forecast.

The growth of Indian economy slowed to an 11-year low to 4.2% in 2019-20. Considering the ongoing Covid 19 crisis, the growth outlook for India is not very encouraging in the current fiscal. The IMF projected a sharp contraction of 4.5% for the Indian economy in 2020 citing the unprecedented coronavirus pandemic that has nearly stalled all economic activities. However, it also forecasted the country is expected to bounce back in 2021 with a robust 6% growth rate. So we have to keep our fingers crossed.

Company's performance in the last fiscal was not upto the expectations. The Company has already exited from its 2W business. Due to economic slowdown, particularly in auto industry, CV and PC business fell short of their expected results. However, Railway business did well and was the savior for the fiscal. The Company clocked a turnover of Rs. 488 Cr. in 2019-20 compared to Rs. 1,004 Cr. for the previous year. The decline in turnover was mainly due to exit from 2W business. However, profitability showed greater improvement. PBT increased from Rs. 5.15 Crores in 2018-19 (0.51%) to Rs. 6.95 Cr. in 2019-20 (1.42%), even with a lower turnover. The Company is continuously exploring to add new products and new customers to the existing portfolio.

The Company is coming up with two state of the art manufacturing units at Lucknow-Raibareli Road, Uttar Pradesh to cater to the demand of CV customer and Railways. Though both these plants were expected to be operational during the current fiscal, due to Covid crisis, the project got delayed by few months. Once operational, these units will add good business and margin to the Company. The Company is taking measures to consolidate few plants which would increase the overall productivity and profitability of the Company and will rationalize the costs.

Due to this Covid crisis, there is an uncertainty looming around and there are apprehensions about the future businesses. However, nothing is permanent; this shall also pass away. We will rise like a phoenix again. Your Company is blessed with some talented and passionate people who are working hard, round the clock, to lead the Company to attain its zenith. I am confident that in coming times the Company would reach new heights in terms of growth and performance.

### ACKNOWLEDGMENT

I thank all our bankers, lenders and financiers who reposed their faith on us and generously extended their credit lines. They will remain very much part of our growth stories.

My special thanks to all our employees, who have supported the Company in difficult times and particularly shown tremendous flexibility and adaptability to work from home in the ongoing Covid crisis. This new learning and experience will benefit us even after the crisis is over. No wonder, employees remain the building blocks of the Company.

I also thank all our customers, vendors and other stakeholders who remained very much a part of our journey. We seek their continued support in coming years also. I would like to congratulate each member of the OMAX Family for their continuous support to the Company.

**Jatender Kumar Mehta**  
(Managing Director)

# FINANCIAL HIGHLIGHTS

Historical Trend of Various Financial Parameters of the Company for the last five financial years is provided below:

## Financial Performance

(Rs. in Lacs)

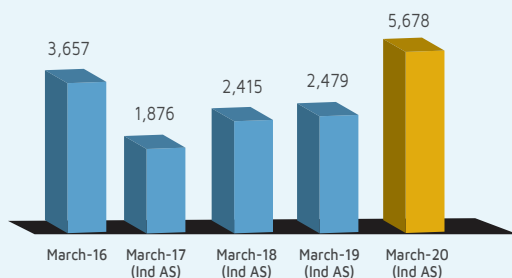
Year Ended	MAR-16	MAR-17 Ind AS	MAR-18 Ind AS	MAR-19 Ind AS	MAR-20 Ind AS
Gross Sales & Other Income	117,282	118,050	122,003	100,443	48,833
Net Sale and other Income	103,248	104,607	119,030	100,443	48,833
Export Sales	886	816	757	565	164
Gross profit (PBIDT)	5,837	4,292	5,317	5,286	4,232
Net Worth	22,000	22,051	23,017	22,906	27,126
Capital Employed	30,069	28,909	29,359	30,489	42,908
Net profit ( PAT)	791	-242	966	-111	4,220
Fixed Assets ( Net Block)	28,358	27,746	25,995	20,056	11,377
Cash profit	3,657	1,876	2,415	2,479	5,678

## Key Indicators

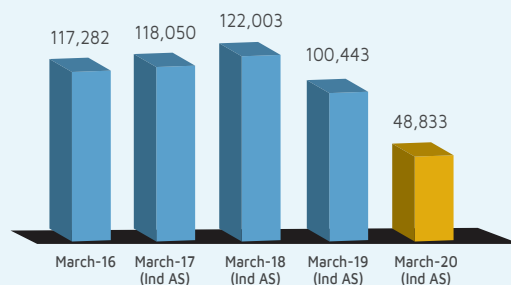
(Rs. in Lacs)

Year Ended	MAR-16	MAR-17 Ind AS	MAR-18 Ind AS	MAR-19 Ind AS	MAR-20 Ind AS
Gross profit Margin (%)	5.65	4.10	4.47	5.26	10.68
Net profit Margin (%)	0.77	-0.23	0.81	-0.11	9.04
Export Sales/Net Sales (%)	0.86	0.78	0.64	0.56	0.38
Debt/Equity	0.43	0.75	0.64	0.93	0.91
Earning per Share (Rs.)	3.70	-1.02	3.58	0.20	20.38
Book value per share (Rs.)	102.86	103.10	107.62	107.09	126.83

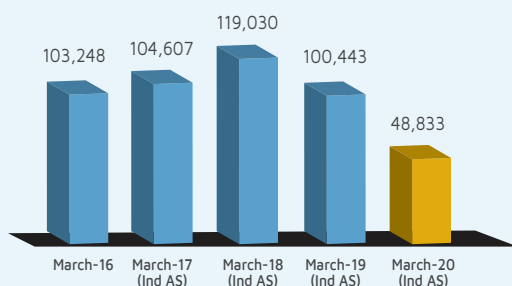
### Cash profit (Rs. Lacs)



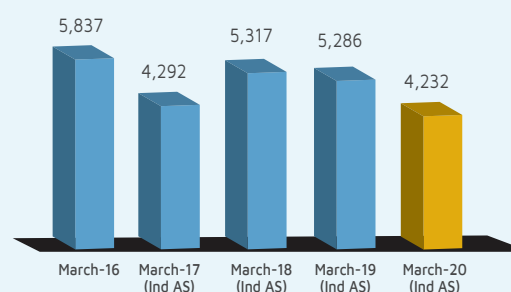
### Gross Sales & Other Income (Rs. Lacs)



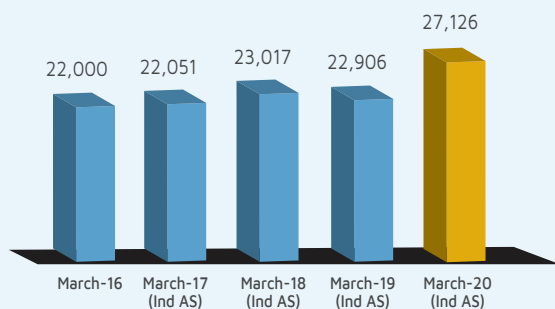
### Net Sale and other Income (Rs. Lacs)



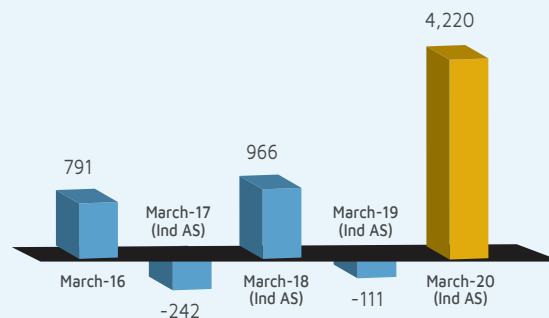
### Gross profit (PBIDT) (Rs. Lacs)



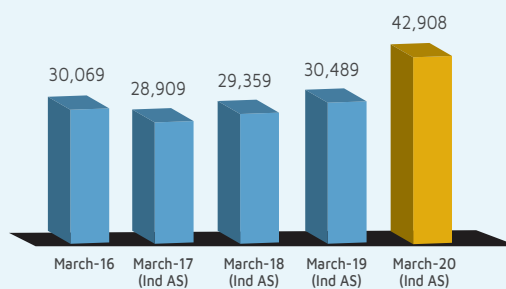
### Net Worth (Rs. Lacs)



### Net profit (PAT) (Rs. Lacs)



### Capital Employed (Rs. Lacs)



Innovomax has geared up in the past year to take on the challenges in technology encountered during the growth journey of Omax with the vision “To promote, develop and facilitate creative endeavours for innovative solutions aligned with the business needs of Omax in a competitive environment”. In view of the technical and engineering needs of Omax, Innovomax is being built to be a centre of excellence in product design and process technology, and has got in place the necessary infrastructure, both in terms of state-of-the-art hardware and softwares, as well as technical manpower. Innovomax has also started to collaborate with external agencies, academia and technical partners for hand holding in areas where there is significant cost and time in building internally within Omax.

Aligning with the business needs, Innovomax has helped shape up the technology strategy of Omax for the next three years in each of the business segments, and has started by taking up projects in railways and 2W segments. In the near future, Innovomax will be continuously working to add a number of value added products to the portfolio of Omax to serve the identified business segments in the Indian market.



## **Growth plan for Railways**

The next big stepping stone to greater business achievement for OMAX is the massive expansion & growth plans for the Railways. Its expertise in railway product manufacturing and heavy fabrication is surely going to bring about a substantial change in the kind of equipment available currently. Under a sustainable expansion and growth plan, the current target is to produce biodegradable toilets. Currently the leading supplier to Indian railways, OMAX understands the need of the industry, which is in a state of great change. With its state-of-the-art manufacturing facilities, the company intends to bring about considerable change and advancement in the railway systems in the country, bringing them en par with international standards. The company is also targeting other than Indian Railway Customer in business.

# ROADMAP



To promote, develop and facilitate creative endeavors for innovative solutions aligned with the business needs of OMAX in a competitive environment.



Excellent customer relationship, top class production and supply system, advanced technological support, better products, diversification and greater geographical business presence are some of the imperatives that will define the future growth prospects of the company. By constantly pushing up the benchmarks of its quality standards, innovating cutting edge technology and developing world class products, the company intends to reach greater heights at business in the future. Backed by a well-equipped infrastructure, visionary leaders and dexterous work force and supported by experts, the company's goal is to scale newer heights of business growth with specific focus on the Indian Railways.

- INCREASING SHARE OF BUSINESS WITH EXISTING CUSTOMERS
- INCREASING SHARE OF BUSINESS FROM NEW PRODUCTS
- BUSINESS DEVELOPMENT BY ADDITION OF NEW CUSTOMERS
- ESTABLISHING ORGANIZATIONAL CONNECT WITH CUSTOMERS
- IN-HOUSE DEVELOPMENT OF NEW TECHNOLOGY/PRODUCTS
- EXPLORING FOREIGN MARKETS AND INCREASING EXPORTS
- DIVERSIFICATION INTO NEW BUSINESS SEGMENT
- ASSESSING THE MARKET, BASED ON CAPACITY, GEOGRAPHICAL PRESENCE, MARKET SHARE AND TECHNOLOGY
- ASSESSING OPPORTUNITIES AND THREATS ARISING DUE TO CHANGES IN TECHNOLOGY, REGULATION AND CUSTOMER NEEDS
- BETTER HUMAN RESOURCE MANAGEMENT
- STRINGENT FINANCIAL CONTROL MEASURES

# LEADERSHIP

A name synonymous with performance, OMAX Autos Limited is a leading name in the manufacturers of Auto & Non-Auto components in India. For over three decades, OMAX Autos, with its robust engineering process capabilities, has made significant presence in the automotive industry and today among the leading component manufactures in India.

Headquartered in Gurgaon, Haryana, OMAX Autos has a motivated workforce of over 1500+ employees. Constantly evolving to set new benchmarks in the industry, the company has over 100+ team of qualified engineers and highly experienced professionals that ensure best-in-class practices for product development, thereby fostering growth.

In its pursuit of business, OMAX also endeavours to uplift the community where it operates. Social and environmental concerns are closely interwoven in OMAX Auto's core practices and decision making. At OMAX, we aspire to be an innovative engineering solution provider creating societal impact by offering value propositions for problems of traffic congestion and air pollution by consciously engaging with all stakeholders.

## 4 State-of-the-art

*existing manufacturing Plants and 2 upcoming (Pan India)*

Bawal | Binola | Bangalore | Lucknow | 2 Upcoming Plants at Raebarelli and Lucknow



- INDIA'S ONLY TIER I COMPANY CAPABLE OF DELIVERING PAINTLESS COACH SHELLS.
- LARGEST COMMERCIAL VEHICLE CHASSIS MANUFACTURER IN INDIA.
- LEADING IN PROPRIETARY DESIGN AND MANUFACTURING SOLUTIONS FOR LIGHT WEIGHTING.
- RESPECT FOR INTELLECTUAL.



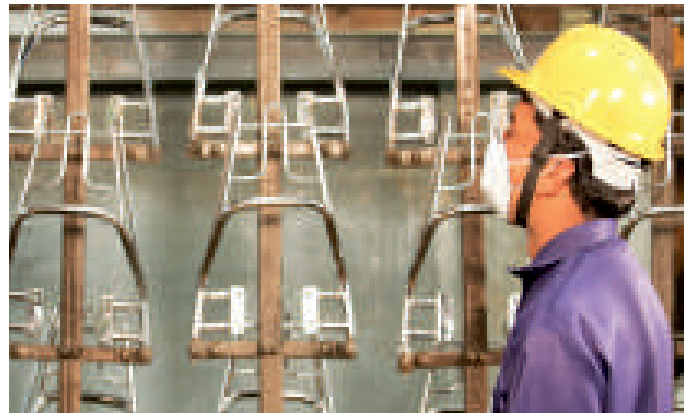
## Manufacturing facilities ensuring quality and quantity

Quality and quantity are two sides of the same coin. It goes without saying that one is incomplete without the other. In the current market scenario, it is becoming increasingly challenging to meet the quantity demands along with quality. This is the reason that OMAX has robust and efficient manufacturing facilities which cater to a wide range of satisfied clients all across the country



### CNC WIRE CUT

State-of-the-art modern Tool-Room set-up with latest CAD/CAM facilities, 3D CMM, Wire cut EDM and Vertical Machining Centers Facilities SPMs and low cost automation.



### TRI-NICKEL CHR. PLT

One of the largest Tri Nickel Chrome Plating facility (120 Million square decimeter).



### CNC PIPE BENDING

CNC Pipe Bending Facilities for manufacturing of 65 mm Dia for Steering handles, Frame assemblies & various other tubular parts.



### STAMPING FACILITY

Presses ranging from 10T to 1200T. Capability to handle sheets from 0.6mm to 12mm. Produce an extensive array of stamped & welded assemblies.





## COMMERCIAL VH. MANUFACTURING

Largest Medium & Heavy Commercial Vehicle Frame Assembly supplier in India.



## HEAVY FABRICATION

fabrication facility. Approved supplier for Indian railways and heavy fabrication , for products like- Fuel tank, bio toilets, engine hood and more.

# TECHNOLOGY CELL & COMMERCIAL TOOL ROOM

## TOOL ROOM, DESIGN AND RESEARCH & DEVELOPMENT.



Our avant-garde engineering process capabilities enable us to not only meet expectations but also set quality benchmarks. Our in-house tool room and R&D facility has been behind our leading position in the industry. Here at Omax, we constantly push our limits to remain the preferred choice of our customers. Our research and development wing - Innovomax - the Omax research centre explores new technology frontiers and also aims to improve upon the existing products. We strive for perfection in everything we do and always attempt to exceed our customer expectations



## 3 DIMENSIONAL TUBE LASER CUTTING

# Technology that creates possibilities

To beat all odds and innovate one's way to the future is the hallmark of a technology focussed company. This focus, coupled with cutting edge engineering, has made OMAX a leader in an industry marked by intense competition. A major contributory factor is the dedication and investment in the field of research, which has enabled the company to progress by leaps and bounds without ever looking back.

## PRODUCT DESIGN & VALIDATION CAPABILITIES

- CONCEPT DESIGN WITH RENDERING
- 3D PART & ASSEMBLY MODELLING
- PACKAGING
- DETAILING & DRAFTING
- GD&T
- BENCHMARKING
- LINEAR STATIC STRUCTURAL
- NON-LINEAR STRENGTH
- VIBRATION
- THERMAL
- KINEMATICS
- METAL FORMING
- FLOW AND CFD
- IMPACT

## PRODUCT DESIGN & VALIDATION PROCESS



**NABL**  
ACCREDITED LAB



**STANDARD ROOM**  
(3D CMM)



**ROBOTIC CELL**  
WELDING SPM

## IMPROVING QUALITY OF LIFE: CSR activities by OMAX Autos

At OMAX Autos , our CSR efforts are focused on improving the quality of life of underprivileged communities neighbouring our business operations. Our interventions focus on education, employability and environment, impacting over thousands of lives. Continuing the legacy, we have undertaken CSR activities at the Government School of Nakhdola, powered by Monk.e.Wise.

Omax Autos Ltd planned a Social Initiative with G.G.P.S, Nakhdola, where in Omax has been rigorously working to uplift the children and women through various educational as well as awareness programmes.

Some of the major initiatives include STEM Education, Women empowerment, Personal Hygiene, Exposure to Professions, Learning and Skilling and various other important initiatives. These interactive initiatives have made a qualitative difference by bringing a remarkable change in the students' behaviour and understanding. The evaluations clearly show an average rise of 12% in students in terms of perseverance, motivation and achievement every month.



**IMPROVING QUALITY  
OF LIFE**



**ISSUES OF  
URBAN CHILDREN**



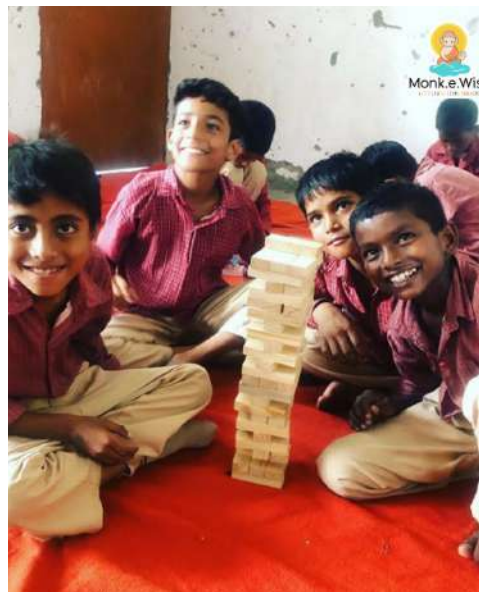
**LEARNING  
OPPORTUNITIES**



**PERSONAL  
HYGIENE**



**WOMEN  
EMPOWERMENT**



## Group Leadership Conclave

GLC is a communication platform which enables the top management to discuss the strategies and the policies to stay upbeat. Leaders and senior management share the Plants information, achievement and updates for the whole quarter. By imparting innovative ideas and opportunities, leaders brainstorm and bring out the best to revolutionize the success for upcoming quarter as well as a year.



# OPEN TALK

Open Talk is an opportunity for OMAXians to learn about various informative and interesting subjects like we had session on 'Cyber Security Gyan Bytes'. The speaker of the session was Mr. RK Singh, IT Head who shared the various measures to prevent cyberattacks.

Open Talk sessions aim at imparting knowledge on the different evolving innovations and technological methods. Open Talk as a communication platform is a testimony of true leadership which aims to carve out the best out the passionate leaders.



## 3CS: CORPORATE COMMUNICATIONS CONCLAVE

Our newly reinvented 3CS – Corporate Communications Conclave is a forum that aims to strengthen conversations and understanding about every department's vision, achievements, challenges as well as goals.

At this interactive forum, HOD's present reviews and goals of their particular departments to create a common goal and vision in order to contribute to the growth of the organisation.

## Products that make all the difference

OMAX Autos Limited is one of the most trusted names in the automotive parts and components industry. It has built a reputation for developing and delivering quality products time and again. It is for this reason that today, some of the biggest brands prefer doing business with OMAX.

OMAX has always delivered products which are innovative and excellent in quality. Moreover these products are as per the varied requirements of all the major automotive companies.

### 4 W (PC & CV) | RAILWAY | COMMERCIAL TOOL ROOM AND R&D

## OUR PRODUCT CATEGORIES

- COMPONENTS, SUB ASSEMBLIES AND ASSEMBLIES
- FRAME AND BUS STRUCTURE ASSEMBLIES
- PRECISION MACHINED COMPONENTS AND ASSEMBLIES
- TOOLS, FIXTURES AND SPM
- RAILWAY & HEAVY FABRICATION

# 4 WHEELERS (PC & CV)

- SHROUD FAN
- TRUNK HINGE ASSEMBLY BASE BATTERY SETS
- SEAT RAIL ASSEMBLY
- GEAR SHIFTER SHAFT ASSEMBLY
- ROTATOR & FLY WHEEL CAPS
- CROSS MEMBER
- AUXILIARY CROSS MEMBER
- FRONT TOWING CROSS MEMBER
- AIR CLEANER MOUNTING BRACKET
- FRONT UNDER BODY PROTECTIVE DEVICE
- CRASH TUBE



*Piston Rods "Shocks & Struts"*



*Oil Pan*



*Base Battery Sets*



*Gear Shifter Shaft Assembly*



*Sub Assembly Cross Member*



*Chassis*



# OUR PRODUCTS

## Railways & Heavy Metal Fabrication

With the advancements made in the automotive industry in recent times, it has become imperative to keep up with the pace of development and to keep upgrading one's knowledge and skills constantly. It is to the credit of the OMAX family that the company has been able to maintain absolute quality standards. To always deliver on schedule along with top level quality has become its one and only aim.



OMAX is an approved supplier for Indian Railways. The advanced manufacturing and heavy fabrication facilities allow the company to ensure that all products developed for Indian Railways are of best quality. The product range includes complete coach building, fuel tank, Bio toilets and much more.

# OUR CUSTOMERS

In more than 35 years since its inception, OMAX Autos Limited has achieved an impeccable reputation in terms of reliability, quality and delivery, resulting in complete customer satisfaction. It is for this reason that today, OMAX has a huge base of loyal and satisfied customers.



## Notice

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting ("AGM") of the members of **Omax Autos Limited** will be held on Friday, the 25<sup>th</sup> September, 2020 at 10:00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business(es):

### ORDINARY BUSINESSES:

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 including the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit & Loss and the Cash Flow Statement for the year ended as on date together with the accompanying notes thereto and the reports of Auditors and Board of Directors and in this connection to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 including the Balance Sheet as at 31<sup>st</sup> March, 2020, the statement of Profit & Loss and the Cash Flow Statement for the year ended on that date together with the accompanying notes thereto, along with the reports of the Auditors and Board of Directors thereon be and are hereby received, approved and adopted."

- To appoint a Director in place of Mr. Ravinder Kumar Mehta (DIN:00028409) who retires by rotation and being eligible, offers himself for re-appointment; and in this connection, to consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactments thereof, for the time being in force], Mr. Ravinder Kumar Mehta (DIN: 00028409) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

- To appoint a Director in place of Mr. Tavinder Singh (DIN:01175243), who retires by rotation and being eligible, offers himself for re-appointment; and in this connection, to consider and if thought fit to pass with or without modification the following resolution as an

### Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactments thereof, for the time being in force], Mr. Tavinder Singh (DIN:01175243), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS(ES):

- To ratify the remuneration of Cost Auditor for the financial year ending 31<sup>st</sup> March, 2021.

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

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 [including any statutory modification (s) or re-enactment (s) thereof for the time being in force], the Company hereby ratifies the remuneration of Rs. 1,20,000/- (Rupees One Lac Twenty Thousand only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, payable to M/s. JSN & Co., Cost Accountants (Firm Registration No. 000455) who were appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending 31<sup>st</sup> March, 2021.

- Re-appointment of Mr. Deep Kapuria (DIN: 00006185) as an Independent Director of the Company**

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

**"RESOLVED THAT** in terms of the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014,

Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendations of the Nomination and Remuneration Committee, Board, and in accordance with the Nomination and Remuneration Policy of the Company, Mr. Deep Kapuria (DIN: 00006185), whose existing term of 5 years expired on 9<sup>th</sup> November, 2019 and was appointed by the Board of Directors in their meeting held on 9<sup>th</sup> October, 2019 subject to approval of the shareholders, and who qualifies for being re-appointed as an Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in the Section 149(6) of the Act and Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years, w.e.f. 9<sup>th</sup> November, 2019, not being liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and other applicable provisions if any (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of Members of the Company be and is hereby accorded for continuation of Directorship of Deep Kapuria as Non-executive Independent Director of the Company, who will attain the age of 75 years during his proposed second term, by way of passing of special resolution for the remaining period of his second term of Directorship as Non-Executive Independent Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For **Omax Autos Limited**

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
Membership No. A18791

Address: 670, Sarvahit Apartment,  
Sector 17A, Dwarka, New Delhi-110075

Place : Gurugram

Date : 25th August, 2020

#### NOTES:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its general circular No. 20/2020 dated 5th May, 2020 read with general circular No. 14/ 2020 dated 8th April, 2020 and general circular no. 17/ 2020 dated 13th April, 2020 (collectively referred to as 'MCA Circulars') and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars") has permitted the holding of the Annual General Meeting ("AGM") during the calendar year 2020 through Video Conferencing ('VC') / Other Audio Visual means ('OAVM'), without the physical presence of the members at a common venue. Therefore in compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the above Circulars, the 37th AGM of the Company is being held through Video Conferencing ('VC'). The deemed venue for the 37th AGM shall be the Registered Office of the Company situated at Plot No. B-26, Institutional Area, Sector-32, Gurgaon, Haryana- 122001.
- The Company has appointed Link Intime India Private Limited (LIPL), Registrars and Transfer Agents of the Company, to provide the VC facility for conducting the AGM including e-voting facility at the AGM and for voting through remote e-voting. The procedure for participating in the meeting through VC/ OAVM is explained in the notes and is also available on the website of the Company at [www.omaxauto.com](http://www.omaxauto.com).
- Since the AGM is being held through VC, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available, as provided in the MCA Circulars and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting at the AGM through e-voting facility. In this regard, the body corporates are required to send a latest certified copy

- of the Board Resolution/ Authorization Letter/ Power of Attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting. The said resolution/ letter/ power of attorney shall be sent by the body corporate through its registered e-mail id to the Scrutinizer by email through its registered email address to [rupesh@cacsindia.com](mailto:rupesh@cacsindia.com) with a copy marked to [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in).
6. The notice of AGM along with Annual Report will be sent to those members / beneficial owners whose name will appear in the register of members/ list of beneficiaries received from the depositories as on Friday, 28 August, 2020.
  7. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
  8. Register of Members and Share Transfer Register will be closed from Friday, 18 September, 2020 to Friday, 25<sup>th</sup> September, 2020, (both days inclusive).
  9. An Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Businesses to be transacted at the AGM is annexed and forms part of this Notice. The Board of Directors have considered and decided to include Item Nos. 4 & 5 given above as Special Businesses in this AGM, as they are unavoidable in nature. Information under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "LODR") & Secretarial Standard-2 on General Meetings in respect of the Director seeking appointment/ re-appointment, at the AGM (item no. 4 & 5), forms integral part of the notice and is appended as Annexure. The concerned Directors have furnished the requisite declarations for their re-appointment and their brief profiles form part of the Statement.
  10. The Notice of the AGM along with Explanatory Statement and Annual Report for the financial year 2019-20 will be available on the website of the Company ([www.omaxauto.com](http://www.omaxauto.com)), on the website of LIPL [instavote.linkintime.co.in](http://instavote.linkintime.co.in) / and on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and BSE Limited ([www.bseindia.com](http://www.bseindia.com)), in compliance with the Circulars.
  11. Company has provided Members, remote e-voting facility and voting facility to exercise their right to vote at the AGM by electronic means. The process and manner for availing the said facility is explained in the e-mail under which this Notice is sent to the Members.
  12. 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.
  13. Members are requested to: -
    - Quote DP ID and Client ID/Ledger Folio numbers in all their correspondence;
    - Approach the RTA for consolidation of multiple ledger folios into one; and
    - To avoid inconvenience, get shares transferred in joint names, if they are held in a single name and/or appoint a nominee.
  14. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to [investors@omaxauto.com](mailto:investors@omaxauto.com) at least seven days before the date of the meeting. The same will be suitably replied by the Company.
  15. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 01, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s. Link Intime India Private Limited for assistance in this regard. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
  16. Pursuant to Section 72 of the Act, member(s) of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrars and Share Transfer Agents, M/s. Link Intime India Private

Limited ("RTA"). In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to corporate governance report which is a part of this Annual Report.
18. The amount outstanding in unpaid dividend account in respect of financial year 2012-13 and shares where dividend had remained unpaid for last consecutive seven years will be transferred to the 'Investor Education and Protection Fund' maintained with the Central Government. The Company has placed the information on unclaimed dividends on its website [www.omaxauto.com](http://www.omaxauto.com)
19. Members who have not yet registered their email addresses or want to update their registered email address are requested to register / update the same by providing Folio No., Name of shareholder, scanned copy of the share certificate(s) (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to company's RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) in case the shares are held by them in physical form. Further, if shares are held on demat mode, then the members may contact the Depository Participants (DPs) for registering / updating the email address as per the process advised by your DPs.
20. In accordance with the MCA Circulars read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (the 'SEBI Circular'):
  - a. Notice of the AGM along with the Annual Report for the financial year 2019-20 is being sent to the Members and to all other persons so entitled in

electronic mode only, whose email addresses has been registered with the Company/ Depository Participants ('DPs')/Depository/ LIPL. Members are requested to verify/ update their details such as email address, mobile number etc. with their DPs, in case the shares are held in electronic form and with LIPL, in case the shares are held in physical form.

- b. Those Members, who have not yet registered their email addresses and consequently, have not received the Notice and Annual Report, are requested to get their email addresses and mobile numbers registered with LIPL, by following emailing at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in).

#### **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM NO. 4**

The Board, on the recommendation of the Audit Committee, at their Meeting held on 25<sup>th</sup> August, 2020, has approved the appointment of M/s. JSN & Co., Cost Accountants (Firm Registration No. 000455), as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2021 at a remuneration of Rs. 1,20,000/- (Rupees One Lac Twenty Thousand only) plus out of pocket expenses as actual, if any and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought by passing an ordinary resolution as set out at Item No. 4 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2021.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their shareholding in the Company, if any. The Board recommends the passing of the resolution as set out at Item No. 4 of the Notice of the AGM as an ordinary resolution.

##### **ITEM NO. 5**

In terms of Section 149 of the Companies Act, 2013 (hereinafter referred as "Act") read with Schedule IV to the

Act, the members of the Company, at the 32<sup>nd</sup> AGM, held on 14<sup>th</sup> September, 2015, had approved the appointment of Mr. Deep Kapuria (DIN:00006185), as an Independent Director of the Company for a term of five years with effect from 10<sup>th</sup> November, 2014. Accordingly, the present term of Mr. Deep Kapuria has expired on 9<sup>th</sup> November, 2019.

Mr. Deep Kapuria (DIN:00006185) had completed his present term as Independent Director of the Company on 9<sup>th</sup> November, 2019. On the recommendation of the Nomination & Remuneration Committee, the Board, subject to the approval of the shareholders, has re-appointed him as Independent Director for a second term of five consecutive years w.e.f. 9<sup>th</sup> November, 2019, in its meeting held on 9<sup>th</sup> October, 2019.

As per the provisions of Section 149 read with Schedule IV to the Act, an Independent Director can be re-appointed by passing of a Special Resolution by the Company. Further, the re-appointment of the Independent Director shall be on the basis of performance evaluation, made by the Board.

Mr. Deep joined the Company's Board in November 2014. He is the member of Audit Committee and Nomination and Remuneration Committee of the Board. He holds 1800 equity shares of the Company.

Mr. Deep Kapuria, aged 71 years, is a graduate in Engineering from BITS, Pillani. He has also been accredited in Advance Management Program from IIM(A). He is an alumnus of the Harvard Business School, USA. Mr. Kapuria is the Chairman of "The Hi-Tech Group" of companies comprising Hi-Tech Gears, The Hi-Tech and Associates Limited, The Hi-Tech Robotic Systemz Limited. He has acquired a vast professional experience in the field of automobile industry related to transmission components, engineering design services etc.

In terms of the provisions of the Act read with Schedule IV of the Act, the Nomination and Remuneration Committee of the Board at its meeting held on 9<sup>th</sup> October, 2019, has carried out the performance evaluation of Mr. Kapuria. Subsequently, based on the recommendations of the Nomination and Remuneration Committee, the Board evaluated the performance of Mr. Kapuria. Based on the performance evaluation, the Board recommends the re-appointment of Mr. Kapuria as an Independent Director.

As per the provisions of Clause (2) of Part IV of Schedule IV of the Act, the approval of the members is being sought to re-appoint Mr. Kapuria as an Independent director of the

Company.

Mr. Kapuria is not disqualified from being appointed as a Director in terms of Section 164 of the Act and the Company has also received a declaration from Mr. Kapuria that she meets the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, in the opinion of the Board, Mr. Kapuria is a person of integrity and possesses relevant expertise and experience.

Mr. Kapuria is not debarred from holding the office of director pursuant to any SEBI order.

The terms and conditions of re-appointment of Mr. Kapuria shall be open for inspection by the members at the Registered Office of the Company, during the working hours on all working days and upto and including the date of AGM and shall also be open for inspection by members. The said terms and conditions are also available at the Company's website.

In the opinion of the Board, Mr. Kapuria fulfils the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management.

Members of the Company are requested to note that Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on 9<sup>th</sup> May, 2018 prescribes that with effect from 1<sup>st</sup> April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a Special Resolution is passed to that effect.

Deep Kapuria (DIN: 00006185) who is proposed to be reappointed as Non-executive Independent Directors of the Company at the ensuing 37<sup>th</sup> Annual General Meeting of the Company to be held on 25<sup>th</sup> September, 2020 for second term of five consecutive years w.e.f. 9<sup>th</sup> November, 2019, by way of Special Resolution, will attain the age of seventy five years during proposed second term.

In view of the said provision and amendment from time to time of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is proposed to members to approve the continuation of the Directorship



of the Mr. Deep Kapuria as the Independent Directors of the Company for the remaining period of proposed second term.

Mr. Deep Kapuria is expert in his field and his experience and valuable guidance is beneficial to the Company.

In view of Deep Kapuria's qualifications, knowledge and huge experience in the industry and his meeting the criteria of independence, your Board considered the continuity of his directorship as justified.

The Board after considering benefits of the expertise of the aforesaid independent Directors has recommended the resolution for approval of shareholders by way of Special Resolutions.

Further, the details as required under the Secretarial Standard and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the brief resume, nature of expertise in specific functional areas, directorship and membership of Committees in other Companies, shareholding and other details of Mr. Kapuria, have been provided separately at the end of this statement which may be read as part hereof. Considering Mr. Kapuria's qualifications, knowledge and huge experience in the industry and his meeting the criteria of independence, your Board considered his re-appointment as justified.

The Board recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for approval by the members.

None of the Directors and Key Managerial Personnel or any of their relatives, except Mr. Kapuria, has any concern or interest, financial or otherwise, in the above proposed matter, except to the extent of their respective shareholdings in the Company.

For **Omax Autos Limited**

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
Membership No. A18791

Address: 670, Sarvahit Appartment,  
Sector 17A, Dwarka, New Delhi-110075

Place : Gurugram

Date : 25th August, 2020

#### INSTRUCTIONS FOR REMOTE E-VOTING

- Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>.

**Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under: -**

Click on '**Sign Up**' under '**SHARE HOLDER**' tab and register with your following details:

- User ID: Enter your User ID
  - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
  - Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
  - Members holding shares in physical form shall provide Event No + Folio Number registered with the Company
- PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
- C. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format).
- D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.
  - Members holding shares in CDSL demat account shall provide either 'C' or 'D', above.
  - Members holding shares in NSDL demat account shall provide 'D', above.
  - Members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.
  - Set the password of your choice (The password should contain minimum 8 characters, at least one Special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
  - Click 'confirm' (Your password is now generated).
- Click on 'Login' under '**SHARE HOLDER**' tab.



- Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
- After successful login, you will be able to see the notification for e-voting. Select 'View' icon for 'Omax Autos Limited/ Event number 200255'.
- E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e. 'Favour/Against', click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/ Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

**If you have forgotten the password:**

Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'

- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case member is having valid email address, Password will be sent to his/her registered e-mail address.
- Member can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character, at least one numeral, at

least one alphabet and at least one capital letter.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

In case Members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call on +91 (022) 4918 2505/4918 6000.

**GENERAL INSTRUCTIONS**

1. The Company shall be providing two way teleconferencing facility for the ease of participation of the members.
2. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members upto the date AGM. Members seeking to inspect such documents are requested to send an email to [investors@omaxauto.com](mailto:investors@omaxauto.com).
3. The remote e-voting facility will be available during the following period for all the members who are either holding shares in physical mode or in demat mode:
  - (a) Commencement of remote e-voting : From 9:00 a.m. (IST) on 22nd September, 2020,
  - (b) End of remote e-voting : Up to 5:00 p.m.(IST) on 24th September, 2020
4. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of i.e. closing hours of Friday, 18th September, 2020.
5. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and

are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.

6. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cutoff date for voting i.e. Friday, 18<sup>th</sup> September, 2020, may obtain the login ID and password by sending a request to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in). However, if he/she is already registered with LIPL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
7. Dr. S. Chandrasekaran, Senior Partner failing him Mr. Rupesh Agarwal, Managing Partner and failing him Mr. Shashikant Tiwari, Partner, M/s. Chandrasekaran Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting/poll process and ensure that the voting process at the AGM is conducted in a fair and transparent manner. They have also confirmed their eligibility to act as a scrutinizer.
8. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
9. The displayed results declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.omaxauto.com](http://www.omaxauto.com) and on the LIPL website <https://instavote.linkintime.co.in> and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE). The results will also be displayed at Regd. and Corp. Office of Company.

#### PROCESS AND MANNER FOR ATTENDING THE 37TH AGM THROUGH INSTAMEET

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads.html/>. Shareholders also have an option to click on the URL provided to attend

the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

- **Open the internet browser and launch the URL for InstaMeet <> and register with your following details:**
  - Demat Account No. or Folio No.: Enter your 16-digit Demat Account No. or Folio Number registered with the Company.
  - PAN: Enter your 10-digit Permanent Account Number.
  - Mobile No.:
  - Email ID:
- Click "Go to Meeting"
- Members can log in and join 30 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & 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.

#### Instructions for Shareholders/Members to Speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number at [investors@omaxauto.com](mailto:investors@omaxauto.com), atleast 48 hours prior to the date of AGM i.e. on or before 10:00 a.m. (IST) on Wednesday, 23<sup>rd</sup> August, 2020. Only the views/questions of those shareholders will be taken up who have emailed it to the Company within prescribed time and will be replied suitably.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the

availability of time for the AGM.

3. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.
4. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **Instructions for Shareholders to Vote during the AGM through InstaMeet:**

Once the electronic voting is activated by the Scrutinizer/Moderator during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Enter Demat Account No./Folio No. and OTP (received on the registered mobile number/registered Email ID) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see 'Resolution Description' and against the same the option 'Favour/Against' for voting.
4. Cast your vote by selecting appropriate option i.e. 'Favour/Against' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. 'Favour/Against' as desired and you have decided to vote, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Confirm', else to change your vote, click on 'Back' and accordingly modify your vote.
6. Once you confirm your vote on the Resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders present at the AGM through InstaMeet facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to

vote through e-Voting facility during the meeting from 11.00 a.m. (IST) till the expiry of 15 minutes after the AGM is over. Shareholders who have voted through remote e-voting prior to the AGM will be eligible to attend/participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders are encouraged to join the AGM through Tablets/Laptops connected through broadband for better experience.

Shareholders are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the currency of the AGM.

Please note that shareholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such kind of glitches.

In case shareholders have any queries regarding e-voting, they can address them to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or call on +91 (022) 4918 6175.

For **Omax Autos Limited**

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
Membership No. A18791

**Address: 670, Sarvahit Apartment,  
Sector 17A, Dwarka, New Delhi-110075**

**Place : Gurugram**

**Date : 25th August, 2020**

Pursuant to Secretarial Standard and Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the details of the Directors seeking appointment/re-appointment/ fixation of remuneration/variation of the term of remuneration at the forthcoming Annual General Meeting are provided below:

Name of Directors	Ravinder Kumar Mehta	Tavinder Singh	Deep Kapuria
DIN	00028409	01175243	00006185
Date of Birth	23 <sup>rd</sup> December, 1941	21 <sup>st</sup> February, 1962	5 <sup>th</sup> August, 1949
Age	79 years	58 years	71 years
Qualification	Graduate	Matriculation	Graduate in Engineering from BITS, Pillani. He has also been accredited in Advance Management Program from IIM(A). He is an alumnus of the Harvard Business School, USA.
Experience	45 years	35 years	44 years
Terms and Conditions of appointment/ re - appointment	Mr. Ravinder Kumar Mehta is proposed to be re-appointed as director on his retirement by rotation in the Annual General Meeting. His terms of appointment as Managing Director are as follows: <b>Remuneration:</b> an amount not exceeding Rs. 30.10 Lakhs per annum; Provident Fund Contribution, Leave Travel Allowance, Gratuity and Leave encashment shall be paid as per statutory norms and Company policy <b>Tenure (As MD):</b> 1 <sup>st</sup> January, 2016 to 31 <sup>st</sup> December, 2020  For part of a year remuneration to be paid proportionately.	Mr. Tavinder Singh is proposed to be re-appointed as director on his retirement by rotation in the Annual General Meeting. His terms of appointment as Whole - time Director are as follows: <b>Remuneration:</b> an amount not exceeding Rs. 75 Lakhs per annum; Provident Fund Contribution, Leave Travel Allowance, Gratuity and Leave encashment shall be paid as per statutory norms and Company policy <b>Tenure (As WTD):</b> 29 <sup>th</sup> October, 2018 to 28 <sup>th</sup> October, 2021  For part of a year remuneration to be paid proportionately.	Re-appointment as Independent Director for a term of 5 years w.e.f. 9 <sup>th</sup> November, 2019. He will not be liable to retire by rotation.
Remuneration sought to be paid	Not Applicable.	Not Applicable .	Not Applicable.
Remuneration last drawn	During the financial year 2019 - 20, Mr. Ravinder Kumar Mehta has drawn the following Remuneration from the Company: - Salary: <b>Rs. 19,80,000/-</b> Value of perquisites: <b>Rs. Nil</b> Contribution to statutory funds: <b>Rs. 2,37,600/- Per Annum</b> Total : <b>Rs. 22,17,600/-</b>	During the financial year 2019 -20, Mr. Tavinder Singh has drawn the following Remuneration from the Company: - Salary: <b>Rs. 46,31,004/-</b> Value of perquisites: <b>Rs. 32,400/-</b> Contribution to statutory funds: <b>Rs. 2,10,708/-</b> Total : <b>Rs. 48,74,112/-</b>	N.A. (Non-Executive Director)
Date of First Appointment on the Board	1 <sup>st</sup> January, 2006	29 <sup>th</sup> October, 2015	10 <sup>th</sup> November, 2014
Brief Resume	Mr. Ravinder Kumar Mehta is one of the promoters of the Company and has been in service to the Company since its inception. His contribution in the overall performance of the Company is very significant and he is instrumental in expansion, diversification including exports.	Mr. Tavinder Singh is associated with the Company for more than 30 years and serving the Company as the General Manager – Commercial. He has more than 35 years of industry experience in the field of Production and material procurement. Before joining the Company he has also worked with A. S. Tools, Delhi and Highway Cycles India Limited.	Mr. Deep Kapuria, aged 71 years, is a graduate in Engineering from BITS, Pillani. He has also been accredited in Advance Management Program from IIM(A). He is an alumnus of the Harvard Business School, USA. Mr. Kapuria is the Chairman of "The Hi - Tech Group" of companies comprising Hi - Tech Gears, The Hi -Tech and Associates Limited, The Hi -Tech Robotic Systemz Limited. He has acquired a vast professional experience in the field of automobile industry related to transmission components, engineering design services etc.

Name of Directors	Ravinder Kumar Mehta	Tavinder Singh	Deep Kapuria
Expertise in Specific Functional Areas	Mr. Ravinder Kumar Mehta has 45 years of experience in the Corporate Sector.	Mr. Singh has more than 35 years of industry experience in the field of sales and material procurement.	Automobile industry related to transmission components, engineering design services
Directorships held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> <li>• Omax Autos Limited</li> <li>• Life Green Systems Limited</li> <li>• Thrive Ecological</li> <li>• Innovations Private Limited</li> </ul>	NIL	<ul style="list-style-type: none"> <li>• Hi-Tech Gears Limited</li> <li>• Omax Autos Limited</li> <li>• The Hitech and Associates Limited</li> <li>• The Hi -Tech Robotic Systemz Limited</li> <li>• Novus Autotech Private Limited</li> <li>• Dev Darshan Construction Private Limited.</li> <li>• Global Innovation &amp; Technology Alliance</li> <li>• The Mayo Foundation</li> </ul>
Number of Meetings of the Board attended during the Year (2019-20)	3 (Three)	8 (Eight)	1 (One)
Committee position held in listed companies	NIL	2 (two) 1) Omax Autos Limited - Stakeholders' Relationship Committee - (Member) 2) Omax Autos Limited - Executive Committee (Member)	5 (Five) 1) Omax Autos Limited - Audit Committee and Nomination & Remuneration Committee. 2) The Hi -Tech Gears Limited -CSR Committee, Share Transfer Committee and Finance Committee
No. of shares held in the Company as on March 31, 2020:	(a) 10,71,600 Equity Shares (b) Nil	(a) Nil (b) Nil	(a) 1800 Equity Shares (b) Nil
Relationship with other Directors, Manager and other Key Managerial Personnel (KMP)	Mr. Jatender Kumar Mehta – Brother  None of the other directors or KMPs except as stated above are related to Mr. Ravinder Kumar Mehta	None of the directors or KMPs is related to Mr. Tavinder Singh	None of the directors or KMPs is related to Mr. Deep Kapuria

## BOARD'S REPORT

Dear Shareholders,

Your Board of Directors are pleased to present the 37<sup>th</sup> Board's Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL SUMMARY

The summary of the financial performance of the company for the financial year ended 31<sup>st</sup> March, 2020 as compared to the previous financial year is as below:

Amounts in Rs. Lakh

Particulars	2019-20	2018-19
Revenue from operations and other income	48833.19	100,443.47
Profit before Tax	4652.72	515.44
Total tax expenses	294.44	472.11
Profit (Loss) for the period	4358.28	43.33
Other Comprehensive income	(138.60)	(154.69)
Total Comprehensive income	4219.68	(111.36)
Earnings per Share (EPS)	1.87	0.20

### TRANSFER TO RESERVE

No amount is proposed to be transferred to the General Reserve of the Company for the financial year 2019-20.

### DIVIDEND

Your Directors do not recommend any dividend for the financial year 2019-20.

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

The onset of COVID – 19 pandemic and consequent lockdowns and restrictions imposed on various industrial and economic activities have posed several challenges to all the business units of the Company. When the national lockdown was declared all the units located across India and corporate office were closed. Later, in May, 2020, various plants and units resumed operations gradually, but, with reduced capacity. As the Company is dealing in manufacture and supply of auto-components and heavily dependent on business from only few customers, the revenue is also hampered due to low business volume from customers. There was no revenue during the complete lockdown period and there has been marginal

growth in revenue in all the units since then up to the date of reporting. However, the company expects the situation to improve soon.

The Company has two new plants in Uttar Pradesh becoming operational in current financial year 2020-21. These new plants viz. Long Member Plant & New Railway Plant, are situated at 48th K.M. Stone, N. H. 30, (Lucknow - Raebareli), Village - Malhipur, Bachhrawan, Tehsil – Maharajganj, Raebareli, Uttar Pradesh – 229301 (“LM Plant”) and 54th K.M. Stone, N. H. 30, (Lucknow - Raebareli), Village - Kandawan, Bachharawan, Tehsil – Maharajganj, Raebareli, Uttar Pradesh – 229301 (“NRL Plant”), respectively. These were expected to go into commercial production in first quarter of financial year 2020-21. However, due to the lockdown situation arisen of corona virus pandemic and imposition of restrictions in China and European countries, certain key machineries could not be procured as per the speculated time line. Further, certain imported critical machines could not be commissioned as scheduled, due to unavailability of technical experts which were to be deputed by the manufacturers from foreign countries. Hence, completion of these two new plants is expected to be delayed by few months.

In opinion of the Board, except the above mentioned matters, there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year under review to which the financial statements relate and the date of this 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. The main business activity of the Company primarily continues to be manufacturing and supply of sheet metal components. The Company is continuously exploring the possibility of venturing into new business areas to minimize its business risks. Indian Railways has been one of the main growth drivers in recent times for the Company so it was proposed to venture into new products in this area.

### COVID UPDATE

These are unprecedented times, as our country and the entire world struggle to contain and combat the COVID-19 pandemic. Amidst such rampant uncertainties, Omax has aligned itself with the national priorities of the moment, by contributing Rs. 25 Lakhs (including employees' contribution) and Rs. 10 Lakhs in PM CARES relief fund

and Uttar Pradesh CM relief fund respectively, in an effort to help our country through these tough times. We have abided by every safety and social distancing norm and have been consistently communicating the same to both our employees and customers. We stand in solidarity with the Government of India and all our citizens, and our efforts towards the betterment of one and all will continue, unabated.

### STATE OF THE COMPANY'S AFFAIRS, OPERATIONS AND FUTURE PROSPECTS

During the financial year 2019-20, the total revenue of the Company was Rs. 488.33 Crores as compared to total revenue of Rs. 1004.43 Crores during the previous financial year 2018-19, thus witnessed huge decline over previous year mainly on account of closure of Company's two 2W plants and declining automotive demand across the country. However, Profit before tax for the year under review was Rs. 46.52 Crore as against Rs. 5.15 Crore for the previous financial year.

Financial year 2019-20 was a challenging year for the Company. The management in recent past has realigned its focus on non-two wheeler business areas. The management is continuously working on to increase its customer base & product portfolio for Indian Railways, passenger car manufacturers and CV manufacturers. Two manufacturing units in Uttar Pradesh which were to be commissioned in first quarter of financial year 2020-21, to cater to Commercial Vehicle Customer and Indian Railways, could not become operative due to onset of Covid-19 pandemic. It will take few more months for them to be operational.

For further details, Shareholders may refer to Management Discussion and Analysis and Corporate Governance Report that forms part of this Report.

### SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 30,00,00,000 (Rupees Thirty Crores Only) divided into 2,65,00,000 equity shares of Rs. 10 each; 20,00,000 equity shares with differential voting rights of Rs. 10 each and 1,50,000 Optionally Convertible Cumulative Preference Shares (12%) of Rs. 100 each. The paid up share capital of the Company, as on 31st March, 2020, was 21,38,82,130 divided into 2,13,88,213 equity shares of Rs. 10 each.

The Company has not issued any shares with differential voting rights or sweat equity shares. As on 31<sup>st</sup> March, 2020, none of the Directors of your Company hold instruments convertible into equity shares of the Company.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34(2)(e) of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report has been appended separately, which forms part of the Annual Report.

### CORPORATE GOVERNANCE

Corporate Governance is the application of best Management Practices, Compliance of Laws in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders i.e. shareholders, management, employees, customers, vendors, regulators and the community at large. Your Company places prime importance on reliable financial information, integrity, transparency, empowerment and compliance with the law, in letter and spirit.

The regulators have also emphasised on the requirement of good corporate governance practices in corporate management. Your Company also takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory requirements.

The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Corporate Governance for the year 2019-20 has been provided in the Corporate Governance Report, which is attached here separately along with a Certificate from Practicing Company Secretary on compliance with corporate governance norms, and forms part of the Annual Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company has optimum combination of executive and non-executive directors including independent directors and woman directors in compliance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). During the year under review, there were no changes in the composition of Board Directors of the Company.

In terms of the provisions of the Act and Article of Association of the Company, Mr. Ravinder Kumar Mehta (DIN: 00028409) and Mr. Tavinder Singh (DIN: 01175243), shall retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The Board recommends for their re-appointment in the ensuing Annual General Meeting of the Company.

Mr. Ghan Shyam Dass, Chief Financial Officer of the Company has resigned w.e.f. 17<sup>th</sup> August, 2019 and Mr.

Hari Gopal Agrawal has been appointed as new Chief Financial Officer of the Company w.e.f. 31<sup>st</sup> January, 2020.

Mr. Deep Kapuria (DIN:00006185) had completed his present term as Independent Director of the Company on 9<sup>th</sup> November, 2019. On the recommendation of the Nomination & Remuneration Committee, the Board, subject to the approval of the shareholders, has re-appointed him as Independent Director for a second term of five consecutive years w.e.f. 9<sup>th</sup> November, 2019, in its meeting held on 9<sup>th</sup> October, 2019.

The declaration from Mr. Deep Kapuria that he is not debarred or disqualified from holding the office of Director by virtue of any SEBI Order or any other such statutory authority as required under the Circular dated 20th June, 2018 issued by BSE Limited and National Stock Exchange of India Limited. In the opinion of the Board, Mr. Deep Kapuria fulfills the conditions as specified in the Act read with rules made thereunder and under Listing Regulations and is independent to the management and accordingly, the Board recommends his re-appointment. Also, in the opinion of the Board of directors Mr. Deep Kapuria possess the integrity, expertise and experience (including the proficiency) to be re-appointed as an Independent Director of the Company.

Brief Resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM, which forms part of Annual Report.

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013, rules made there under and Regulations 16 & 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

### Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on 'Nomination and Remuneration' for selection and appointment of Directors, Senior Management including key managerial personnel and other Senior management and their remuneration, which sets out the criteria for determining qualifications, positive

attributes and independence of a Director. The salient features of the policy is mentioned in the Corporate Governance Report which forms part of this report. The detailed policy is available on the Company's website at [www.omaxauto.com](http://www.omaxauto.com).

### Annual Board Evaluation and Familiarization Programme for Board Members

The Nomination and Remuneration Committee has put in place a framework for evaluation of the Board, Board Committees and individual Directors including Chairperson. Customised form was circulated, responses were analyzed and the results were subsequently discussed by the Board. Recommendations arising from this entire process were deliberated upon by the Board to be used constructively to further enhance its effectiveness. A detailed update on the Performance Evaluation is provided in the report on Corporate Governance which forms part of this report.

A note on the familiarization programme adopted by the Company for orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Report.

### Committees of Board, Number of Meetings of the Board and Board Committees

During the year under review, 9 (Nine) meetings of the Board of Directors were held respectively on 27/04/2019, 20/05/2019, 30/05/2019, 03/07/2019, 13/08/2019, 09/10/2019, 11/11/2019, 31/01/2020 and 12/03/2020.

During the financial year ended 31st March, 2020, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board. The Committees of the Board are:-

- a) Audit Committee
- b) Nomination and Remuneration committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Executive Committee

Details of Board Meetings and Committee Meetings and attendance thereof is disclosed in the Corporate Governance Report attached separately to this report.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of the Companies Act, 2013 the Board of Directors of your Company confirm that—

- (a) in the preparation of the annual accounts for F.Y. ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, though there is no material



departure;

- (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 ended 31st March, 2020 and of the profit 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 this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts for the financial year ended 31st March, 2020 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 were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company has established a vigil mechanism and has adopted the "Vigil Mechanism/Whistle Blower Policy". As per the policy objective, the Company encourages its employees who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment. A vigil mechanism provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail the mechanism and also provide for direct access to the Managing Director/Chairman of the Audit Committee in exceptional cases. Such policy is available on the website of the Company i.e. [www.omaxauto.com](http://www.omaxauto.com). During the financial under review, no person has been denied access to the Managing Director/Chairman of Audit Committee.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As a good corporate citizen, the Company understands the significance of inclusive growth and well-being of all stakeholders, including the society at large. Your

Company has been taking initiatives under Corporate Social Responsibility (CSR) for society at large, well before it has been prescribed under Companies Act, 2013. The Company has a well-defined Policy on CSR as per the requirement of Section 135 of the Companies Act, 2013 which covers the activities as prescribed under Schedule VII of the Companies Act, 2013.

During the year under review, your Company has carried out activities primarily related to promoting/providing education to the poor and underprivileged children.

The details about the policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year, the reasons for the unspent amount on CSR and Composition of CSR Committee, as required under clause (o) of sub-section (3) of the Section 134 of the Companies Act, 2013 are provided in the CSR Annual Report in terms of Rule 8 of the Companies (Corporate Social responsibility) Rules, 2014, which is attached as **Annexure-1** and forms part of this report.

The CSR Liability for the FY 2019-20 was Rs. 30.64 Lakhs. Out of the budgeted amount of Rs. 52.17 Lakhs (out of cumulative funds available) for approved projects, an amount of Rs. 41.34 Lakhs was spent during the year. As the budget was based on estimation, the actual amount was below the estimated expenses. The unbudgeted amount and the unutilized portion of the budgeted amount will be utilized to fund future CSR projects. The unspent CSR amount as on 31.03.2020 for previous financial years are as follows.

Amounts in Rs. Lakhs

Sl. No.	Particulars	2019 - 20	2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014 - 15	Total
1.	CSR Liability (2% of Net Profit)	30.64	31.11	17.32	12.42	18.11	51.11	160.71
2.	Amount Spent	41.34	31.75	45.32	6.30	0.00	25.16	149.87
3.	Amount outstanding as Unspent at 31.03.2020							10.84

### DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Board of Directors of the Company has adopted a policy as the Risk Management Policy of the Company with main objective of to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Board continuously identifies various risk to which the Company is subject to and which in the opinion of Board may threaten the existence of the Company.

The implementation and monitoring of this policy is currently assigned to the Audit Committee of the Board. Though the Board is striving to identify various elements of risk, however, in the opinion of the Board, there has been

no element of risk which may threaten the existence of the Company.

#### **AUDITORS** **Statutory Auditor**

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. BGJC Associates LLP, Chartered Accountants (Firm Registration No. 003304N), were appointed as Statutory Auditor of the Company at the 34<sup>th</sup> Annual General Meeting (AGM) to hold office till the conclusion of 39<sup>th</sup> AGM of the Company. The provisions of the Act, now does not require the annual ratification of the Statutory Auditors of the Company. M/s. BGJC Associates LLP, Chartered Accountants (Firm Reg. No.003304N), are eligible to continue as the Statutory Auditors of the Company for remaining term in accordance with the provisions of the Act read with rules made thereunder and applicable laws.

#### **Secretarial Auditor**

In terms of Section 204 of the Companies Act, 2013 read with the rules made thereunder, and upon the recommendation of the Audit Committee, the Board of Directors has appointed M/s. Chandrasekaran Associates, Company Secretaries as the Secretarial Auditors of the Company to conduct Secretarial Audit for the financial year 2020-21.

#### **Internal Auditors**

In terms of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Board of Directors, on recommendation of the Audit Committee, has re-appointed M/s. HM & Associates, Chartered Accountants having FRN : 027826N, M/s. Singhi Chugh & Kumar, Chartered Accountants having FRN : 013613N and M/s. JHS & Associates LLP (previously known N. Kochhar & Co.) , Chartered Accountants having FRN : 133288W as Internal Auditors of the Company for the financial year 2020-21.

#### **Cost Auditors**

During the year under review, the turnover of the Company was more than the threshold as prescribed under Section 148 of the Act and rules made thereunder. For the Financial year 2020-21, the Company is required to make and maintain the Cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.

The Board of Directors of the Company, on the recommendations made by the Audit Committee, has appointed M/s. JSN & Co., Cost Accountants (Firm Registration No. 000455) as the Cost Auditor of the Company to conduct the audit of the cost records for the financial year 2020-21. The remuneration proposed to be paid to the Cost Auditor, subject to ratification by the shareholders of the Company at the ensuing 37<sup>th</sup> AGM, would not exceed Rs. 1.20 Lakhs excluding taxes and out

of pocket expenses, if any.

The Company has received consent from M/s. JSN & Co., Cost Accountants having FRN : 000455, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2020-21 along with a certificate confirming their independence and arm's length relationship.

#### **AUDITORS' REPORT** **Statutory Audit Report**

M/s. BGJC Associates LLP, Chartered Accountants (Firm Registration No. 003304N), Statutory Auditors of the Company have submitted their reports on the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020. There has been no observation or comment of the auditors on financial transactions or matters which has any adverse effect on the functioning of the company; further, there is also no qualification, reservation or adverse remarks in the Auditors' Reports on the financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2020.

Further the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 for the financial year 2019-20.

#### **Secretarial Audit Report**

In terms of Section 204(1) of the Act, a Secretarial Audit Report, given by M/s. Chandrasekaran Associates, the Secretarial Auditor of the Company, in prescribed form has been annexed as **Annexure-2** hereto and forms part of this Report. Further, there has been no qualification, reservation or adverse remarks or disclaimer or qualification made by the Secretarial Auditors in their report for the financial year ended 31<sup>st</sup> March, 2020 except delay in filing few e-forms with the Registrar of Companies during the Financial Year 2019-20, which was beyond the prescribed time period of 30 days and certain provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, were not complied.

In this regard it is clarified that there have been delayed filing of certain e-forms due to delay in providing signed documents/forms from bankers of the Company. The Company will take care avoiding such instances in future. Further, regarding non-compliance of provision under SEBI (PIT), Regulations, 2015, the Company is maintaining structured digital database as required under Regulation 3 (5) of SEBI (PIT), Regulations, 2015 with adequate internal controls and checks, however, considering the limited scope of the database, time stamping and audit trails could not be adhered. The Company is taking steps to maintain such digital database with full adherence with respect to internal controls and checks.

Further, the auditors have not reported any fraud under

Section 143(12) of the Act for the financial year 2019-20.

#### **Cost Audit Report**

M/s. JSN & Co., Cost Accountants (Firm Registration No. 000455), Cost Auditors of the Company have submitted their reports on the cost records of the Company for the financial year ended 31<sup>st</sup> March, 2020. There has been no qualification, reservation or adverse remarks in the Auditors' Reports on the cost records of the Company for the financial year ended 31<sup>st</sup> March, 2020.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any subsidiary company or joint venture or associate company. There was no company which had become or ceased to be the subsidiary, joint venture or associate company of the Company during the year under review.

#### **DEPOSITS**

During the year under review, the Company had not invited or accepted any deposits from public under Chapter V of the Companies Act, 2013 and the Rules made thereunder. Further no deposits are outstanding at the end of Financial Year 2019-20.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS**

There has been no significant and material order passed by any regulator, courts or tribunals impacting the going concern status and operations of the Company in future.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has established a framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. During the year under review, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2019-20.

#### **LOANS, GUARANTEES AND INVESTMENT**

During the financial year under review, the Company has not given any loan or guarantee or security in connection with a loan or made any investment in terms of Section 186 of the Companies Act, 2013.

#### **RELATED PARTY TRANSACTIONS**

During the year under review, there were new transaction with related parties falling under the purview of Section 188 of the Act. All the transactions with the related parties

were in ordinary course of business and on arm's length basis, therefore the Company is not required to give details of related party transactions in Form AOC-2. All transactions with related parties were duly reviewed by the Audit Committee of the Board.

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

In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, a statement containing details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in the manner as prescribed under the Companies (Accounts) Rules, 2014, is given in **Annexure - 3** hereto and forms part of this Report.

#### **DISCLOSURE OF PRESCRIBED DETAILS OF DIRECTORS' REMUNERATION VIS-A-VIS EMPLOYEES REMUNERATION**

In terms of Section 197(12) of the Act read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and amendments thereto), the ratio of the remuneration of each director to the median employee's remuneration and such other details as are required under such rules are attached separately as **Annexure - 4**, which forms part of this report.

#### **EXTRACT OF ANNUAL RETURN**

As required by Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Extract of Annual Return of the Company in the prescribed Form MGT-9 is annexed to this Report as **Annexure - 5**.

#### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has constituted an Internal Complaints Committee to redress complaints received regarding sexual harassment at the workplace.

One case regarding sexual harassment pursuant to the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 during the financial year 2019-20, was reported, investigated and disposed off as per extant rules.

#### **ENVIRONMENT HEALTH AND SAFETY (EHS)**

Your Company is committed for adhering to best Environmental, Safety & Health Practices during its manufacturing processes. It targets to achieve 100%



Environmental Legal compliances with 100% customer's satisfaction along with continuous trainings and awareness programs on different Environmental Burning Issues from time to time. In order to ensure effective implementation of OMAX's EHS Policy, the same is systematically communicated across all the levels and the employees are trained from time to time to not only build commitment at their levels but also encourage them to be effective promoters of this philosophy and take EHS as one of their key roles in day to day functioning. Environment, Health and Safety programs in the organization is the prime focus of top management to make safe and healthy work environment. The EHS programs protect the environment, conserve the natural resources, provide safe and healthy conditions for work, and comply with applicable laws and regulations.

The Company is committed for adopting Zero Incident free work environment by following continuous workplace and classrooms trainings, work permit systems, third party safety audits and stringent safety standards in the workplace. Safety and health compliances, start from our gates and occupy the topmost position in the yearly goals of the Company.

The Company targets to maintain minimum Zero Severity Rate and Frequency Rate to achieve Zero injury. All safety compliances being monitored via In-house and third party monthly safety audits to know least non-conformance to ensure our 100% safety compliances for our employees, associates and machinery to improve productivity. A dedicated EHS team is available in each unit under guidance of corporate EHS on day-to-day basis.

All EHS activities are monitored by monthly EHS MIS review mechanism with allocation of sufficient resources under separate cost centre for better accountability. The Company is also dedicated to save our precious natural resources with conservation of water by recycling our effluent after treatment by installing Reverse Osmosis Plants. For continuous monitoring and to operate our all ETPs at highest efficiency, we have established dedicated ETP Labs at all major locations with dedicated ETP Chemists to achieve and fulfil our commitment towards Zero Liquid Discharge. The Company's strength is Employee engagement and under this, celebrations of Environment and Safety Day, Fire & Mock Drills, EHS awareness training programs covering all employees and associates under scheduled classroom and floor level training are conducted. EHS Legal Compliance training programs are organized for all senior and middle management for better understanding throughout the year to create more vibrant environment amongst the employees so that each & every employee takes the responsibilities & guides others about non polluted environment. The Company also ensures 100% disposal of all generated Hazardous wastes as per Pollution Control guidelines. The Company has also started

disposal of E-waste to authorized re-cyclers.

#### **WEBLINK TO IMPORTANT DOCUMENTS/ INFORMATION:**

The Company has hosted certain policies/documents/ information, including inter alia, Policy for determining 'Material Subsidiaries' Policy on dealing with Related Party Transactions, Familiarization programmes for Independent Directors etc. as per the requirement of law or otherwise.

Following link could be used for accessing such polices/ documents/information:

<http://www.omaxauto.com>

#### **COMPLIANCE OF SECRETARIAL STANDARDS ISSUED BY ICSI**

During the financial year 2019-20, the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENT / APPRECIATION**

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners, bankers and government agencies for the continued support given by them to the Company and their confidence reposed in the management. We look forward for your continued support in the future.

**For Omax Autos Limited**

**Jatender Kumar Mehta  
(Managing Director  
DIN: 00028207**

**Tavinder Singh  
(Whole-time Director)  
DIN: 01175243**

Place : Gurugram  
Date : 25th August, 2020

## Annexure-1

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

**1. Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs:**

As a good corporate citizen, the Company understands the significance of inclusive growth and wellbeing of all stakeholders, including the society at large. With the intention of social growth at large, the government has introduced concept of mandatory spending on social responsibility activities by corporate citizens. The CSR policy of the company broadly prescribes:

- the composition and manner of conducting the business by the CSR Committee
- manner of implementation of the CSR policy
- activities which are broadly covered under CSR activities in alignment with the Schedule VII of the Act, that may be undertaken by the Company

Under the Policy, the Company during the year had undertaken the followings four projects:

Under the Policy, the Company during the year had undertaken the followings four projects:

- (i) CSR Project - SAKSHAM-V (Project 1/2019-20)
- (ii) CSR Project – Contribution for educational upliftment of girls from disadvantaged sections of the society through contribution to Aseem's Library (Project 2/2019-20)
- (iii) CSR Project – Contribution for educational upliftment of children from disadvantaged sections of the society through contribution to Rohini Ghadiok Foundation (Project 3/2019-20)
- (iv) CSR Project – Mobile digital financial inclusion program for digitally illiterates and underprivileged sections of society by contribution to Agewell Foundation (Project 4/2019-20)

The details of expenditure made in above activities are provided in sl. No. 5.

The CSR policy and details of projects or programs could be accessed at: <http://www.omaxauto.com>.

**2. Composition of the CSR Committee**

Name	Category	Designation
Mrs. Novel S Lavasa	Non-Executive Independent Director	Chairperson
Dr. R. C. Vaish	Non-Executive Independent Director	Member
Dr. T. N. Kapoor	Non-Executive Independent Director	Member
Mrs. Sakshi Kaura	Executive Director	Member

3. Average net profit of the company for the last three financial years: Rs. 1531.88 Lakhs.
4. Prescribed CSR Expenditure (two percent of the average net profit of the company for the last three financial years): Rs. 30.64 Lakhs.

**5. Details of CSR spent during the financial year 2019-20:**

- (a) Total amount to be spent for the financial year: Rs. 52.17 Lakhs (Including unspent/unbudgeted amount of Rs. 21.53 Lakhs for previous years). Rs.30.84 Lakhs for the current year and some of the expenses pertaining to projects of 2019-20, incurred after expiry of the financial year.
- (b) Amount unspent: Rs. 10.84 Lakhs
- (c) Manner in which the amount spent during the financial year 2019-20 is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the state and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise (Rs. Lakhs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Over heads: (Rs.)	Cumulative expenditure upto the reporting period (Rs.)	Amount spent Direct or through implementing agency (Rs.)
1	SAKSHAM-V	Education	Dharuhera, Haryana	38.32	34.84	34.84	Direct
2	Contribution for educational upliftment of disadvantaged sections of the society through contribution to 'Aseem's Library'	Education	Delhi NCR	2.50	2.50	2.50	Implementing agency
3	Educational upliftment of children from disadvantaged sections of the society through Rohini Ghadiok Foundation	Education	Delhi NCR	2.00	2.00	2.00	Implementing agency
4	Mobile Digital Financial Inclusion program for digitally illiterates and underprivileged sections of society by contribution to 'Agewell Foundation'	Education	Delhi NCR	2.00	2.00	2.00	Implementing agency

6. **In case the Company has failed to spent two percent of the average net profit of the last three financial year or part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report :**

CSR Liability for the FY 2019-20 was Rs. 30.64 Lakhs. Out of the budgeted amount of Rs. 52.17 Lakhs (out of cumulative funds available), an amount of Rs. 34.84 Lakhs was spent during the year. As the budget was based on estimation, the actual amount was below the estimated expenses. Some of the expenses pertaining to projects 2019-20, incurred after the expiry of the financial year. The balance available will be utilized to fund future CSR projects.

7. CSR Committee states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For Omax Autos Limited**

**Jatender Kumar Mehta**  
Managing Director  
DIN: 00028207

**Novel S Lavasa**  
Chairperson of CSR Committee  
DIN: 07071993

**Date: 25<sup>th</sup> August, 2020**

## Annexure-2

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,

The Members,  
**Omax Autos Limited**

Plot No. B-26, Institutional Area, Sector-32,  
Gurgaon, Haryana- 122001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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 March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;
- (v) The following Regulations and Guidelines

prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 to the extent applicable;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable
- (vi) As confirmed and certified by the Management, there is no Law specifically applicable to the Company based on the sector/business.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- i. The Company has filed delayed form in few cases with the Registrar of Companies, Ministry of Corporate Affairs.
- ii. The Company has not complied with certain provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.



**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/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained, if any) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the audit period the Company has following specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Board of Directors in its meeting held on 20.05.2019 approved closure and sale of assets of Speedomax unit, Sidhrawali and Sprocket unit, Dharuhera.
2. The Board of Directors in its meeting held on 11.11.2019 approved the consolidation of manufacturing unit at pant nagar, Uttrakhand into Lucknow unit.

**For Chandrasekaran Associates  
Company Secretaries**

Shahsikant Tiwari  
Partner  
Membership No. A28994  
Certificate of Practice No. 13050  
UDIN: **A028994B000606384**

Date: 25.08.2020  
Place: Delhi

**Note:**

- (i) This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., provided by way of electronic mode by the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.
- (iii) This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2019-20. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.



## Annexure-A to Secretarial Audit report

To,  
The Members  
**Omax Autos Limited**  
Plot No. B-26, Institutional Area, Sector-32,  
Gurgaon, Haryana- 122001

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

For **Chandrasekaran Associates**  
**Company Secretaries**

**Shahsikant Tiwari**  
Partner  
Membership No. A28994  
Certificate of Practice No. 13050  
UDIN: **A028994B000606384**

Date: 25.08.2020

Place: Delhi

## Annexure - 3

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

Conservation of energy:

- (i) Following steps have been taken for conservation of energy:
- Company has maintained power factor by fitting additional capacitor at sub panel, machine shop and press shop area across all units thereby reducing instances of line losses.
  - Company has improved compressor unloading time by 10% through extensive monitoring of loading/unloading across all units.
  - Company has replaced high bay lights (400w with 120w LED) and tube lights (36w with 18w LED) across all units.
  - Company has generated 1,50,296 units of power from solar system across all plants.
  - Company has reduced contract demand in Bawal Plant from 1200kva to 700kva.
  - Company has installed motion sensor light in office rooms/toilets in turn saved 3.5 KW per day at Bangalore unit.
  - At Bangalore unit, Company has saved 3kw of energy per day by changing Star delta control to PSC control.
  - Company has generated 28,78,355 units of energy by its two wind mill turbines of 1.25 MW each at Jaisalmer, Rajasthan.
  - Company has equipped centralized AC rooms for laser machines at Railway unit, Binola and saved 6000 units per month.
  - Company has taken initiative to switch off the Fans and lights across all plants during lunch, tea breaks and dinner time.
- (ii) Steps taken by the company for utilizing alternate sources of energy:  
The company is assessing feasibility of installing solar panels for generation of electricity, at other plant locations. For existing solar panels, overhauling and re-operationalization of nonworking solar panels & also regular cleaning of solar panels has been initiated for improving the generation of solar power.
- (iii) Investment on energy conservation equipment:  
Apart from replacing CFLs with LED lamps and no significant investment were made during the year However, feasibility of installing solar power plants across company's units evaluated.

#### **Technology absorption:**

- (i) The efforts made towards technology absorption:  
The Company considers induction of new technology from time to time based on business and operational requirements. Further, in line with the research vision of the Company, the Company have in-house R&D Centres, located at Manesar, Binola and innvomax located at corporate office, Gurgaon. A strong team of experienced engineering & scientific personnel has been assigned to undertake scientific research in the field of technological innovation.  
During the year under review, the Company has undertaken research and development activities on following technological innovation:
- (a) Developments of design and validation of knife edge valve to be used in vacuum evacuation system for toilets in Indian Railways.
  - (b) Development of design and manufacture Yaw Damper for Indian Railways conforming to IR specifications.
  - (c) Development of proto type of vacuum evacuation system for toilets in Indian Railways.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:  
The above developments would help the Company to achieve increase in productivity, cost saving, lower energy consumption, waste minimization, increase in product quality, safety measures in operation and lesser impact on environment. The above developments would also open the doors to the Company for entering into new business segments, collaboration for new product designs. As these technical innovations are developed in-house and would go through testing and validation, the actual benefit derived from these technologies would be visible in coming years.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **N.A. (No technology was imported)**  
 (a) The details of technology imported;  
 (b) The year of import;  
 (c) Whether the technology been fully absorbed;  
 (d) If not fully absorbed, are as where absorption has not taken place, and the reasons thereof; and

- (iv) The expenditure incurred on Research and Development (2019-20):

Sl. No.	Particulars	Amount (Rs. in Lakhs)
	Revenue R&D Expenditure	104.45
	<b>Total Revenue R&amp;D Expenditure</b>	<b>104.45</b>
	Capital R&D Expenditure	-
	<b>Total Capital R&amp;D Expenditure</b>	<b>-</b>
	<b>Grand Total</b>	<b>104.45</b>

**FOREIGN EXCHANGE EARNING AND OUTGO:**

Sl. No.	Particulars	Amount (Rs. in lakhs)
1.	Foreign Exchange earned in terms of actual inflows during the year	4.37
2.	Foreign Exchange outgo during the year in terms of actual outflows:	238.11

**For Omax Autos Limited**

**Jatender Kumar Mehta**  
 Managing Director  
 DIN: 00028207

**Tavinder Singh**  
 Whole-time Director  
 DIN: 01175243

**Place: Gurugram**  
**Date: 25<sup>th</sup> August, 2020**

## Annexure - 4

### DISCLOSURE PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER:

**A. Information as per Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director & KMP in the financial year (as applicable):

Sl. No.	Name of the Director / KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% Increase in Remuneration in the FY 2019-20
1.	Mr. Ramesh Chandra Vaish – Independent Director	0.80	-2.00
2.	Mr. Triloki Nath Kapoor – Independent Director	1.14	12.90
3.	Mr. Deep Kapuria – Independent Director	0.08	-75.00
4.	Mrs. Novel Singhal Lavasa – Independent Director	0.75	17.95
5.	Mr. Bharat Kaushal – Independent Director	0.47	20.83
6.	Mr. Panja Pradeep Kumar- Independent Director	0.39	200.00
7.	Mr. Jatender Kumar Mehta – Managing Director	79.93	56.06
8.	Mr. Ravinder Mehta – Managing Director	7.23	-4.75
9.	Mrs. Sakshi Kaura – Joint Managing Director	25.20	-4.57
10.	Mr. Tavinder Singh – Whole time Director	15.90	-14.38
11.	Mr. Devashish Mehta- Joint Managing Director	21.42	32.09
12.	Mr. Ghan Shyam Dass – Chief Financial Officer*	15.57	-41.08
13.	Mr. Hari Gopal Agrawal- Chief Financial Officer**	5.17	-
14.	Mr. Sanjeeb Kumar Subudhi – Company Secretary	6.66	25.32

\* Mr. Ghan Shyam Dass resigned w.e.f. 17<sup>th</sup> August, 2019.

\*\* Mr. Hari Gopal Agrawal appointed as Chief Financial Officer w.e.f. 31<sup>st</sup> January, 2020, during the financial year 2019-20, therefore figures are not available to calculate % increase.

- (i) The percentage increase in the median remuneration of employees during financial year 2019-20 was (21.63).
- (ii) The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2020 was 530.
- (iii) The percentile increase made in the salaries of employees other than the managerial personnel in the last financial year has been 172.28% and the percentile increase in the managerial remuneration has been 24.73%. The % increases have been calculated on the basis of total remuneration paid during the year to employees and managerial personnel; however, these % are not reflective of the average increment given to employee and/or managerial personnel. The remuneration of employees/managerial person is dependent upon various factors viz. number of employees; number of employees in a particular level; retiral/removal/resignation of employees; qualification and experience of employees on a particular level, or of replacement employees, and the same variant factors are also applicable to managerial personnel. As, one or more of the employees and/or managerial personnel have joined and left the company during the financial year, the calculation of average % increase of remuneration is not calculable or comparable. There were no exceptional circumstances for increase in managerial remuneration.
- (iv) The company affirms that the remuneration is as per the remuneration policy of the company.

**A. Details of employees as per Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- (i) **Details of Top ten employees in terms of remuneration drawn:**

Sl. No.	Name	Designation	Age (in years)	Remuneration received (Amt. in Rs. Lakh)	Nature of employment (contractual or otherwise)	Qualifications and experience	Date of commencement of employment	Last employment held	% of equity shares held	whether relative of any director or manager
1	DEEPAK BHASKER	Asst. Vice - President - HR	49	56.36	Regular	MHRM, 28 years	19/02/2018	Anand Group	0.00	No
2	GHAN SHYAM DASS	Chief Financial Officer	43	48.61	Regular	B. Com, CA, ICWA and 20 years	30/01/2017	CMI Ltd.	0.00	No
3	ACHAL PURI	Sr. General Manager - Marketing - Railway & Metro Business	47	47.06	Regular	B.Com, PG Dip. (Sales & Mktg.) and 26 years	01/04/2015	JSL Architecture Ltd.	0.00	No
4	PUNEET KHULLAR	Business Head - Real Assets	44	45.18	Regular	MBA (IGNOU) and 24 years	22/07/2019	Brahma Centre and Development	0.00	No
5	JAGAT PRASAD SINGH	General Manager - Operation	58	42.41	Regular	Dip. (Mech.) and 36 years	01/05/2001	Atlas Cycles, Sahibabad	0.00	No
6	GAGAN HORA	General Manager - Engineering	45	40.86	Regular	BE (Mech.) and MBA (Mktg. Mgt.) and 24 years	27/06/2016	Piaggio vehicles (P) Ltd.	0.00	No
7	S.K. JANGRA	GM	53	36.01	Regular	Diploma in Mechanical Engineering and 32 years	01/01/1988	-	0.00	No
8	R KANNAN	Deputy General Manager - Industrial Engineering	51	33.15	Regular	BE (Mech.) and Dip. (IE & Prod. Mgt.) and 28 years	01/10/2015	Subros Ltd., Noida	0.00	No
9	ANJANI KUMAR SRIVASTAVA	Deputy General Manager - Production	55	33.01	Regular	DME, 35 years	19/01/1994	-	0.00	No
10	CHANDRAJEET K	DGM - OPERATION	43	32.84		BE, university of Allahabad & 20 years	14/06/2018	Webco India Limited	0.00	No 0.00

(iii) Details of other employees under aforesaid Rules:

Sl. No.	Name, Designation	Age (in years)	Remuneration received	Nature of employment (contractual or otherwise)	Qualifications and experience	Date of commencement of employment	Last employment held	% of equity shares held	whether relative of any director or manager
-	-	-	-	-	-	-	-	-	-

**For Omax Autos Limited**

**Jatender Kumar Mehta**  
Managing Director  
DIN: 00028207

**Tavinder Singh**  
Whole-time Director  
DIN: 01175243

Place: Gurugram

Date: 25<sup>th</sup> August, 2020

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
As on financial year ended on March 31, 2020  
[Pursuant to Section 92 (3) of the Companies Act, 2013 read with rule 12(1) of the Companies  
(Management & Administration) Rules, 2014.]

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	:	L30103HR1983PLC026142
ii	Registration Date	:	April 28, 1983
iii	Name of the Company	:	OMAX AUTOS LIMITED
iv	Category/Sub-category of the Company	:	Company Limited By Shares/ Indian Non-Government Company
v	Address of the Registered Office & contact details	:	Plot No. B-26, Institutional Area, Sector 32, Gurugram, Haryana – 122001 Contact No. 0124-4343000
vi	Whether listed company	:	Yes
vii	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	:	M/s. Link Intime India Private Limited Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi -110058 Tel: +91 -11 - 4141 0592/93/94; Fax: +91 -11 -4141 0591 E-Mail: <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

[All the business activities contributing 10% or more of the total turnover of the company are stated]

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Manufacturer of sheet metal components	50300	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	N.A.				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	7917604	0	7917604	37.0185	7870774	0	7870774	36.7996	-0.2189
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0.0000	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0.0000	0

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Any Other (Specify)									
	Bodies Corporate	4272161	0	4272161	19.9744	4272161	0	4272161	19.9744	0
	Sub Total (A)(1)	12189765	0	12189765	56.9929	12142935	0	12142935	56.7740	-0.2189
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	12189765	0	12189765	56.9929	12142935	0	12142935	56.774	-0.2189
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	340000	0	340000	1.5897	0	0	0	0	-1.5897
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions / Banks	610	0	610	0.0029	242	0	242	0.0011	-0.0018
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	340610	0	340610	1.5925	242	0	242	0.0011	-1.5914
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	3907740	318254	4225994	19.7585	4086507	290900	4377407	20.4664	0.7079
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2043124	15000	2058124	9.6227	2539304	15000	2554304	11.9426	2.3199
(b)	NBFCs registered with RBI	400	0	400	0.0019	0	0	0	0	-0.0019
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	IEPF	141677	0	141677	0.6624	164104	0	164104	0.7673	0.1049
	Trusts	110600	2400	113000	0.5283	110600	2400	113000	0.5283	0
	Hindu Undivided Family	392281	0	392281	1.8341	425486	0	425486	1.9893	0.1552
	Non Resident Indians (Non Repat)	223110	0	223110	1.0431	76388	0	76388	0.3571	-0.686

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Non Resident Indians (Repat)	151274	0	151274	0.7073	137713	0	137713	0.6439	-0.0634
	Clearing Member	80355	0	80355	0.3757	16143	0	16143	0.0755	-0.3002
	Bodies Corporate	1470323	1300	1471623	6.8805	1379391	1100	1380491	6.4544	-0.4261
	Sub Total (B)(3)	8520884	336954	8857838	41.4146	8935636	309400	9245036	43.2249	1.8103
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	8861494	336954	9198448	43.0071	8935878	309400	9245278	43.226	0.2189
	Total (A)+(B)	21051259	336954	21388213	100	21078813	309400	21388213	100	0
(C)	Non Promoter- Non Public									
	(C1) Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	21051259	336954	21388213	100	21078813	309400	21388213	100	

i) Shareholding of Promoters

Sr No	Shareholders Name	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	FORERUNNER CAPITAL INVESTMENTS LIMITED	4272161	19.9744	0	4272161	19.9744	0	0
2	JATENDER KUMAR MEHTA	2312556	10.8123	0	2312556	10.8123	0	0
3	RAVINDER KUMAR MEHTA	1271600	5.9453	0	1071600	5.0102	0	-0.9351
4	S K MEHTA HUF	951300	4.4478	0	951300	4.4478	0	0
5	S M MEHTA	872950	4.0815	0	872950	4.0815	0	0
6	DEVASHISH MEHTA	510000	2.3845	0	510000	2.3845	0	0
7	SWARAJ MEHTA	465000	2.1741	0	465000	2.1741	0	0
8	SUDESH MEHTA	368256	1.7218	0	0	0	0	-1.7218
9	VIVEK MEHTA	310000	1.4494	0	678256	3.1712	0	1.7218
10	KIRAN MEHTA	201600	0.9426	0	201600	0.9426	0	0
11	AMIT MEHTA	180000	0.8416	0	180000	0.8416	0	0
12	NIDHI MEHTA	145272	0.6792	0	145272	0.6792	0	0
13	WARUN MEHTA	101101	0.4727	0	49271	0.2304	0	-0.2423
14	J K MEHTA HUF	83500	0.3904	0	83500	0.3904	0	0
15	SATENDRA MOHAN MEHTA	73237	0.3424	0	78237	0.3658	0	0.0234
16	S K MEHTA	64200	0.3002	0	64200	0.3002	0	0
17	RAVINDER MEHTA	4500	0.021	0	4500	0.021	0	0
18	VEDANJALI MEHTA	1800	0.0084	0	1800	0.0084	0	0
19	ATUL MEHTA	732	0.0034	0	732	0.0034	0	0
20	USHA MEHTA	0	0	0	200000	0.9351	0	0.9351
	Total	12189765	56.9929	0	12142935	56.774	0	-0.2189



**iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	FORERUNNR CAPITAL INVESTMENTS LIMITED	4272161	19.9744			4272161	19.9744
	AT THE END OF THE YEAR					4272161	19.9744
2	JATENDER KUMAR MEHTA	2312556	10.8123			2312556	10.8123
	AT THE END OF THE YEAR					2312556	10.8123
3	RAVINDER KUMAR MEHTA	1271600	5.9453			1271600	5.9453
	Transfer			December27,2019	(200000)	1071600	5.0102
	AT THE END OF THE YEAR					1071600	5.0102
4	S K MEHTA HUF	951300	4.4478			951300	4.4478
	AT THE END OF THE YEAR					951300	4.4478
5	S M MEHTA	872950	4.0815			872950	4.0815
	AT THE END OF THE YEAR					872950	4.0815
6	VIVEK MEHTA	310000	1.4494			310000	1.4494
	Transfer			July19,2019	368256	678256	3.1712
	AT THE END OF THE YEAR					678256	3.1712
7	DEVASHISH MEHTA	510000	2.3845			510000	2.3845
	AT THE END OF THE YEAR					510000	2.3845
8	SWARAJ MEHTA	465000	2.1741			465000	2.1741
	AT THE END OF THE YEAR					465000	2.1741
9	KIRAN MEHTA	201600	0.9426			201600	0.9426
	AT THE END OF THE YEAR					201600	0.9426
10	USHA MEHTA	0	0.0000			0	0.0000
	Transfer			December27,2019	200000	200000	0.9351
	AT THE END OF THE YEAR					200000	0.9351
11	AMIT MEHTA	180000	0.8416			180000	0.8416
	AT THE END OF THE YEAR					180000	0.8416
12	NIDHI MEHTA	145272	0.6792			145272	0.6792
	AT THE END OF THE YEAR					145272	0.6792
13	J K MEHTA HUF	83500	0.3904			83500	0.3904
	AT THE END OF THE YEAR					83500	0.3904
14	SATENDRA MOHAN MEHTA	73237	0.3424			73237	0.3424
	Transfer			August30,2019	5000	78237	0.3658
	AT THE END OF THE YEAR					78237	0.3658
15	S K MEHTA	64200	0.3002			64200	0.3002
	AT THE END OF THE YEAR					64200	0.3002
16	WARUN MEHTA	101101	0.4727			101101	0.4727
	Transfer			April19,2019	(3841)	97260	0.4547
	Transfer			June21,2019	(2953)	94307	0.4409
	Transfer			July5,2019	(2545)	91762	0.4290
	Transfer			July12,2019	(6211)	85551	0.4000
	Transfer			July19,2019	(31352)	54199	0.2534
	Transfer			August2,2019	(4928)	49271	0.2304
	AT THE END OF THE YEAR					49271	0.2304

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
17	RAVINDER MEHTA	4500	0.0210			4500	0.0210
	AT THE END OF THE YEAR					4500	0.0210
18	VEDANJALI MEHTA	1800	0.0084			1800	0.0084
	AT THE END OF THE YEAR					1800	0.0084
19	ATUL MEHTA	732	0.0034			732	0.0034
	AT THE END OF THE YEAR					732	0.0034
20	SUDESH MEHTA	368256	1.7218			368256	1.7218
	Transfer			July12,2019	(368256)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

i) Shareholding Pattern of top ten Shareholders\* (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SANTOSH SITARAM GOENKA	601676	2.8131			601676	2.8131
	Transfer			March 13, 2020	3000	604676	2.8271
	Transfer			March 20, 2020	6984	611660	2.8598
	AT THE END OF THE YEAR					611660	2.8598
2	AUTO VISION INDIA PRIVATE LIMITED	531438	2.4847			531438	2.4847
	AT THE END OF THE YEAR					531438	2.4847
3	MARS ASSOCIATES PVT LTD	235100	1.0992			235100	1.0992
	AT THE END OF THE YEAR					235100	1.0992
4	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	204427	0.9558			204427	0.9558
	Transfer			April 5, 2019	(150)	204277	0.9551
	Transfer			July 19, 2019	(100)	204177	0.9546
	Transfer			January 10, 2020	22527	226704	1.0599
	AT THE END OF THE YEAR					226854	1.0606
5	SACHIN KASERA	118953	0.5562			118953	0.5562
	Transfer			April 5, 2019	47	119000	0.5564
	Transfer			September 20, 2019	47180	166180	0.7770
	Transfer			September 27, 2019	2820	169000	0.7902
	AT THE END OF THE YEAR					169000	0.7902
6	DIMENSION ELECTRONICS PRIVATE LTD	146662	0.6857			146662	0.6857
	AT THE END OF THE YEAR					146662	0.6857
7	LINCOLN P COELHO	140500	0.6569			140500	0.6569
	AT THE END OF THE YEAR					140500	0.6569
8	VINEET JAIN	310893	1.4536			310893	1.4536

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			April 5, 2019	(2003)	308890	1.4442
	Transfer			April 19, 2019	(5171)	303719	1.4200
	Transfer			April 26, 2019	(7591)	296128	1.3845
	Transfer			May 3, 2019	(5414)	290714	1.3592
	Transfer			May 10, 2019	(9771)	280943	1.3135
	Transfer			May 17, 2019	(4003)	276940	1.2948
	Transfer			May 24, 2019	(49629)	227311	1.0628
	Transfer			June 29, 2019	(3161)	224150	1.0480
	Transfer			July 5, 2019	(2515)	221635	1.0362
	Transfer			July 26, 2019	(5500)	216135	1.0105
	Transfer			August 2, 2019	(2000)	214135	1.0012
	Transfer			August 23, 2019	(9149)	204986	0.9584
	Transfer			August 30, 2019	(11723)	193263	0.9036
	Transfer			September 20, 2019	(31300)	161963	0.7573
	Transfer			September 30, 2019	31300	193263	0.9036
	Transfer			October 4, 2019	(7688)	185575	0.8677
	Transfer			October 11, 2019	(85586)	99989	0.4675
	Transfer			October 25, 2019	90637	190626	0.8913
	Transfer			December 6, 2019	(3188)	187438	0.8764
	Transfer			December 13, 2019	(467)	186971	0.8742
	Transfer			December 20, 2019	(19549)	167422	0.7828
	Transfer			January 10, 2020	(41376)	126046	0.5893
	AT THE END OF THE YEAR					126046	0.5893
9	LALU RAM NUWAL	0	0.0000			0	0.0000
	Transfer			March 20, 2020	100000	100000	0.4675
	AT THE END OF THE YEAR					100000	0.4675
10	TINU KAKARIA	48352	0.2261			48352	0.2261
	Transfer			July 12, 2019	2000	50352	0.2354
	Transfer			July 19, 2019	14057	64409	0.3011
	Transfer			July 26, 2019	18738	83147	0.3888
	Transfer			August 9, 2019	2300	85447	0.3995
	AT THE END OF THE YEAR					85447	0.3995
11	BNP PARIBAS MUTUAL FUND AC BNP PARIBAS MULTI CAP FUND	340000	1.5897			340000	1.5897
	Transfer			April 5, 2019	(8500)	331500	1.5499
	Transfer			April 12, 2019	(2000)	329500	1.5406
	Transfer			April 26, 2019	(4500)	325000	1.5195
	Transfer			May 3, 2019	(5000)	320000	1.4962
	Transfer			May 10, 2019	(3000)	317000	1.4821
	Transfer			May 24, 2019	(25566)	291434	1.3626
	Transfer			May 31, 2019	(7434)	284000	1.3278
	Transfer			June 21, 2019	(2000)	282000	1.3185
	Transfer			July 5, 2019	(3704)	278296	1.3012
	Transfer			July 19, 2019	(2296)	276000	1.2904
	Transfer			August 2, 2019	(11000)	265000	1.2390

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			August 9, 2019	(24000)	241000	1.1268
	Transfer			August 16, 2019	(51000)	190000	0.8883
	Transfer			August 23, 2019	(60231)	129769	0.6067
	Transfer			August 30, 2019	(32269)	97500	0.4559
	Transfer			September 6, 2019	(11030)	86470	0.4043
	Transfer			September 13, 2019	(46470)	40000	0.1870
	Transfer			September 20, 2019	(30654)	9346	0.0437
	Transfer			September 27, 2019	(9346)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
12	ARUN KUMAR	147667	0.6904			147667	0.6904
	Transfer			April 5, 2019	(3750)	143917	0.6729
	Transfer			April 12, 2019	(15092)	128825	0.6023
	Transfer			April 19, 2019	11960	140785	0.6582
	Transfer			April 26, 2019	(353)	140432	0.6566
	Transfer			May 3, 2019	4236	144668	0.6764
	Transfer			May 10, 2019	6475	151143	0.7067
	Transfer			May 17, 2019	(31848)	119295	0.5578
	Transfer			May 24, 2019	27229	146524	0.6851
	Transfer			May 31, 2019	7576	154100	0.7205
	Transfer			June 7, 2019	70	154170	0.7208
	Transfer			June 14, 2019	5500	159670	0.7465
	Transfer			June 21, 2019	3635	163305	0.7635
	Transfer			June 29, 2019	6995	170300	0.7962
	Transfer			July 5, 2019	2906	173206	0.8098
	Transfer			July 12, 2019	6150	179356	0.8386
	Transfer			July 19, 2019	7164	186520	0.8721
	Transfer			July 26, 2019	595	187115	0.8749
	Transfer			August 2, 2019	38	187153	0.8750
	Transfer			August 9, 2019	9300	196453	0.9185
	Transfer			August 16, 2019	150	196603	0.9192
	Transfer			August 23, 2019	1950	198553	0.9283
	Transfer			August 30, 2019	(23088)	175465	0.8204
	Transfer			September 6, 2019	(22145)	153320	0.7168
	Transfer			September 13, 2019	(11870)	141450	0.6613
	Transfer			September 20, 2019	(1525)	139925	0.6542
	Transfer			September 27, 2019	(3315)	136610	0.6387
	Transfer			September 30, 2019	125	136735	0.6393
	Transfer			October 4, 2019	290	137025	0.6407
	Transfer			October 11, 2019	9677	146702	0.6859
	Transfer			October 18, 2019	1988	148690	0.6952
	Transfer			October 25, 2019	8524	157214	0.7350
	Transfer			November 1, 2019	(18520)	138694	0.6485
	Transfer			November 8, 2019	5872	144566	0.6759
	Transfer			November 15, 2019	1215	145781	0.6816
	Transfer			November 22, 2019	14434	160215	0.7491
	Transfer			November 29, 2019	19775	179990	0.8415

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			December 6, 2019	1810	181800	0.8500
	Transfer			December 13, 2019	(5984)	175816	0.8220
	Transfer			December 20, 2019	16884	192700	0.9010
	Transfer			December 27, 2019	3660	196360	0.9181
	Transfer			December 31, 2019	40	196400	0.9183
	Transfer			January 3, 2020	30	196430	0.9184
	Transfer			January 17, 2020	(21)	196409	0.9183
	Transfer			January 31, 2020	(47941)	148468	0.6942
	Transfer			February 7, 2020	(148468)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

#### v. INDEBTEDNESS

[Indebtedness of the Company including interest outstanding/accrued but not due for payment] 31.03.2020

Amounts in Rupees Crores

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	92.14	121.60	0.00	<b>213.74</b>
ii) Interest due but not paid	0.00	0.00	0.00	<b>0.00</b>
iii) Interest accrued but not due	6.09	0.00	0.00	<b>6.09</b>
<b>Total (i+ii+iii)</b>	<b>98.23</b>	<b>121.60</b>	<b>0.00</b>	<b>219.83</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	154.36	2.86	0.00	<b>67.00</b>
Reduction	4.66	121.60	0.00	<b>0.40</b>
<b>Net Change –</b>	<b>149.70</b>	<b>(118.74)</b>	<b>0.00</b>	<b>66.60</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	247.82	2.85	0.00	<b>213.74</b>
ii) Interest due but not paid	0.00	0.00	0.00	<b>0.00</b>
iii) Interest accrued but not due	0.11	0.01	0.00	<b>6.09</b>
<b>Total (i+ii+iii)</b>	<b>247.93</b>	<b>2.86</b>	<b>0.00</b>	<b>219.83</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager					Total Amount
		Mr. Jatender Kumar Mehta	Mr. Ravinder Mehta	Mr. Devashish Mehta	Mrs. Sakshi Kaura	Mr. Tavinder Singh	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2,45,04,480	22,17,600	65,33,387	76,91,792	48,41,712	<b>4,57,88,971</b>
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	32,400	32,400	32,400	97,200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	Stock option	-	-	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager					Total Amount
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	- others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	2,45,04,480	22,17,600	65,65,787	77,24,192	4,874,112	<b>4,58,86,171</b>

#### B. Remuneration to other directors:

Amounts in Rupees

Sl. No.	Particulars of Remuneration	Name of the Directors						Total Amount
1	Independent Directors	Mr. Ramesh Chandra Vaish	Mr. Triloki Nath Kapoor	Mr. Deep Kapuria	Mrs. Novel Singhal Lavasa	Mr. Panja Pradeep Kumar	Mr. Bharat Kaushal	
	(a) Fee for attending board committee meetings	2,40,000	3,40,000**	25,000	2,25,000	1,20,000	1,45,000	10,95,000
	(b) Commission#	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-
	Total (1)	2,40,000	3,40,000	25,000	2,25,000	1,20,000	1,45,000	10,95,000
2	Other Non-Executive Directors							N.A
	(a) Fee for attending board committee meetings							
	(b) Commission							
	(c) Others, please specify.							
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	2,40,000	3,40,000	25,000	2,25,000	1,20,000	1,45,000	10,95,000
							Total Managerial Remuneration(A+B)	<b>4,69,81,171</b>

\*As non-executive directors were paid only sitting fees within the maximum allowed limit provided in the Act, the same has not been included in the managerial remuneration.

\*\* includes Rs. 15,000 which pertains to last Financial Year sitting fee.

@The aggregate of ceiling as per Act, for Managing Directors and Whole time Directors.

#### C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO (There was no CEO appointed)	Mr. Ghan Shyam Dass (CFO)*	Mr. Hari Gopal Agrawal (CFO)*	Mr. Sanjeeb Kumar Subudhi (Company Secretary)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	47,74,252	15,84,247	20,41,929	84,00,428
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	-	47,74,252	15,84,247	20,41,929	84,00,428

\*Mr. Ghan Shyam Dass resigned w.e.f. 17<sup>th</sup> August, 2019 and Mr. Hari Gopal appointed as new CFO w.e.f 31<sup>st</sup> January, 2020.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compoundi ng fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NIL		
Compounding					

**For Omax Autos Limited**

**Jatender Kumar Mehta  
(Managing Director)  
DIN: 00028207**

**Tavinder Singh  
(Whole-time Director)  
DIN: 01175243**

Place: Gurugram  
Date: 25<sup>th</sup> August, 2020

## Report on Corporate Governance

### 1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in such a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and to meet its stakeholders' aspiration and societal expectations. Omax Autos Limited ("Company") is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our Governance practices stems from an inherent desire to improve, innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process. The Company's Corporate Governance initiative since time has always been following four core principles:

- i. Management must have the executive freedom to drive the organization forward without undue restraints.
- ii. This freedom of management, however, should be exercised within a framework of effective accountability and transparency.
- iii. Rights, Interests and Equitable Treatment of Shareholders should always be the key focus.
- iv. Integrity, Disclosures, Transparency and Ethical Behavior.

The Company believes that any meaningful policy on Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances, which ensure that the decision-making powers vested in the executive management are used with care and responsibility and not misused.

The Company's governance philosophy embraces the tenets of trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. The Company believes that the practice of each of these tenets would lead to the creation of the right corporate culture in which the Company is managed in a manner that fulfils the purpose of Corporate Governance. Trusteeship recognizes that large corporations have both an economic and a social purpose, thereby casting the

responsibility on the Board of Directors of the Company to protect and enhance shareholders' value, as well as fulfilling obligations of other stakeholders.

**Transparency** requires that the Company makes appropriate disclosures wherever necessary and explains the basis of its policies and actions to all those who are affected by them.

**Empowerment** is a process used to unleash creativity and innovation throughout the organization by decentralizing and delegating the decision-making powers at the most appropriate levels.

**Control** ensures that freedom of management is exercised within a framework of check and balances and is designed to prevent misuse of power, facilitate timely response to change and ensure effective management of risks.

The Company's Corporate Governance process continuously reinforce and helps in actualizing the Company's belief in ethical corporate citizenship and is manifested through exemplary standards of ethical behavior, both within the organization as well as in external relationships.

#### The Governance Structure:

The practice of Corporate Governance in the Company is at three interlinked levels:

- i. Strategic Supervision - by the Board of Directors
- ii. Strategic management - by the Executive Committee
- iii. Executive management - by the Divisional Head of the business

This three-tier structure ensures that strategic supervision on behalf of the shareholders being free from the task of strategic management can be conducted by the Board with objectivity thereby sharpening accountability of the management. The structure also ensures that executive management of the divisions, being free from the collective strategic responsibilities for the Company as a whole, is focused on enhancing the quality, efficiency and effectiveness of each business.

The core roles of the key entities flow from the structure. The core roles, in turn, determine the core responsibilities of each entity. In order to discharge such responsibilities, each entity is empowered



formally with requisite powers. The structure, process and practice of governance in the Company enable to focus on the corporate purpose while simultaneously facilitating effective management of the diverse businesses within the portfolio.

## 2. BOARD OF DIRECTORS

The Board of Directors (“the Board”) of the Company is the flag bearer of the corporate governance principle and practice and it oversees and ensures that long term interest of all the stakeholders are protected. The Company understands that good and quality governance is a powerful instrument to achieve economic and social progress and its wellbeing. The Board being the trustee of the Company is responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals.

### COMPOSITION OF THE BOARD:

The Board has an optimum combination of executive directors, non-executive directors, woman director and independent directors with varied professional backgrounds, representing a judicious mix of professionalism, knowledge and experience. The Board is adequately represented by independent directors. Further, the committees of the Board are also represented and chaired by independent directors. Also, in the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are

independent from the management.

The Board comprises of an optimal complement of independent professionals as well as Company executives having in-depth knowledge of business. As on the 31<sup>st</sup> March, 2020, there were 11 directors on the Board of the Company comprising the following:

- Four Managing Directors-Promoters Groups
- One Whole-time Director-Professional
- Six Non-Executive Independent Directors

None of the Directors on the Board holds the office of director in more than 20 companies or membership of committees of the Board in more than 10 committees or chairmanship of more than 5 committees. Further, No director on the Board holds directorship in more than seven listed entities and no Independent Director on the Board act as an independent director in more than seven listed entities.

### BOARD MEETINGS

The Company held minimum one (01) Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed one hundred & twenty (120) days.

During the year under review, 9 (Nine) meetings of the Board were held on 27<sup>th</sup> April, 2019, 20<sup>th</sup> May, 2019, 30<sup>th</sup> May, 2019, 3<sup>rd</sup> July, 2019, 13<sup>th</sup> August, 2019, 9<sup>th</sup> October, 2019, 11<sup>th</sup> November, 2019, 31<sup>st</sup> January, 2020 and 12<sup>th</sup> March, 2020.

The Board composition, categories of Directors, details of Board Meetings held and attended, attendance at last AGM, and number of directorship held, Position of membership/ chairmanship of Committees as on 31<sup>st</sup> March, 2020 is explained in the following table:

Name of Director	Designation	Board Meetings held/ attended	Attendance at last AGM held on 27 <sup>th</sup> September, 2019	No. of Directorships held in Public Ltd. Company (including Omax Autos Limited)*	No. of Committees of Public Ltd. Company in which director is a Member or Chairman (including Omax Autos Limited)**	
					Memberships	Chairmanship
Mr. Jatender Kumar Mehta	Managing Director	9/8	YES	2	2	0
Mr. Ravinder Mehta	Managing Director	9/3	NO	2	0	0
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	9/9	NO	2	4	2
Dr. Ramesh Chandra Vaish	Non-Executive Independent Director	9/8	YES	2	3	3

Name of Director	Designation	Board Meetings held/ attended	Attendance at last AGM held on 27 <sup>th</sup> September, 2019	No. of Directorships held in Public Ltd. Company (including Omax Autos Limited)*	No. of Committees of Public Ltd. Company in which director is a Member or Chairman (including Omax Autos Limited)**	
					Memberships	Chairmanship
Mrs. Sakshi Kaura	Joint Managing Director	9/4	NO	1	0	0
Mr. Deep Kapuria	Non-Executive Independent Director	9/1	NO	4	1	0
Mrs. Novel Singhal Lavasa	Non-Executive Independent Director	9/8	YES	2	1	0
Mr. Tavinder Singh	Whole time Director	9/8	YES	1	1	0
Mr. Bharat Kaushal	Chairman (Non-Executive Independent Director)	9/7	NO	2	0	0
Mr. Panja Pradeep Kumar	Non-Executive Independent Director	9/5	NO	5	7	2
Mr. Devashish Mehta	Joint Managing Director	9/7	NO	3	1	0

**Notes:**

\* Private Limited Companies, Section 8 Companies and Foreign Companies have not been included for the calculation of Directorships in companies.

\*\* Audit Committee and Shareholders' and Investors' Grievances Committee have only been considered for the purpose of Membership and Chairmanship held by the Director in Public Limited Companies.

**NAMES OF THE OTHER LISTED COMPANIES WHEREIN THE DIRECTORS OF THE COMPANY ARE DIRECTORS AS ON 31<sup>ST</sup> MARCH, 2020:**

S NO.	NAME OF THE DIRECTOR	NAMES OF OTHER LISTED COMPANIES WHERE HE/SHE IS DIRECTOR	CATEGORY OF DIRECTORSHIP
1	Mr. Bharat Kaushal	-	-
2	Dr. Ramesh Chandra Vais	Roto Pumps Limited	Non-Executive - Independent Director
3	Dr. Triloki Nath Kapoor	Sterling Tools Limited	Non-Executive - Independent Director
4	Mr. Deep kapuria	The Hi-Tech Gears Limited	Chairperson & WholeTime Director
5	Mrs. Novel S. Lavasa	-	-
6	Mr. Panja Pradeep Kumar	Brigade Enterprises Limited	Non-Executive - Independent Director
		Trigyn Technologies Limited	Non-Executive - Independent Director
		Shriram Transport Finance Company Limited	Non-Executive - Independent Director
7	Mr. Jatender Kumar Mehta	-	-
8	Mr. Ravinder Mehta	-	-
9	Mrs. Sakshi Kaura	-	-
10	Mr. Devashish Mehta	-	-
11	Mr. Tavinder Singh	-	-

### INDEPENDENT DIRECTORS:

The Independent Directors of the Company have been appointed in compliance with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has issued letter of appointment to all the Independent Directors and terms and conditions thereof have been disclosed on the website of the Company. The same can be accessed at any time at [www.omaxauto.com](http://www.omaxauto.com).

At the time of appointment and thereafter at beginning of each financial year, the Independent Directors submit a self-declaration confirming their independence and compliance with eligibility criteria mentioned under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is of the opinion that the Independent Director appointed during the year possesses requisite qualifications, experience, expertise (including proficiency) and hold highest standards of integrity.

The Independent Directors of the Company meet once in a financial year without the presence of Non Independent Directors and other management. At such Meeting they reviewed the performance of Non-Independent Directors and the Board as a whole, reviews the performance of Chairman of the Board, access the quality, quantity and timeliness of the flow of information between management and the Board that is necessary to effectively and reasonably perform its duties. A separate meeting of Independent Directors to discuss the above mentioned items was held on 13<sup>th</sup> August, 2019.

The Company conducts Familiarization Program for its Independent Directors to familiarize them with regard

to their roles, rights, responsibilities in the Company, nature of industry, Company's strategy, Organization Structure, business model, performance updates of the Company, risks management, code of conduct and policies of the Company etc. The details of familiarization programs imparted to independent directors can be accessed at [www.omaxauto.com](http://www.omaxauto.com).

The Company has received a certificate from M/s. Chandrasekaran Associates, Company Secretaries, Delhi 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 Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as 'Annexure-1 forming integral part of this Report.

Mrs. Sakshi Kaura, Joint. Managing Director is the daughter of Mr. Jatender Kumar Mehta, Managing Director of the Company, Mr. Devashish Mehta, Joint Managing Director is son of the Mr. Jatender Kumar Mehta and Mr. Ravinder Kumar Mehta, Managing Director is the brother of Mr. Jatender Kumar Mehta. Other Directors are not related to each other.

None of Non-executive director holds any shares in the share capital of the Company except Mr. Deep Kapuria, who holds 1800 equity shares in the share capital of the Company. The Company has not issued any convertible instruments.

### THE MATRIX SETTING OUT THE SKILLS/ EXPERTISE /COMPETENCE OF THE BOARD OF DIRECTORS

While all the Board members broadly possess the identified skills, their domain of core expertise is give below:

Skill and its description	Mr. Jatender Kumar Mehta	Mr. Ravinder Kumar Mehta	Mr. Devashish Mehta	Mrs. Sakshi Kaura	Mr. Tavinder Singh	Mr. Bharat Kaushal	Dr. R.C. Vaish	Dr. T.N. Kapoor	Mrs. Novel S. Lavasa	Mr. Panja Pradeep Kumar	Mr. Deep Kapuria
<b>Business Environment Knowledge</b> Experience of auto industry and railway business, geographical and socio-economic reach of the industry, knowledge of policies and procedures, standards or directives issued by government or any industry body, affecting the industry or products or operation of the Company and latest developments/trends therein.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Internal operation &amp; management of manufacturing Company</b> Knowledge and reasonable understanding about the internal operation and management of a manufacturing unit including the knowledge and understanding of procurement process, production process, IR issues, Finance and accounting functions.	✓	✓	✓	✓	✓	✓	✓				✓

Skill and its description	Mr. Jatender Kumar Mehta	Mr. Ravinder Kumar Mehta	Mr. Devashish Mehta	Mrs. Sakshi Kaura	Mr. Tavinder Singh	Mr. Bharat Kaushal	Dr. R. C. Vaish	Dr. T. N. Kapoor	Mrs. Novel S. Lavasa	Mr. Panja Pradeep Kumar	Mr. Deep Kapuria
<b>Customer Relationship/ Supply Chain management</b> Adequate experience in working in, or associated with, a manufacturing entity auto industry/railway business or has experience in similar industries.	✓		✓	✓	✓						
<b>Knowledge of Technological advancement</b> Sound knowledge of various technological advancements which are being made in the products or processes of the Company, Knowledge of new technologies available and preparedness to adopt it, research and development on any particular technology, idea or innovation.			✓			✓				✓	✓
<b>Strategy/ Business Leadership</b> Ability to think strategically, critically assess and understand strength and weakness of the Company, assess the opportunities and threats for the Company, good understanding of the global, domestic, local, and organizational working culture and good understanding of internal processes of the Company such as strategic planning, budgets, business plans, risk management, financial reporting, corporate governance etc.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Finance/ Accounts knowledge</b> Knowledge of Finance and Accounts functions including, Accounting book keeping, Financial Reporting, Reading and analyzing financial statements, Financial reporting and disclosures, Accounting standards/financial reporting standards, Capital and Revenue Budgeting, Financial planning, financial performance, Financial Risk Management etc.						✓	✓	✓		✓	✓
<b>Social Connect and responsibility of Organization</b> Understanding the Social connect and responsibility of the organization as a corporate citizen, understand the social, environmental, economic impact of Company's operations on various stakeholders including general public at large, understanding of the fact that the business objective of the organization should also sync with socio-economic objective of the organization.	✓		✓	✓		✓			✓		✓
<b>Corporate Governance and Board procedures</b> Experience at Board level handling corporate governance, board procedures, and statutory compliances, knowledge of Board Procedures including functioning of Board and various committees and aware of interest of all stakeholders.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

### 3. COMMITTEES OF THE BOARD

The Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee has specific terms of reference setting forth the purpose, role and responsibilities of the Committee. All recommendations of the Committees are placed before the Board for approval or information, if required. During the financial year ended 31<sup>st</sup> March, 2020, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board. The Committees of the Board

are:-

- Audit Committee
- Nomination and Remuneration committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Executive Committee

## AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted and headed by an Independent Director. The Composition, quorum, power, role, review of information etc. of the Audit Committee is in accordance with the Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31<sup>st</sup> March, 2020, the Audit Committee comprises of five Non-Executive Independent Directors and two Executive Directors. All the members of the Committee have requisite financial and management expertise/knowledge and have rich experience of the industry.

The total fees paid by the Company for all services rendered by BGJC & Associates LLP (Firm Registration Number 003304N, Statutory Auditor of the Company is 21,42,720 (exclusive of GST and after deduction of TDS), which includes Statutory Auditors fee for previous year.

The terms of reference of the Audit Committee inter-alia includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
  - Recommending to the Board, the appointment, remuneration, terms of appointment of auditors of the company and approval of the payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management the quarterly financial results and annual financial statements along with the auditor's report thereon before submission to the Board
- Reviewing with the management the quarterly financial results/annual financial statements before submission to the Board for approval.
  - reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - Review and monitor the auditor's independence and performance effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
  - Scrutiny of inter-corporate loans and investments.
  - Valuation of undertakings or assets of the listed entity, wherever it is necessary.
  - Evaluation of internal financial controls and risk management systems.
  - Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
  - Reviewing the adequacy of internal audit function, including the Structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - Discussion with internal auditors any significant findings and follow up thereon.
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  - to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - to review the functioning of the whistle blower mechanism;
  - Approval of Appointment of Chief Financial Officer after assessing the qualifications, experience and background etc.
  - Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  - reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]
- Apart from above, the committee also reviews other matters as required under Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 177 of Companies Act, 2013 and other laws, rules and regulations.

The Composition of the Audit Committee is given herein below:

Member's Name	Category	Designation
Dr. Ramesh Chandra Vaish	Non-Executive Independent Director	Chairman
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	Member
Mr. Jatender Kumar Mehta	Managing Director	Member
Mrs. Novel S Lavasa	Non-Executive Independent Director	Member
Mr. Devashish Mehta	Joint Managing Director	Member
Mr. Deep Kapuria	Non-Executive Independent Director	Member
Mr. Panja Pradeep Kumar*	Non-Executive Independent Director	Member

The Company Secretary of the Company acts as Secretary of the Audit Committee. Internal Auditors, Management and other Senior Personnel of the Company, also attend the Meeting of Audit Committee, as and when required. Dr. Ramesh Chandra Vaish, Chairman of Audit Committee was present at last Annual General Meeting of the Company held on 27th September, 2019 to provide clarification on matter relating to the audit.

During the year under review, 11 (eleven) Audit Committee meetings were held, on 27th September, 2019, 20th May, 2019, 30th May, 2019, 3rd July, 2019, 13th August, 2019, 9th October, 2019, 11th November, 2019, 25th January, 2020, 31st January, 2020, 28th February, 2020 and 12th March, 2020.

Attendance of members at Audit Committee Meetings:

Member's Name	No. of Meetings held/attended
Dr. Ramesh Chandra Vaish	11/ 10
Dr. Triloki Nath Kapoor	11/ 11
Mr. Jatender Kumar Mehta	11/ 11
Mrs. Novel S Lavasa	11/ 10
Mr. Deep Kapuria	11/ 1
Mr. Devashish Mehta	11/ 8
Mr. Panja Pradeep Kumar*	9/3

\*The Board in its meeting held on 30<sup>th</sup> May, 2019 reconstituted the Audit committee by admitting Mr. Panja Pradeep Kumar as member of the Audit committee.

#### NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee include the matters specified in Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee inter-alia includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Composition of the Nomination and Remuneration Committee is given below:

Member's Name	Category	Designation
Dr. Ramesh Chandra Vaish	Non-Executive Independent Director	Chairman
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	Member
Mr. Deep Kapuria	Non-Executive Independent Director	Member

During the financial year under review, 4 (four) Nomination and Remuneration Committee meetings were held on 6<sup>th</sup> June, 2019, 13<sup>th</sup> August, 2019, 9<sup>th</sup> October, 2019 and 31<sup>st</sup> January, 2020.

### Attendance of members at Nomination and Remuneration Committee Meeting:

Member's Name	No. of Meetings held/ attended
Dr. Ramesh Chandra Vaish	4/4
Dr. Triloki Nath Kapoor	4/4
Mr. Deep Kapuria	4/0

### Performance Evaluation

The Nomination and Remuneration Committee of the Board had adopted a policy/practice for Evaluation of the Performance of the Board of Directors of the Company. The Committee had also devised evaluation forms and criteria for Evaluation of performance of Board of Directors, Individual directors, Board Committees and Chairperson Assessment. Such evaluation forms as devised by the Nomination and Remuneration Committee and approved by the Board were shared to all the directors for their feedback/ratings. The forms were submitted back to the company by the directors with their feedback/ rating. The following were the criteria for evaluating performance of the Independent Directors:

- Participation at Board/ Committee Meetings
- Managing Relationship
- Knowledge and Skill
- Personal Attributes
- Criteria of Independence

On the basis of feedback/ ratings, the performance of the Individual Directors, Board as a Whole, the committees of the Board and Chairperson of the Board was found satisfactory.

### REMUNERATION POLICY

The Company's remuneration policy ensures that its Directors, Key Managerial Personnel and other employees working in the Senior Management Team are sufficiently incentivized for enhanced performance. In determining this policy, the Company has taken into account factors it deemed relevant and gave due regard to the interests of shareholders and to the financial and commercial health of the Company. The Remuneration Policy of the Company ensures that the:

- Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of

high quality required to run the Company successfully;

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management creates 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 said Policy forming part of Boards' Report and is also disclosed on the website of the Company [www.omaxauto.com](http://www.omaxauto.com).

### REMUNERATION OF DIRECTORS

The remuneration of Directors is recommended by the Nomination and Remuneration Committee of the Board in line with the Remuneration Policy of the Company and approved by Board and if required are also approved by the Shareholders and/or the Central Government as the case may be. The remuneration paid to the Executive Directors i.e. Managing Directors and Whole Time Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and shareholders' in the General Meeting. Executive Directors are not paid any sitting Fees for attending Board and Committee meetings.

All Non-Executive Directors in the Company are Independent directors and apart from receiving director's remuneration (Sitting Fees and Commission), they do not have any pecuniary relationship or transactions with the Company. The Non-Executive Directors are being paid by way of sitting fee of Rs. 20000/- for attending per meeting of the Board and Rs. 5000/- per meeting for Committees of the Board, attended by them. The Members have at the Annual General Meeting of the Company held on 12<sup>th</sup> September, 2016 approved the payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 2013 for a period of five years. The said commission shall be decided by the Board of Directors and given to the Non-Executive Directors based on the performance of the Company and the contribution of the Non-Executive Directors at the Board Committee meetings, as well as the time spent on operational matters other than the meetings.

Details of remuneration paid to Directors for the Financial Year 2019-20 are as follows:

(Amount in Rupees)

Sl No.	Name of Director	Sitting Fees	Salary	Perquisites	Benefits	Contribution to Statutory Funds	Commission	Bonuses	Stock Options	Total
1	Dr. Ramesh Chandra Vaish	2,40,000								2,40,000
2	Dr. Triloki Nath Kapoor	3,40,000*								3,40,000
3	Mr. Deep Kapuria	25,000								25,000
4	Mrs. Novel Singhal Lavasa	2,25,000								2,25,000
5	Mr. Bharat Kaushal	1,45,000								1,45,000
6	Mr. Panja Pradeep Kumar	1,20,000								1,20,000
7	Mr. Jatender Kumar Mehta		2,29,32,000	0	0	15,72,480				2,45,04,480
8	Mr. Ravinder Kumar Mehta		19,80,000	0	0	2,37,600				22,17,600
9	Mrs. Sakshi Kaura		71,79,224	32,400	0	5,12,568				77,24,192
10	Mr. Tavinder Singh		46,31,004	32,400	0	2,10,708				48,74,112
11	Mr. Devashish Mehta		60,97,787	32,400	0	4,35,600				65,65,787
	<b>Total</b>	<b>11,15,000</b>	<b>4,28,20,015</b>	<b>97,200</b>	<b>0</b>	<b>29,68,956</b>				<b>4,69,81,171</b>

\*Rs. 15,000 pertains to last financial year sitting fees

The Company has not made any payment to its directors by way of performance-linked incentives during the year under review. The appointment of the executive directors is on contractual basis and notice period is of 3 months of either side. No severance fees are charged. There is no stock option in the company granted to the directors. Chairman of Nomination and Remuneration Committee was present in the Annual General Meeting held on 27<sup>th</sup> September, 2019, to answer the shareholders' queries.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE/STAKEHOLDERS' GRIEVANCE COMMITTEE

The Stakeholders Relationship Committee has been constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to attend and look into various aspects of interests of security holders of the Company. The Committee is chaired by Dr. Triloki Nath Kapoor, Independent Director on the Board of the Company. The Chairman could not make it to the Annual General Meeting as he was stuck in traffic congestion. However, he had authorised Mr. Tavinder Singh (Member of Stakeholders Relationship Committee) to, in his absence, be present at the Annual General Meeting and to answer queries, if any, of the security holders; and Mr. Tavinder Singh was present at the annual general meeting to answer the queries of security holders.



The composition of Stakeholders Relationship Committee during the year under review was as under:

Member's Name	Category	Designation
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	Chairman
Mr. Jatender Kumar Mehta	Managing Director	Member
Mr. Tavinder Singh	Whole Time Director	Member

During the year under review, 7 (seven) Stakeholders Relationship Committee meetings were held, on 20th May, 2019, 30th May, 2019, 24th June, 2019, 19th July, 2019, 13th August, 2019, 11th November, 2019 and 31st January, 2020.

Attendance of members at Stakeholders Relationship Committee Meetings:

Member's Name	No. of Meetings held/ attended
Dr. Triloki Nath Kapoor	7/7
Mr. Jatender Kumar Mehta	7/6
Mr. Tavinder Singh	7/7

**Name, Designation and Address of Compliance Officer:**

Mr. Sanjeeb Kumar Subudhi, Company Secretary has been designated as Compliance Officer of the Company.  
Omax Autos Limited  
Plot No. B-26, Institutional Area,  
Sector 32, Gurugram, Haryana-122001  
Phone: +91-124-4343000  
Email: investors@omaxauto.com

The functioning and broad terms of reference of the Stakeholders Relationship Committee as adopted by the Board are as under:

- a) To monitor work related to
  - Transfer and/ or transmission of the shares of the Company;
  - Dematerialization/ dematerialization of the shares of the Company;
  - Subdivision, consolidation and/or replacement of any share certificate(s) of the Company;
- b) Approval of issue of duplicate share certificates against the original share certificates.
- c) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- d) Review of measures taken for effective exercise of voting rights by shareholders.
- e) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- f) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- g) To do all other acts or deeds as may be necessary or incidental thereto.

The main object of the Stakeholders Relationship Committee is to strengthen investors' relation. The Compliance Officer is entrusted with the responsibility, specifically, to look into the redressal of the shareholders and investors complaints and report the same to the Stakeholders Relationship Committee.

**Details of Investor Complaints:**

The Corporate Secretarial Department of the Company and M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent (RTA) of the Company attend all the grievances of the shareholders and investors received directly or through Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs

(MCA), Registrar of Companies (ROC) etc.

The details of Complaints received; resolved/pending during the financial year 2019-20 are given below:

Brought Forward: NIL

Received: 35

Resolved: 35

Pending: NIL

No request for share transfer or payment of dividend is pending except those which are disputed or unclaimed.

#### 4. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings held are as follows:

Financial Year	Date of AGM	Time	Venue	Whether Special Resolution passed
2018-19	27 <sup>th</sup> September, 2019	11:00 AM	Clarens Hotel, Plot no. 363364, Sector-29, Gurgaon, Haryana122002	Yes
2017-18	17 <sup>th</sup> September, 2018	11:00 AM	Clarens Hotel, Plot no. 363364, Sector-29, Gurgaon, Haryana122002	Yes
2016-17	25 <sup>th</sup> September, 2017	11:00 AM	Clarens Hotel, Plot no. 363364, Sector-29, Gurgaon, Haryana122002	Yes

All the Resolutions, including the special resolution set out in the respective notices were passed by the requisite majority of shareholders.

#### RESOLUTION PASSED THROUGH POSTAL BALLOT PROCESS

During the financial year 2019-20, the Company has not passed any resolution through Postal Ballot process.

#### PROCEDURE FOLLOWED

Not applicable as the Company has not passed any resolution through postal ballot process during the financial year 2019-20.

As on the date of this Report, no Special resolution is proposed to be conducted through Postal Ballot.

#### 5. MEANS OF COMMUNICATION

- (a) **Financial Results:-** The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The approved financial results are forthwith sent to the Stock Exchanges where the Company is listed (BSE and National Stock Exchange of India Ltd.) and are published normally in the following Newspapers in accordance with the provision of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :-

Particulars	Name of the News paper
English Newspapers in which quarterly/ half yearly/ yearly results were published.	Business Standard
Vernacular Newspapers (Hindi) in which quarterly/ half yearly/ yearly results were published.	Business Standard

- (b) **Company's Website:-** Various sections of the Company's website ([www.omaxauto.com](http://www.omaxauto.com)) keep the investors updated on the key and material developments of the Company by providing timely information like Board profile, press release, financial results, annual reports, shareholding pattern, stock information, stock exchange filings etc. .
- (c) **Official Press Release:-** The Company communicates official releases to Stock Exchange(s) and are

uploaded on the Company's website [www.omaxauto.com](http://www.omaxauto.com).

- (d) **Presentations made to institutional investors or to the analysts:-** During the Year under review the Company has not made any presentations to Institutional investors or to the Analysts.

## 6. GENERAL SHAREHOLDERS' INFORMATION

### 37th Annual General Meeting:

**Day & Date:** Friday, 25th day of September, 2020

**Time:** 10.00 AM

**Venue:** Through Video Conferencing / Other Audio Visual Means

**Financial year:** 1st April, 2019 to 31st March, 2020

### Dates of Book Closure

The register of members and share transfer books of the company will remain closed from Friday, 18th September, 2020 to Friday, 25th September, 2020 (both days inclusive), for the purpose of Annual General Meeting.

### Dividend Payment Date

**No dividend has been recommended by the Board for the financial year 2019-20.**

### Listing on Stock Exchanges

At present, the equity shares of the Company are listed on the following Stock Exchanges.

### Dividend Payment Date

**No dividend has been recommended by the Board for the financial year 2019-20.**

### Listing on Stock Exchanges

At present, the equity shares of the Company are listed on the following Stock Exchanges.

Name of Stock Exchanges	Stock Code	ISIN With NSDL & CDSL
BSE LIMITED (formerly Bombay Stock Exchange Limited) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	520021	INE 090B01011
National Stock Exchange of India Limited "Exchange Plaza", Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051	OMAX AUTO	

### Listing Fees

The Annual Listing Fees for the Financial Year 2020-21 have been paid to the both aforesaid Stock Exchanges where the shares of the Company are listed.

### Outstanding GDRs/ADRs/Warrants or any Convertible instruments

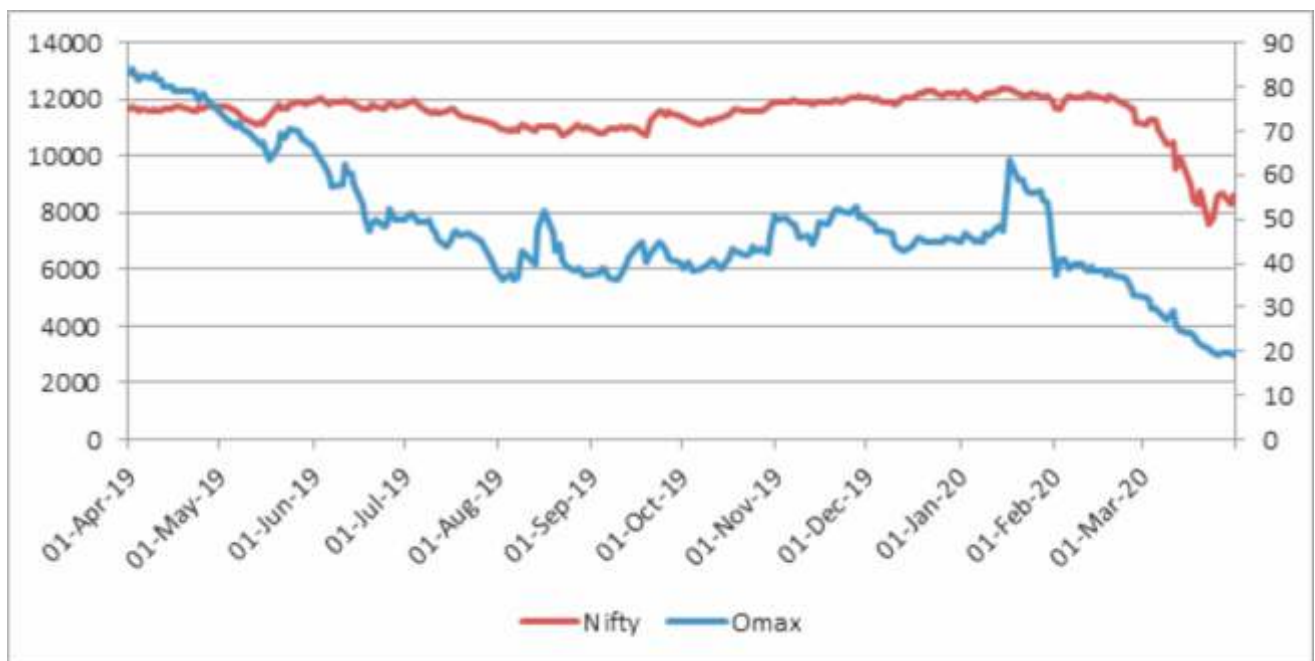
- No GDRs / ADRs have been issued or outstanding by the Company.
- During the year under review the Company has no outstanding convertible instruments.

### Market Price Data

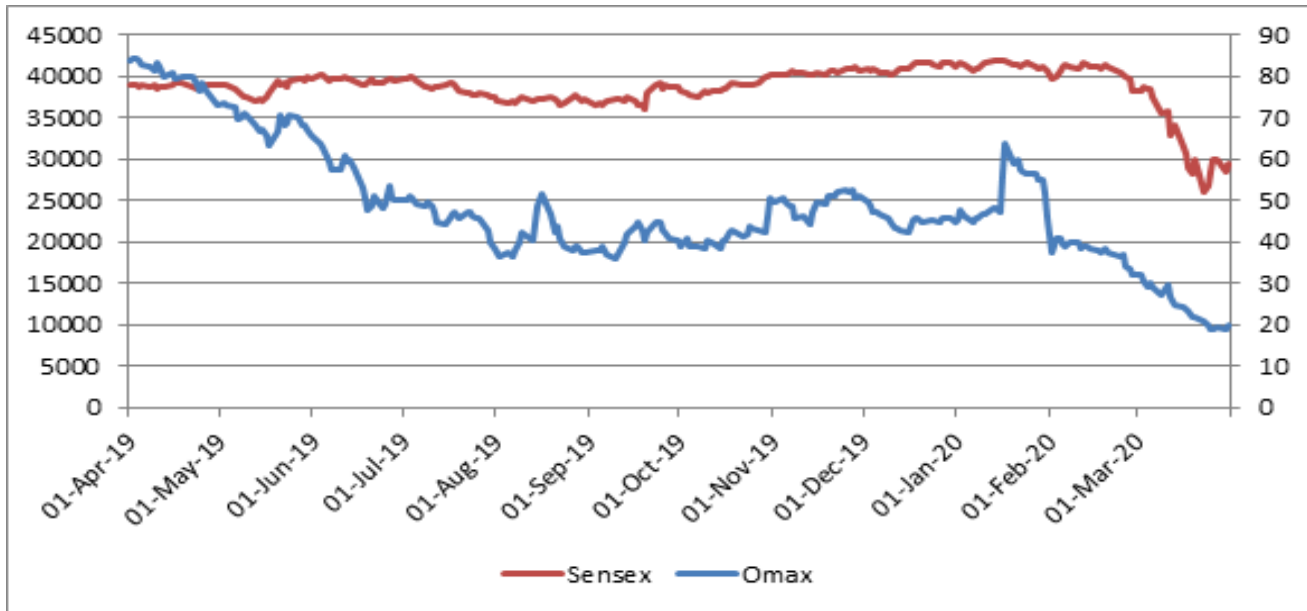
Monthly High and Low prices of equity shares of The Company at BSE Limited (BSE) and at the National Stock Exchange of India Limited (NSE) during the period under review in comparison to BSE (Sensex) and NSE (Nifty).

Month	NSE				BSE			
	Share Price		Nifty		SharePrice		Sensex	
	High	Low	High	Low	High	Low	High	Low
Apr-19	84	74.35	11787.15	11575.95	84.35	73	39275.64	38564.88
May-19	73.3	63.65	11945.9	11148.2	73.65	63.1	39831.97	37090.82
Jun-19	63.65	47.35	12088.55	11672.15	63.7	47.6	40267.62	38960.79
Jul-19	51.2	38.25	11946.75	11085.4	51	38.2	39908.06	37397.24
Aug-19	51.75	36.2	11109.65	10741.35	51.7	36.35	37641.27	36472.93
Sep-19	44.7	36.2	11600.2	10704.8	44.6	36.1	39097.14	36093.47
Oct-19	50.95	38.45	11877.45	11126.4	50.7	38.3	40129.05	38177.95
Nov-19	52.80	44.25	12151.15	11840.45	52.65	44.35	41020.61	40116.06
Dec-19	49.30	42.60	12271.8	11856.8	49.8	42.5	41681.54	40239.88
Jan-20	63.60	44.7	12362.3	11962.1	63.6	44.65	41945.37	40676.63
Feb-20	40.9	32.75	12201.2	11201.75	40.8	32	41565.9	38297.29
Mar-20	31.95	19.25	11303.3	7610.25	32	18.75	38623.7	25981.24

### Performance in comparison to broad based indices – NIFTY



### Performance in comparison to broad based indices - BSE SENSEX



### SHAREHOLDERS REFERENCE

Pursuant to Section 124 of the Companies Act, 2013, the Unclaimed Dividend for the financial year 2011-12 has been transferred to the Investors Education and Protection fund (IEPF) established by the Central Government Pursuant to Section 125 of the Companies Act, 2013. In terms of the provisions of Section 124 (6) read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended by Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ('the Rules') effective from 28<sup>th</sup> February, 2017, the Company is also required to transfer all shares, in respect of which dividend has not been paid or claimed for seven consecutive years, in the name of Investor Education and Protection Fund ("IEPF"). The names of shareholders and their folio numbers or DP ID-Client IDs alongwith unpaid/unclaimed dividend details were uploaded on the website of the Company at <http://www.omaxauto.com>. Shareholders may note that the unclaimed dividends and unclaimed shares transferred to IEPF authority can be claimed back from IEPF authority after following the due process prescribed under the Rules.

Shareholders may also note that unclaimed/unpaid dividend for the following years will be transferred to IEPF Account in according to the schedule given below. Shareholders who have not encashed their dividend warrant(s) so far or have not received the same are requested to seek issue of duplicate warrant(s) by writing to the Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent of the Company confirming non-encashment/ non receipt of dividend warrant(s). Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

F.Y. Ended	Date of Declaration of Dividend	Last Date for Claim
2011-12	8 <sup>th</sup> September, 2012	7 <sup>th</sup> October, 2019
2012-13	7 <sup>th</sup> September, 2013	6 <sup>th</sup> October, 2020
2013-14	Not declared	Not applicable
2014-15	Not declared	Not applicable
2015-16	12 <sup>th</sup> September, 2016	11 <sup>th</sup> October, 2023
2016-17	Not declared	Not applicable
2017-18	Not declared	Not applicable
2018-19	Not declared	Not applicable
2019-20	Not declared	Not applicable

#### REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

M/s. Link Intime India Private Limited, New Delhi has been appointed as the Registrar and Share Transfer Agent of the Company for handling the share related work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialization, dematerialization etc. can be made at the following address.

M/s Link Intime India Private Limited  
Unit: Omax Autos Limited  
Noble Heights, 1st Floor, Plot No. NH 2,  
LSC, C-1 Block, Near Savitri Market,  
Janakpuri, New Delhi-110058  
Tel: +91-11-4141 0592/93/94;  
Fax: +91-11-4141 0591  
E-Mail: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

#### SHARE TRANSFER SYSTEM

The Company's shares are traded in the Stock Exchanges compulsorily in dematerialized mode. Physical Shares which are lodged with the RTA and /or Company for transfer are processed and returned to the members duly transferred within the time stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 subject to documents being found valid and

complete in all respects. The dematerialized shares are transferred directly to the beneficiaries by the depositories. The Company processes the share transfer and other related shareholders services through Registrar & Share transfer Agent (RTA) on a fortnight basis. The Company has a Stakeholder Relationship Committee, which meets whenever required, to consider and approve the share transfers/Transmission /transposition and to resolve any query or problem in relation thereto.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition of securities.

The Company obtains from a Company Secretary in practice half yearly certificate to the effect that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with the Stock Exchanges.

#### DISTRIBUTION OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH, 2020

Share Range		Number of holders	% to total holders	Total face value (In Rupees)	% to total face value of issued capital
01	500	10304	81.38	13368080	6.25
501	1000	1242	9.81	9379800	4.38
1001	2000	572	4.52	8462520	3.96
2001	3000	176	1.39	4476410	2.10
3001	4000	83	0.66	2925420	1.37
4001	5000	79	0.63	3660700	1.71
5001	10000	93	0.73	6876120	3.21
100001	Above	112	0.88	164733080	77.02
<b>Total</b>		<b>12661</b>	<b>100.00</b>	<b>2,13,882,130</b>	<b>100.00</b>

## SHAREHOLDING PATTERN AS ON 31<sup>st</sup>MARCH, 2020

Sl. No.	Category	No. of Shares	% of shareholding
<b>1</b>	<b>Promoters' Holding</b>		
	(a) Indian Promoters	78,70,774	36.80
	(b) Bodies Corporate	42,72,161	19.97
<b>2</b>	<b>Non Promoters' Holding</b>		
	(a) Mutual Funds and UTI	0	0
	(b) Banks, FIs, Insurance Companies	242	0.00
	(c) Foreign Institutional Investors	0	0.00
	(d) Private Bodies Corporate	13,80,491	6.45
	(e) Indian Public		
	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	48,10,270	22.49
	ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	21,21,441	9.92
	(f) Non Resident Indians	2,14,101	1.00
	(g) Others	7,18,733	3.37
	<b>TOTAL</b>	<b>2,13,88,213</b>	<b>100.00</b>

## DEMATERIALIZATION OF SHARES AND LIQUIDITY

The equity shares of the Company are compulsory traded and settled only in the dematerialised form under ISIN No. INE090B01011. M/s. Link Intime India Private Limited, the Company's Registrar & Share Transfer Agent looks after the dematerialization of shares and other related works.

The details of the equity shares of the Company dematerialized as on 31<sup>st</sup>March, 2020 are given hereunder:

Particulars	Number of Shares	Percentage
No. of shares in dematerialized form	2,10,78,813	98.55
No. of shares in Physical form	3,09,400	1.45
<b>Total</b>	<b>2,13,88,213</b>	<b>100.00</b>

## SHARES IN THE SUSPENSE ACCOUNT

Disclosure with respect to Demat Suspense Account / Unclaimed Suspense account:

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- Number of shareholders who approached the Company for transfer of shares from suspense account during the year: Nil
- Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.



### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK

The Company operates in single segment of automotive components and parts; therefor there are no such commodity price risks. However the Company keeps close watch on the price risk of input material. The foreign exchange exposure of the Company is very limited and the same is generally hedged.

### SUSPENSION OF SECURITIES:

The securities of the Company are not suspended from trading.

### PLANT LOCATIONS:

<b>Registered office &amp; Corporate Office:</b> Address for correspondence: Plot No. B-26, Institutional Area, Sector-32, Gurgaon (Haryana) 122001 Phone No: +91-124- 4343000 Fax No.: +91 -124- 2580016 E-mail: investors@omaxauto.com	<b>Bangalore Plant</b> Omax Autos Limited Plot No 6, Bommasandra - Jigani Link Road, Bommasandra, Bangalore, Karnataka-560099
<b>Railway Plant</b> Omax Autos Limited Delhi Jaipur Highway, Village & P.O. Binola, Gurgaon, Haryana-122413	<b>Bawal Plant</b> Omax Autos Limited Plot No. 2, Sector -5, Bawal Distt. Rewari, Haryana-123501
<b>Lucknow Plant</b> Omax Autos Limited Tata Motors Vender Park Chinhat Industrial area Deva Road, Lucknow, (UP)- 226019	

### CREDIT RATING

No credit rating obtained during the financial year 2019-20, as Company does not have any debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

### CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, a declaration by CEO and CFO was placed before the Board, certifying the accuracy of Financial Statements and the adequacy of internal controls pertaining to Financial Reporting for the year ended 31<sup>st</sup> March, 2020.

### CORPORATE GOVERNANCE CERTIFICATE

In compliance with Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from M/s. Chandrasekaran Associates, Company Secretaries, Delhi, confirming compliance with the conditions of the Corporate Governance has been attached as "Annexure2" forming integral part of this report.

### 7. OTHER DISCLOSURES

- i) **Related Party Transactions** - There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large. Transactions with the related party are disclosed in the notes to the accounts in this Annual Report as per Accounting Standard 18 of the Institute of Chartered Accountants of India.
- ii) **Details of Non-Compliances** – There is no non-compliance by the Company and no penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- iii) Company has maintained/established vigil mechanism, the whistle blower policy and affirms that no personnel have been denied access to the audit committee.



- iv) All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been substantially complied with, by the Company. However the Company has not adopted any non-mandatory requirements.
- v) Web link of the policy for determining 'material subsidiaries is <http://www.omaxauto.com>
- vi) The web link of the policy on dealing with related party transactions is <http://www.omaxauto.com>
- vii) There are no commodity price risks and commodity hedging activities in the Company.
- viii) During the year, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ix) **Compliance with Mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** - The Company is in compliance with applicable mandatory corporate governance requirements of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**. Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.
- x) In accordance with the SEBI Circular No.CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February,2019, the Annual Secretarial Compliance Report for the year 2019-20 has been issued by M/s Chandrasekaran Associates, Company Secretaries, Delhi, forms part of this report.
- xi) The Board of the Company considered the declarations submitted by all Independent Directors of the Company that:

They meet the criteria of independence as provided in Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 read with rules made thereunder.

They are not aware of any circumstances 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 as provided under the Listing Regulations.

Accordingly, in the opinion of the Board of the Company, all Independent Directors of the Company fulfill the conditions/criteria specified in the Listing Regulations read with the Companies Act, 2013 and they are also independent of the management.

- 8. **DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**  
One case regarding sexual harassment pursuant to the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 during the financial year 2019-20, was reported, investigated and disposed off as per extant rules.
- 9. **COMPLIANCE STATUS REQUIREMENT OF CORPORATE GOVERNANCE**  
There is no Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 10. **DISCRETIONARY REQUIREMENTS**  
During the financial year, the Company has not adopted any discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 11. **DECLARATION RELATED TO CODE OF CONDUCT TO DIRECTORS/ SENIOR MANAGEMENT**  
In accordance with the Listing Regulations, it is declared that all Directors and Senior Management Personnel of the Company have confirmed the compliance with the code of conduct as adopted by the Company.

Place: Gurugram  
Date: 25<sup>th</sup> August, 2020

**Jatender Kumar Mehta**  
Managing Director  
DIN:00028207



## CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### THE BOARD OF DIRECTORS OMAX AUTOS LIMITED

We, Jatender Kumar Mehta, Managing Director and Mr. Hari Gopal Agrawal, Chief Financial Officer of the Company do hereby certify to the Board of Directors that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2020, and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) To the best of our knowledge and belief, there was no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's code of conduct;
- (c) Further, we accept that it is our responsibility to establish and maintain internal controls for financial reporting. Accordingly, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee:
- (i) deficiencies in the design or operation of such internal controls, if any, which came to our notice and steps have been taken or proposed to be taken to rectify these deficiencies.
  - (ii) Significant changes in internal control, if any, over financial reporting during the year.
  - (iii) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iv) Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Gurugram

Date: 25th August, 2020

Jatender Kumar Mehta

(Managing Director)

Hari Gopal Agrawal

(Chief Financial Officer)

## Declaration for Compliance with the Code of Conduct

This is to certify that the company has laid down its Code of Conduct for all the Board Members and Senior Management of the Company and the copy of the same are uploaded on the website of the Company at [www.omaxauto.com](http://www.omaxauto.com). It is hereby affirmed that during the financial year 2019-20, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

Place: Gurugram

Date: 25th August, 2020

Jatender Kumar Mehta  
Managing Director

## SECRETARIAL COMPLIANCE REPORT OF OMAX AUTOS LIMITED FOR THE YEAR ENDED MARCH 31, 2020

To,  
The Board of Directors  
Omax Autos Limited  
Plot No B - 26, Institutional Area,  
Sector-32, Gurugram,  
Haryana, 123106

We M/s. Chandrasekaran Associates have examined:

- (a) All the documents and records made available to us and explanation provided by Omax Autos Limited. ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The Specific Regulations, whose provisions and the Circulars/ Guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable during the year under review.
- (e) Securities and Exchange Board of India (Share

- Based Employee Benefits) Regulations, 2014; Not Applicable during the year under review.
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the year under review;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable during the year under review;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) 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;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 to the extent applicable.

and based on the above examination, We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NIL	NIL	NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	NIL	NIL	NIL	NIL

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2019.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

- (e) The company has suitably included the conditions as mentioned in Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in the terms of appointment of statutory auditor of the Company.

**For Chandrasekaran Associates  
Company Secretaries**

Shashikant Tiwari  
Partner  
Membership No. A28994  
Certificate of Practice No. 13050  
UDIN:

Date: 20<sup>th</sup> June, 2020

Place: Delhi

## **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015**

The Members  
Omax Autos Limited  
Plot No. B-26, Institutional Area, Sector-32,  
Gurgaon, Haryana 122001

We have examined all relevant records of Omax Autos Limited (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March 2020. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Chandrasekaran Associates  
Company Secretaries

Shashikant Tiwari  
Partner  
Membership No. A28994  
Certificate of Practice No. 13050  
UDIN: A028994B000606395

Date: 25<sup>th</sup> August, 2020  
Place: Delhi



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C sub clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
**The Members,**  
**Omax Autos Limited**  
Plot No. B-26, Institutional Area, Sector-32,  
Gurgaon, Haryana 122001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Omax Autos Limited** having CIN L30103HR1983PLC026142 and having registered office at Plot No. B-26, Institutional Area, Sector-32, Gurgaon, Haryana -122001 (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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status\* at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 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:

S. No.	Name of Directors	DIN	Date of Appointment in Company
1.	Deep Kapuria	00006185	10/11/2014
2.	Triloki Nath Kapoor	00017692	03/02/1986
3.	Jatender Kumar Mehta	00028207	28/10/1983
4.	Ravinder Kumar Mehta	00028409	01/01/2006
5.	Ramesh Chandra Vaish	01068196	27/06/1995
6.	Tavinder Singh	01175243	29/10/2015
7.	Bharat Kaushal	01973587	19/07/2018
8.	Sakshi Kaura	02094522	25/01/2013
9.	Panja Pradeep Kumar	03614568	22/10/2018
10.	Novel Singhal Lavasa	07071993	29/10/2015
11.	Devashish Mehta	07175812	19/07/2018

Ensuring the eligibility of 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 Chandrasekaran Associates  
Company Secretaries

Shashikant Tiwari  
Partner  
Membership No. 28994  
Certificate of Practice No. 13050  
UDIN: **A028994B000605053**

Date: 22<sup>nd</sup> August, 2020  
Place: Delhi

## MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the financial year ended on 31<sup>st</sup> March, 2020.

### A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company continues to operate in sheet metal component manufacture and supply, supplying primarily to auto-manufactures and railways. The Indian auto-components industry can be broadly classified into the organized and unorganized sectors. The organized sector caters to the OEMs and consists of high-value precision components while the un-organized sector consists of low-valued products and caters mostly to the aftermarket customers.

The auto-component industry by and large depends upon the automotive industry. Its growth is broadly synonymous with the growth of automotive industry. Indian Automotive industry has been one of the largest automotive industries in the world. Most of the major car manufactures are present and manufacture in India; the Indian Auto Component industry has become an attractive supplier base for global markets

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry accounts for around 2.3% of India's GDP and employs about 1.5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favorable destination for investment. In recent years, various global automobile OEMs have made their footprints in India. Their increased presence in the Indian manufacturing landscape has significantly increased the localization of their components in the country. India has become the preferred designing and manufacturing hub for global auto OEMs for local sourcing and exports.

Over the five years, the automotive components industry has registered a CAGR of 13 per cent while exports have also grown at a CAGR of 11 per cent. The growth of global OEM sourcing from India & the increased indigenization of global OEMs is turning the country into a preferable designing and manufacturing base.

The Company also supplies sheet metal components to Indian Railways. Indian Railways has shown steady growth over the years. Freight and Passenger earnings are the two largest components of revenues for Indian Railways. With increasing participation expected from private players, both domestic and foreign, due to favorable policy measures, both passenger and freight traffic is expected to grow rapidly over the medium to long term. Government of India's focus on infrastructure is a

major factor which will accelerate growth of railways. The Company hopes to benefit from the same.

### Impact of COVID- 19:

The onset of COVID – 19 pandemic and consequent lockdowns and restrictions imposed on various industrial and economic activities have posed several challenges to all the business units of the Company.

The Company's operations were hit substantially from last week of March, 2020. When the national lockdown was declared, all the units located across India and corporate office were closed. Few of the units as an abundant precaution, were closed from earlier date also. Later, towards 1<sup>st</sup> week of May, 2020, various plants and units resumed operations, but, with drastically reduced capacity. As the company is dealing in manufacture and supply of auto-components and heavily dependent on business from few customers, the business also hampered due to low business volume from these customers due to complete shutdown during lockdown. Even if various units resumed operations in 1<sup>st</sup> week of May, due to restrictions on economic activities and movement, various units could run only one shift only and production could only increase in phased manner. Hence, the revenue is hit in the first quarter of the current financial year. However, the situation has eased a bit in the second quarter of the current financial year. Hence, the revenue in the current financial year may be little lower than normal. The company expects the situation to improve more as we find a control over this pandemic.

The Company has two new plants in Uttar Pradesh which were expected to be operational in the current financial year. However, due to lockdown and restrictions on import, procurement of many heavy machines which were to be imported, mainly from China and European countries, got delayed. Certain heavy machines could not be commissioned due to lack of technical experts which were to be provided by the manufacturers from abroad. Hence, completion of these two new projects are now expected to be delayed by few months. The unwarranted delay in completion, would increase the pre-operative cost to some extent.

### B. OPPORTUNITIES AND THREATS

In the advent of growing concerns of excessive use of fossil fuels and increasing pollution level, the government has pushed for shifting to electric vehicles. The Government of India has plans to make a major shift to electric vehicles by 2030. Globally, countries have already started shifting to electric vehicles. Hence, the relevance of internal combustion engines run by fossil fuels would lose relevance in long run. Hence, the electric vehicle segment would throw a big opportunity for Indian manufactures. India can be a global manufacturing hub for electric vehicles. Manufacturers may look at not only producing EV models for domestic market but also for exports. Electric vehicles are a sunrise opportunity as

India has over 70 per cent two-wheelers and these could be made into electronic vehicles. Government has proposed that two-wheelers and three-wheelers sold in the country to be shifted to electric ones in a phased manner. There is a huge opportunity in this segment.

The global transportation industry, has now made a shifting towards electric, electronic and hybrid cars, which are considered more fuel efficient, safe, environment friendly and reliable mode of transportation. In coming times, this will open up new segments and opportunities for auto-component manufacturers. The industry has to be prepared for this and need to adapt itself to the changes through systematic Research and Development of new products and technologies.

In the past two years, the government has taken number of initiatives to capture the sector's real growth potential. An ambitious investment outlay of Rs 8.56 Lakh Crores has been announced for FY 2016-20, supported by external funding and participation of various stakeholders. As per Union Budget 2020-21, Ministry of Railways have been allocated over Rs 72 thousand crore for railways. Dedicated Freight Corridor Corp. of India Ltd is building the first two freight corridors - Eastern Freight Corridor from Ludhiana to Dankuni and Western Freight Corridor from Dadri to Jawaharlal Nehru Port. The Government is also going to come up with a 'National Rail Plan' to enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network. All these initiatives would increase the business of Railways.

In last few years, metro rails in India has made rapid strides and has become first choice in urban transport and mobility. Currently, ten cities have metro railways and as many as fifteen new cities may have metro rail connectivity in the near future. Hence, there is huge scope of growth in this segment. The Company currently catering to Indian Railways, have scope to venture into supplying parts and components for metro railways. The Company has made some headways in this area.

Presence of such a large number of players in the Automobile industry results into extensive competition, every company eating into others share leaving little scope for new players. Further, currently, global economic slowdown and industry crisis in automotive industry due to Covid pandemic, increasing fuel prices, low financing options due to NBFC crisis, new emission norms, and policy uncertainty about electric vehicles are some of the impeding factors for slowdown in the industry. Low economic activities due to Covid crisis, subdued demand and recent investments made for transition from BS IV to BS VI emission norms, lack of clarity on electric vehicle (EV) policy, have added to the woes of the industry.

#### **A. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company operates in single segment of metal sheet components and parts.

##### **Two-Wheelers**

Due to continuous low business from customers, the Company has already exited from the two-wheelers business. There was some minor revenue generated from this business through sale of idle assets.

##### **Commercial Vehicles**

Due to downturn in the economy and slump in Auto Industry, the Commercial Vehicle business did not do well during 2019-20. During 2019-20, the turnover was Rs. 171 Crores as against Rs. Rs. 393 Crores. The turnover is expected to remain stagnant in 2020-21 as well, due to Covid crisis and consequent economic slowdown.

##### **Passenger Cars**

The Passenger Car business also witnessed the same fate as of CV business. This PC business recorded a turnover of Rs. 80 Crores in 2019-20 as against Rs. 112 Crores in the previous year. As this business has shown continuous decline in turnover and losses, the management is also considering consolidating this business.

##### **Railways**

Railway has shown considerable growth in sales during the previous years. This business has contributed maximum to the turnover of the Company during the FY. The Railway business recorded a turnover of Rs. 203 Crores in 2019-20, compared to Rs. 170 Crores in 2018-19, achieving a growth rate of around 19%.

#### **D. OUTLOOK**

Due to onset of Covid pandemic, and consequent extended lockdown in India, the economic activities have shrunk drastically. As an imminent solution to this pandemic is remote, the slump is expected to continue for some time. The GDP is expected contract in 2020-21 by 5-6%. It is expected that growth will rebound in 2021-22 as the impact of Covid-19 recesses. Government has taken many steps to revive the economy. Various financial stimulus have also been declared by the government. RBI has also relaxed certain lending norms for banks, to improve the liquidity situation. The Company is hopeful the economy will revive within 6-12 months.

Currently, the slowdown in domestic economy is quite visible. Auto Industry has also slowed down significantly. The slowdown in the auto sector has its cascading effect on auto component sectors also. As major auto OEMs are cutting their production, auto-component manufactures is also facing sharp production cuts which will continue for some time. Due to technological changes in the industry they have to face cost pressures also. The comparative revenue growth has also declined for many of the auto-component manufacturers. There is also uncertainty due to change in emission norms from BS IV to BS VI. There



will be also cost pressure due to this new technology and will also impact profit margins. Further, global automobile demand has also been remained subdued. Due to looming slowdown in foreign market, export business may also be hurt. Hence, the outlook for auto sector will remain subdued in short to medium term.

In railway sector, the position would be slightly better. The Indian Railway network is growing at a healthy rate. In the next few years, the Indian railway market is expected to be one of the largest markets. Indian Railways is targeting to increase its passenger and freight traffic significantly. Government has also announced significant investment outlay in railway infrastructure. It would boost railway sector significantly. Once the Covid situation eases, this business would gain momentum.

Barring the impact of Covid 19, the industry's long-term growth prospects in India will continue to be healthy. The management of the Company is optimistic about the outlook of the company in medium to long term. With reduction in costs and increasing operational efficiency, the Company is expected to perform reasonably in 2019-20. However, the situation will improve in 2020-21.

#### **E. RISKS AND CONCERNS**

The Company is an automotive component manufacturer; hence, its business is largely dependent on the health of the automotive sectors. The health of automotive sector and auto component sector is dependent on various factors viz. general economy of the country, global economy, disposable income with consumers, interest rate, fuel prices, finance options, regulatory norms, input costs etc. Given the fact that the Indian economy and also the automobile sector are experiencing a slowdown, its impact would be felt in auto-component industry and on the Company as well. Further, aftermath of the Covid crisis it will be seen how the industry and economy revive themselves. This would have direct bearings on the business of the OEMs and the Company also.

The Company's customer base is not very broad. The Company's major turnover comes from very few customers. Any significant business risks to these customers can have consequent impact on the Company. The management is putting its best effort to widen its customer base.

Auto industry is driven by technology and the same is undergoing very rapid change. A technology may make existing technology obsolete in very short period of time. Whoever cannot adapt to the pace of technology, may miss the bus. If it impacts any of the major customers of the Company, it may impact the Company as well.

The Company being an auto component manufacturer, it uses Steel and Cast iron sheets as major raw materials. Prices of these raw materials used in manufacturing have become increasingly volatile in recent years. The auto

component manufacturers typically have low bargaining power and find it difficult to pass on the price increases to the price-sensitive customers. An increase in the price of these input materials could severely impact the profitability of the company.

The Company is largely into the business of manufacture of automotive components. This sector has already been very competitive. Lack of diversification into new business segments may also have impact on the future prospects of the Company.

The Company currently has a sound product base catering to the demand of the customers. Considering that technologies are changing very fast and new products and technologies are being developed rapidly, the Company will also face the risk of new product development or new technology development. The business of the Company may hamper if Company fails to keep pace with the new product or technology requirements of its customers.

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

**For the purposes of effective internal financial control, the Company has adopted various policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.**

**In respect of adequacy of internal financial controls with reference to the Financial Statements, the Company has, inter alia, established various control systems which have been already reported in the last Annual Report. There have not been any significant changes in such control systems. The control systems are reviewed by the management regularly. The same are also reviewed by the Statutory Auditors and Internal Auditors from time to time. The Company has also adopted various policies and procedures to safeguard the interest of the Company. These policies and procedures are reviewed from time to time. There has also been proper reporting mechanism implemented in the organization for reporting any deviation from the policies and procedures. Compliance audit is also conducted from time to time by external agencies on various areas of operations.**

#### **G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance of the Company during the year under reference fell short of expectations. The Company achieved a turnover of Rs. 488 Cr. compared to Rs. 1004 Cr. for the previous year. The decline is primarily due to exit from the 2W business. The Company managed to increase the PBT from Rs. 5.15 Crores in the previous

year to Rs. 6.95 Cr. in the current year. Operationally also Company had a reasonable year during 2019-20. There was no major setback for the Company during 2019-20, except for the impact of Covid 19 towards the end of the financial year. The Railway business of the company did well during 2019-20. However, the CV and PC business did not do so well. The PC business has been witnessing continuous decline in turnover due to down turn in the economy and slump in auto sectors. The management is considering to consolidate whole or part of the PC business during the current financial year. The CV business which was highest contributor to the turnover in the previous year could not do enough business to maintain the level. This was mainly due to low business volume from the customers. The setting up of two manufacturing units in Uttar Pradesh for its CV and Railways business went well during the year. However, due to Covid crisis the commissioning of these plants got hit and the start of operation is now expected to get delayed by few months. Overall, the operational performance of the Company was satisfactory during 2019-20.

#### **H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The company recognizes the importance of human values and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The human resources received commensurate attention during the year considering the growth of the organization and the need arising therefrom.

Due to very low customer demand, the Company had to reduce its production plan. Hence, unwillingly the Company had to reduce its manpower in some plants to rationalize the cost. There was no significant IR issues during the year under review. The Company had generally cordial relationship with its human resources.

The Company has initiated many programs on up-skilling / training its manpower. As an ongoing exercise, the Company has continued to look at, identify, create and execute seamlessly, initiatives which enhance productivity and efficiency. The Company continues to invest in people through various initiatives which enable the work force to meet the production requirements and challenges related thereto and to infuse positive enthusiasm towards the organization. The Company's strength of employees stood at 530 as on 31<sup>st</sup> March, 2020.

#### **I. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

There are no significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios except as discussed hereinafter. The Debtor Turnover Ratio has been 0.2502

for 2019-20 compared to 0.1308 for 2018-19, an increase of 91.26%. This majorly due to outstanding debtors of already exited 2W business. Though the company has exited from 2W business certain debtors were still outstanding at the end of the year. Another contributory factor is new product mixes in railway business. In certain products, which have been added during the year, in addition to the supply, fitment of parts are also included in the scope of the company. Hence, recovery is delayed, increasing the debtor turnover. The Inventory Turnover Ratio has been 0.0984 for 2019-20 compared to 0.0750 for 2018-19, an increase of 31.18%. This increase is mainly due to increase in inventory towards the end of the Financial Year to cater to both BS IV standard products and BS VI standard products (BS VI standard was implemented w.e.f. 01.04.2020). However, this event is exceptional in nature and may not be repeated next year. Some inventories also added due to new product mix in railway business. The Operating Profit Margin stood at 9.07% for 2019-20 compared to 5.33% for 2018-19, an increase of 70.10%. This is mainly due to exceptional employee benefit expenses in the previous year due to exit from 2W business. Hence, operational profit was low in the previous year; for current year it was normal. Similarly, the Net Profit Margin stood at 9.3438 % and 0.0437% for 2019-20 and 2018-19 respectively, thereby showing an increase of 21,284 %. This abnormal increase is due to the abrupt increase in Net Profit in 2019-20. There was some exceptional gain during the year due to sale of certain assets of exited 2W business. As this was an exceptional transaction, the same may not be repeated in future. Return on Net Worth has been 16.08% and 0.19% for 2019-20 and 2018-19 respectively showing an increase of 8398 %. This is due to abrupt change in Net Profit compared to previous year, as discussed hereinbefore.

#### **Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" section describes an optimistic approach of the management regarding the Company's visions, strategies, objectives, projections, estimates, expectations and predictions. These may be "forward looking statements" within the meaning of legal framework. However, the annual performance can differ significantly from those expressed or implied, depending upon the market conditions, economic and climatic conditions, Government policies and other incidental factors.

## INDEPENDENT AUDITOR'S REPORT

To the members of OMAX AUTOS LIMITED

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of Omax Autos Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended on that date, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013('the Act') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income for the year ended on that date, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p><b>Key Audit Matter</b> <b>Inventory</b></p> <p>The Company has large quantities of inventory at different plants. The Company produces large number of products for which variety of raw material is acquired and stored at different locations. The entity is in a customer specific industry and it may have slow moving/damaged inventory due to model discontinuation or excess production accumulated at different locations. Different products have various variants due to which there is a possibility of gap in actual and recorded consumption of raw materials resulting in shortage/ excess of quantities of raw material inventory. For these reasons, inventory has been considered as key audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <p>We obtained copies of physical verification reports of inventory conducted :</p> <ul style="list-style-type: none"> <li>Selected a sample of inventory items and compared the quantities as per physical verification to the quantities recorded</li> <li>Made enquiries regarding obsolete inventory items and inspected the condition of items counted and proper provision has been made wherever necessary.</li> <li>Our audit procedures included testing of the inventory provisions made by the Company and also the basis of management assumptions with the understanding and challenging the key assumptions.</li> <li>Evaluate the future usage of inventory in case of discontinued models based on past experience of movement of material and products used in other plants;</li> <li>We have also evaluated a selection of controls over inventory existence across the Company.</li> </ul>
<p><b>Taxation Matter (GST)</b></p> <p>The company operates across a large number of GST jurisdictions and has multiple GST registrations. The company has decentralized accounting across the plants in the normal course of business, including the plants which are covered under a single registration.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>We evaluated the design and implementation of controls in respect of recording of proper GST input &amp; liabilities in the books of accounts on the test check basis.</li> <li>We reviewed the reconciliations of financial statements and returns filed by the Company as required by GST Act at the Plant level as well as the Company as a whole.</li> </ul>

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p>The volume of transactions is very huge and significant. This together with multiple tax rates and exemptions make the process of reconciliation of data as per GST Returns with financial records very complex. Proper accounting of GST is significant as it's the statutory reporting obligation of the Company.</p>	<ul style="list-style-type: none"> <li>We assessed the appropriateness of recording of Input tax credit as well as output liability by verification of different transactions on test check basis.</li> </ul>
<p><b>Recognition of revenues</b> The Company manufactures different kind of products for different customers at various plants. The delivery time of products to customers varies from 1 day to 20 days depending on location of customer. As per terms of underlying contract, control is transferred upon delivery at agreed location. This requires proper cut-off procedures regarding recognition of revenue from sale of goods. Considering large number of locations and customers, cut-off testing has been considered as a significant audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>We examined all key contracts and enquired with the entity for each of these contracts to understand the specific terms and risks, which in turn allowed us to assess the recognition of revenue.</li> <li>We evaluated and assessed the operating effectiveness of internal controls over the accuracy and timing of revenue recognized in the financial statements;</li> <li>For the material contracts with a delivery schedule of greater than 2 days we performed the following procedures: <ul style="list-style-type: none"> <li>Understood the process of performance and transfer of control to the other party.</li> <li>Assessed the actual position of transactions recorded, including inventory in transit at the end of the reporting period by verifying their delivery dates;</li> <li>Assessed the Entity's accounting policies and the adequacy of its related disclosure in the financial statements</li> </ul> </li> </ul>
<p><b>Valuation of Trade Receivables</b> The nature of company's operations requires periodic revision in rates charged from customers as well as various claims in the normal course of business. Such price revisions and claims are affected both prospectively and retrospectively. Such claims are also recorded on provisional basis, subject to confirmation by customers. Considering overall low operating margins in the industry, such revisions and claims have a significant impact on company's profitability. Due to these reasons, valuation of trade receivables has been considered a key audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>We assessed the validity of material outstanding receivables by obtaining third-party confirmations and reconciliations of amounts to assure the completeness and recording of all claims filed by the customers.</li> <li>We also considered payments received subsequent to year-end, past payment history and unusual patterns to identify potentially unacknowledged/ unconfirmed balances</li> <li>We assessed the appropriateness of the allowance of doubtful receivables considering a variety of audit procedures across the plants including: <ul style="list-style-type: none"> <li>Consideration and concurrence of the agreed payment terms;</li> <li>Verification of receipts from trade receivables subsequent to year-end;</li> </ul> </li> <li>Where there were indicators that trade receivables were unlikely to be collected, we assessed the adequacy of the allowance for impairment of trade receivables. We assessed the ageing of trade receivables, disputes with customers and the past payment history of the customer</li> </ul>

### Emphasis of Matter

We draw attention to Note 38 (u) to the financial statements which, describes the uncertainties and impact of COVID-19 pandemic on the Company's operations and financial statements as assessed by the management of the Company. Our opinion is not modified in respect of this matter.

### Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 the Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Indian Accounting Standards and other accounting principles generally accepted in India. The Board of Directors of the Company is responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on effectiveness of the Company's

internal financial 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 Company 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

#### Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report)

Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- (2) As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements read with notes thereto comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Protection Fund by the Company.

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, 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 financial statements – Refer Note 38 (a) on Contingent Liabilities to the financial statements;
- (ii) The Company did not have any material foreseeable losses on long term contracts during the year ended March 31st, 2020 does not arise.
- (iii) There has been no delay in transferring amounts to the Investor Education and

For **BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership Number: 098308  
UDIN: **20098308AAAACO9847**  
Place: New Delhi  
Date: June 29, 2020

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Omax Autos Limited on the Financial Statements for the year ended March 31, 2020]

(i)	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
	(b)	The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The fixed assets have not been physically verified by the Company during the year. However, no material discrepancies were noticed in physical verification conducted in earlier years in accordance with the programme.
	(c)	The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
(ii)		The inventory has been physically verified by the management during the year. As informed, discrepancies noticed on physical verification carried out during the year have been properly dealt with in the books of account.
(iii)		The Company has in earlier years granted unsecured loans to companies covered in the register maintained under Section 189 of the Act.
	(a)	According to the information and explanations given to us and based on the audit procedures conducted by us, there was no loan granted or renewed during the year to the parties covered in register maintained under section 189 of the Act.
	(b)	The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts are regular.
	(c)	In respect of the aforesaid loans, there is no overdue amount of loans granted to companies listed in the register maintained under Section 189 of the Act.
(iv)		According to the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
(v)		In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the provisions of section 73 to 76 of the Act and the rules framed thereunder.
(vi)		We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
(vii)	(a)	The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess, goods & service tax and any other material statutory dues applicable to it.
		According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Nature of the Statute	Nature of dues	Amount Disputed (Rs. in Lakhs)	Amount paid under protest (Rs. in Lakhs)	Period to which dispute is pending	Forum where dispute is pending
Central Excise Act, 1944	Disallowance of CENVAT credit	327.27	57.28	2004 -05 onwards	CESTAT
Central Excise Act, 1944	Disallowance of CENVAT credit	192.89	0.00	2004 -05 onwards	Commissioner/Dy. Commissioner/Asst Commissioner
VAT	Sales tax deferment	68.15	0.00	20 08 -09 , 2009 -10 & 2012 -13	Joint Commissioner (Appeal)
VAT	CST & VAT	8.87	0.00	2010 -11	Tribunal

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government. There are no debenture holders.
- (ix) According to information and explanations given to us, in our opinion, the term loans raised during earlier years have been applied for the purpose for which they were obtained. The Company has not raised any money by way of public issue offer.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **BGJC & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 003304N/N500056

Pranav Jain  
Partner  
Membership No. 098308

UDIN: 20098308AAAACO9847

Date: New Delhi  
Place: June 29, 2020

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Omax Autos Limited on the standalone financial statements for the year ended March 31, 2020.

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

We have audited the internal financial controls over financial reporting of Omax Autos Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the 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 over financial reporting 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 system over financial reporting and their operating effectiveness.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to

future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 ICAI.

For **BGJC & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 003304N/N500056

Pranav Jain  
Partner  
Membership No. 098308

UDIN: 20098308AAAACO9847

Date: New Delhi  
Place: June 29, 2020

## BALANCE SHEET AS AT MARCH 31, 2020

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	5	10,559.07	11,801.42
(b) Capital work-in-Progress (at cost)	6	15,243.02	1,265.30
(c) Investment Property	7	3,121.78	3,122.80
(d) Other Intangible assets	8	818.00	890.75
(e) Financial Assets	9		
(i) Loans		681.93	219.88
(ii) Other financial assets		4,773.14	6,025.09
(f) Deferred Tax Assets		466.48	73.13
(g) Income Tax assets (net)	10	1,564.89	1,244.13
(h) Other non-current assets	11	1,148.03	1,883.87
<b>Total Non - Current Assets</b>		<b>38,376.34</b>	<b>26,526.37</b>
<b>Current assets:</b>			
(a) Inventories	12	4,590.90	7,436.65
(b) Financial assets			
(i) Trade receivables	13	11,674.17	12,969.78
(ii) Cash and cash equivalents	14	103.88	2,100.07
(iii) Bank balances other than (ii) above	15	108.40	500.70
(iv) Loans	16	334.11	334.01
(v) Other financial assets	17	66.33	96.80
(c) Assets held for sale		3,161.54	5,993.40
(d) Other current assets	18	3,296.28	3,299.33
<b>Total Current Assets</b>		<b>23,335.61</b>	<b>32,730.74</b>
<b>TOTAL ASSETS</b>		<b>61,711.95</b>	<b>59,257.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	19	2,138.82	2,138.82
(b) Other equity	20	24,986.90	20,767.17
<b>Total Equity</b>		<b>27,125.72</b>	<b>22,905.99</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities:</b>			
(a) Financial liabilities			
(i) Borrowings	21	13,062.61	5,075.30
(b) Government grants	22	2,687.43	2,242.76
(c) Provisions		-	-
(d) Deferred tax liabilities (Net)	23	-	228.10
(e) Other non current liabilities	24	32.66	37.11
<b>Total Non - Current Liabilities</b>		<b>15,782.70</b>	<b>7,583.27</b>
<b>Current liabilities:</b>			
(a) Financial liabilities			
(i) Borrowings	25	7,408.73	13,545.53
(ii) Trade payables	26		
(a) Total outstanding dues of Micro enterprises and Small Enterprises		1,383.29	623.44
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		5,512.34	10,303.99
(iii) Other financial liabilities	27	2,676.58	2,468.56
(b) Government Grants		31.15	43.63
(c) Other current liabilities	28	1,576.20	1,661.20
(d) Provisions	29	215.24	121.50
<b>Total Current Liabilities</b>		<b>18,803.53</b>	<b>28,767.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>61,711.95</b>	<b>59,257.11</b>

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

Significant Accounting Policies

As per our report of even date attached  
**For BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. 003304N/N500056

**Pranav Jain**  
(Partner)  
M.No. 098308

Place : Gurugram  
Date : 29th June, 2020

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For and on behalf of the Board of Directors

**Tavinder Singh**  
Whole-time Director  
(DIN:01175243)

**Hari Gopal Agrawal**  
(Chief Financial Officer)

**Jatender Kumar Mehta**  
(Chairman Managing Director)  
(DIN:00028207)

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
M.No. A-18791

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
	<b>Income</b>			
i	Revenue from operations (Gross)	30	46,667.78	99,164.35
ii	Other income	31	2,165.43	1,279.12
iii	<b>Total Income (i+ii)</b>		<b>48,833.21</b>	<b>100,443.47</b>
iv	<b>Expenses:</b>			
	Cost of materials consumed	32	27,956.74	71,042.35
	Purchases of traded goods		-	-
	Changes in inventories of finished goods & work-in-progress.	33	1,361.17	(1,063.54)
	Employee Benefits Expenses	34	5,522.16	10,860.60
	Finance costs	35	2,511.43	2,807.23
	Depreciation and Amortization expenses	36	1,025.23	1,963.43
	Other Expenses	37	9,761.23	14,317.96
	<b>Total expenses</b>		<b>48,137.96</b>	<b>99,928.03</b>
v	<b>Profit before Tax &amp; Exceptional Item ( iii- iv)</b>		695.25	515.44
vi	Exceptional Income (gain)/ Loss		3,957.50	-
vii	<b>Profit/(loss) before tax (v-vi)</b>		<b>4,652.75</b>	<b>515.44</b>
viii	<b>Tax expense:</b>			
	(1) Current tax		763.80	305.52
	(2) Deferred tax		(574.83)	123.46
	(3) Earlier year tax		105.47	-
	<b>Total tax expense</b>		294.44	472.11
ix	<b>Profit (Loss) for the period (vii-viii)</b>		<b>4,358.31</b>	<b>43.33</b>
x	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit and loss			
	(a) Actuarial gains/losses of defined benefit plans		(148.08)	(232.21)
	(b) Tax impacts on above		37.27	77.52
	(ii) Items that will be reclassified to profit or loss			
	(a) Valuation gains/losses on derivative hedging instruments		(37.13)	-
	(b) Tax impacts on above		9.34	-
xi	<b>Total comprehensive income for the year</b>		(138.60)	(154.69)
xii	<b>Total Comprehensive Income for the period (ix+xi)</b>		<b>4,219.71</b>	(111.36)
	<b>Paid-up equity share capital (Face value of Rs. 10/- per share)</b>		2,138.82	2,138.82
xiii	<b>Earning per share ( In Rs.)</b>			
	<b>Basic / Diluted</b>		<b>20.38</b>	<b>0.20</b>

The accompanying notes form an integral part of the financial statements. 1, 2,3,  
Significant Accounting Policies 4

As per our report of even date attached  
For **BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. 003304N/N500056

**Pranav Jain**  
(Partner)  
M.No. 098308

Place : Gurugram  
Date : 29th June, 2020

For and on behalf of the Board of Directors

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(Chairman Managing Director)  
(DIN:00028207)

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
M.No. A-18791

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. Cash Flow From Operating Activities</b>		
<b>Profit / (Loss) before tax</b>	695.25	515.44
<b>Adjustment for:</b>		
Depreciation and amortization expense	1,025.23	1,963.43
Other comprehensive Income	(148.08)	(232.21)
(Profit)/Loss on sale of property, plant & equipment (Net)	(931.74)	3.20
Project expenses	-	1.29
Provision for doubtful advances	-	120.81
Provision for doubtful debts	614.49	169.28
Interest & other financial charges	2,511.43	2,807.23
<b>Operating profit before working capital changes</b>	<b>3,766.58</b>	<b>5,348.47</b>
<b>Adjusted for:</b>		
Trade receivable	1,175.33	3,537.82
Inventories	2,420.77	(1,694.30)
Trade & other payables	(3,937.47)	(7,014.56)
Loans & advances	(1,184.80)	(2,249.72)
Asset held for sale	-	(5,993.40)
<b>Cash Generated From Operations</b>	<b>2,240.41</b>	<b>(8,065.69)</b>
Direct taxes paid	(730.92)	(672.64)
<b>Net Cash Flow From Operating Activities</b>	<b>1,509.50</b>	<b>(8,738.33)</b>
<b>B. Cash Flow From Investing Activities :</b>		
Purchase of property plant & equipment	(17,975.87)	(2,500.77)
Proceed from know how and compete fee	3,600.00	-
Sale of property plant & equipment	7,832.72	118.43
Asset classified held for sale	1,973.00	5,783.28
Capital advances and financial asset	1,280.72	(374.99)
<b>Net Cash Used In Investing Activities</b>	<b>(3,289.43)</b>	<b>3,025.95</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from long term borrowings	8,898.63	1,806.80
Repayment of long term borrowings	(466.64)	(1,044.77)
Proceeds/(Repayment) of demand loan	(6,136.79)	6,007.50
Interest & financial charges	(2,511.44)	(2,807.23)
Unpaid Dividend	-	2.92
<b>Net Cash Used In Financing Activities</b>	<b>(216.25)</b>	<b>3,965.22</b>
Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)	(1,996.19)	(1,747.16)
Cash & cash equivalent at the beginning of the year	2,100.07	3,847.23
Cash & cash Equivalent at the end of the year (refer note no: 14 )	103.88	2,100.07

As per our report of even date attached

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. 003304N/N500056

**Pranav Jain**  
(Partner)  
M.No. 098308

Place : Gurugram  
Date : 29th June, 2020

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

**Tavinder Singh**  
Whole-time Director  
(DIN:01175243)

**Jatender Kumar Mehta**  
(Chairman Managing Director)  
(DIN:00028207)

**Hari Gopal Agrawal**  
(Chief Financial Officer)

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
M.No. A-18791

**OTHER EQUITY**

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Items of other comprehensive income	Total
	Capital Reserve	Capital redemption reserve	Securities Premium	General Reserve	Retained Earnings	Actuarial gain/(loss) on defined benefit liabilities/(asset)	
<b>Balance as at April 1, 2018</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>7,109.82</b>	<b>177.65</b>	<b>20,878.53</b>
Profit for the year	-	-	-	-	43.33		43.33
Other comprehensive income for the year, net of income tax	-	-	-	-		(154.69)	(154.69)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43.33</b>	<b>(154.69)</b>	<b>(111.36)</b>
<b>Balance as at April 1, 2019</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>7,153.15</b>	<b>22.96</b>	<b>20,767.17</b>
Profit for the year	-	-	-	-	4,358.31	-	4,358.31
Other comprehensive income for the year, net of income tax	-	-	-	-		(138.60)	(138.60)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,358.31</b>	<b>(138.60)</b>	<b>4,219.71</b>
<b>Balance as at March 31, 2020</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>11,511.46</b>	<b>(115.64)</b>	<b>24,986.90</b>

As per our report of even date attached

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. 003304N/N500056

**Pranav Jain**  
(Partner)  
M.No. 098308

Place : Gurugram  
Date : 29th June, 2020

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

**Tavinder Singh**  
Whole-time Director  
(DIN:01175243)

**Hari Gopal Agrawal**  
(Chief Financial Officer)

**Jatender Kumar Mehta**  
(Chairman Managing Director)  
(DIN:00028207)

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
M.No. A-18791

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Omax Autos Limited (the Company) is a company limited by shares, incorporated and domiciled in India. The company's registered office is situated at - Plot no. B-26, Institutional Area, Sector-32, Gurugram, Haryana, India'. The shares of the Company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is engaged in business of manufacturing and selling of sheet metal components. The Company sells its products in India as well as various other global markets but has a dominant presence in domestic market.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on June 29, 2020.

### 2. BASIS OF PREPARATION

#### Statement of Compliance with Ind AS :

These financial statements have been prepared and comply with all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. **The financial statements were authorized for issue by the Company's Board of Directors on June 29, 2020.**

#### Functional and presentation currency:

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

### 3. Accounting convention:

The financial statements have been prepared on an accrual and historical cost basis **except for the following items:**

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. –

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). –

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### 4. Significant Accounting Policies:

#### Use of estimates and judgment

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Critical estimates and judgments. These policies have been consistently applied to all the years presented, unless otherwise stated.



### Revenue Recognition:

- i. Revenue from sale of goods is recognized when an entity transfers the control of goods and services to the customer at an amount to which the entity expect to be entitled following a five step model.

Sale of goods (including scrap) : Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. 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(e.g., warranties). Revenue is measured based on the transaction price as specified in the contract with the customer.

- ii. Export benefits are accounted for on accrual basis if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- iii. Other income including rent etc. is recognised on accrual basis. Interest income is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- iv. Sale of Services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognized net of goods and service tax .
- v. Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

### Property, plant and equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation.

Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses, net of cenvat / GST credit, wherever applicable that is directly attributable

to the acquisition of the items.

Freehold land is carried at cost of acquisition.

Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Land and buildings acquired/constructed are categorised as Land and buildings.

### Intangible assets

#### Intangible assets acquired separately-

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and amortised on a straight line method over a period of 4 years.

#### Internally-generated intangible assets - research and development expenditure-

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, it will be available for use or sale and probable future economic benefits will be generated from that asset.

### Depreciation and amortisation

Depreciation on assets belonging to Company and established on leasehold land is charged over the period of agreement. Improvements to leased premises are depreciated over the balance tenure of leasehold land.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Part C of Schedule II of the Companies Act, 2013 other than assets mentioned below-

Particulars	Life (in years)
Dies, Tools & Fixtures	3
Rack, Bins, & Trollies	5

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

#### **Impairment of tangible and intangible assets**

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the carrying amount of the asset (or cash-generating unit) exceeds its recoverable amount an impairment loss is recognised in the Statement of Profit & Loss to the extent the carrying amount exceeds the recoverable amount.

#### **Inventories**

Stores & spares parts and loose tools are stated at cost.

Raw material & components, finished goods and work in progress are valued at cost or net realisable value whichever is lower.

Scrap is valued at net realisable value.

The basis for determining the cost of various inventories is as under:

<b>Particulars</b>	<b>Basis of valuation</b>
Raw material , Stores & Tools	At weighted average cost
Work in Progress	Material cost plus appropriate portion of labour and production overheads.
Finished Goods & Goods in transit	At cost or net realisable value whichever is less.

Finished Goods and Scrap are inclusive of applicable taxes thereon, wherever applicable.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **Assets held for sale**

Assets of disposal groups (non-current assets) that is available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale.

Non-current assets are not depreciated or amortized while they are classified as held for sale.

#### **Government grants**

Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favourable interest is treated as a government grant. The Loan or assistance is initially recognized at fair value and balance the government grant

is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Later on Grant recognised to the Statement of Profit and Loss as an notional income on a systematic basis over the years of loan in which the Company also recognises notional finance cost as an expenses over fair value of the loan, net impact of same become equivalent to overall loan initially received and payable after expiry of loan tenure as per the accounting policy applicable to financial liabilities.

### **Financial instruments**

Financial assets and financial liabilities are recognised when we becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at book value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the book value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, loans & advances and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

### **Financial liabilities**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Financial liabilities**

Financial liabilities that are not held-for-trading are measured at amortised cost at the end of subsequent accounting periods.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when its obligations are discharged, cancelled or have expired.

### **Foreign Currency Transactions**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of transaction.

Exchange differences arising on foreign currency transaction settled during the year are recognized in the Profit & Loss Account for the year except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings for specific assets/ project asset, are capitalised as part of borrowing costs.

All the monetary items denominated in foreign currency outstanding at the year end are translated at exchange rates prevailing on the date of balance sheet. The resulting exchange differences whether any income or expenses on account of exchange difference either on settlement or on translation are recognised in Profit & Loss Account for the year.

In case of Forward contracts, the proportionate differences till end of reporting period between the forward rate and the exchange rate on the date of the transaction are recognized in the profit & loss account except to the extent, proportionate differences which are regarded as an adjustment to foreign currency transaction for specific assets/ project asset, are capitalised as part of borrowing costs.

### **Borrowing Costs**

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying

asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

#### **Taxation**

Income Tax Expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the

liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity.

#### **Provision and contingent liability**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

#### **Employee benefit Plans**

The details of various employee benefits provided to employees are as under:

#### **Defined Benefit Plan and other long term benefits**

The liability of gratuity plan is provided based on actuarial valuation under Projected Unit Credit Method at the end of each financial year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

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.

Company contributes the ascertained liability worked out by Life Insurance Corporation of India with whom the plan assets are maintained.

Provision for due earned leaves is determined using Projected Unit Cost method, with actuarial valuation being carried out at Balance Sheet date.

### **Defined Contribution Plans**

Liability for superannuation fund is computed on the basis of the premium calculated and paid to LIC of India in respect of employees covered under Superannuation Fund Policy.

Provident Fund liabilities are recognised on the basis of actual liability accrued and paid to respective authorities.

### **Other comprehensive income**

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise.

Items of income or expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' include re-measurement of defined benefit plans, foreign currency translation differences arising on translation of foreign operations and fair value gains or (losses) on equity instruments.

### **Accounting for arrangements in the nature of lease:**

Ind AS 116 replaced the guidance in Ind AS 17, 'Leases' with effect from April 1, 2019.

Ind AS 116 defines a lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Under Ind AS 116 recognised a lease liability reflecting future lease payments and a 'right-of-use asset' for all lease contracts except short-term leases and leases of low-value assets.

Accordingly, in the statement of profit and loss account, the right-of-use asset is depreciated in accordance with the requirements in Ind AS 16, Property, Plant and equipment & Ind AS 38 Intangible Assets and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying Ind AS 7, Statement of Cash Flows.

### **Service concession arrangements:**

Under Appendix D to Ind AS 115 – Service Concession Arrangements applies to public-to private service

concession arrangements if:

The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what prices: and

The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement.

Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole life of assets) is within the scope of this Appendix if the conditions in (a) above are met.

### **Cost Recognition**

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure capitalised represents employee costs, stores, admin, travelling, borrowing, manufacturing supplies, and other expenses incurred for construction including product development undertaken by the Company.

### **Investment properties**

Investment properties are properties (land and buildings) that are held for long-term rental yields and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

### **Hedge accounting :**

The Company designates certain foreign exchange forward and options contracts as cashflow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The accounting is done in accordance with Ind AS 109.

### **Earnings per Share**

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

Notes forming part of financial statements for the year ended March 31, 2020

Note - 5 Property, plant and equipment

Particulars	Land	Buildings	Plant & machinery	Furniture & fittings	Vehicle	Office equipment	Dies & tools	Computer & other equipment	Total
<b>Gross carrying amount</b>									
<b>Balance as at April 1, 2018</b>	2,785.85	10,067.04	26,771.40	2,872.59	812.52	478.92	5,008.07	560.81	<b>49,357.20</b>
Additions	550.75	27.40	403.65	2.69	21.09	42.23	177.19	22.41	1,247.41
Disposals (-)	-	-	(249.23)	(659.59)	(123.54)	(4.49)	(18.81)	(74.77)	(1,130.43)
Other adjustments	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>3,336.60</b>	<b>10,094.44</b>	<b>26,925.82</b>	<b>2,215.69</b>	<b>710.07</b>	<b>516.66</b>	<b>5,166.45</b>	<b>508.45</b>	<b>49,474.18</b>
Additions	779.61	34.86	766.81	-	-	16.90	16.45	6.98	1,621.61
Disposals (-)	(49.00)	(204.69)	(11,693.67)	(475.22)	(62.32)	(89.00)	(3,020.04)	(22.89)	(15,616.83)
Other adjustments	-	-	(836.00)	(34.00)	(8.00)	(12.00)	(177.00)	(74.00)	(1,141.00)
<b>Balance as at March 31, 2020</b>	<b>4,067.21</b>	<b>9,924.61</b>	<b>15,162.96</b>	<b>1,706.47</b>	<b>639.75</b>	<b>432.56</b>	<b>1,985.86</b>	<b>418.54</b>	<b>34,337.96</b>
<b>Accumulated depreciation</b>									
<b>Balance as at April 1, 2018</b>	-	3,944.28	18,429.63	2,605.26	516.91	446.18	4,422.99	486.58	<b>30,851.83</b>
Depreciation for the year	-	297.20	1,271.34	44.14	64.74	6.30	260.51	31.14	1,975.38
Other adjustments	-	-	-	-	-	-	-	-	-
	-	<b>297.20</b>	<b>1,271.34</b>	<b>44.14</b>	<b>64.74</b>	<b>6.30</b>	<b>260.51</b>	<b>31.14</b>	<b>1,975.38</b>
Disposals (-)	-	-	(192.42)	(625.37)	(64.62)	(4.32)	(18.81)	(73.86)	(979.39)
<b>Net for the year</b>	-	297.20	1,078.92	(581.23)	0.12	1.98	241.70	(42.72)	995.98
<b>Balance as at March 31, 2019</b>	-	<b>4,241.48</b>	<b>19,508.55</b>	<b>2,024.02</b>	<b>517.03</b>	<b>448.17</b>	<b>4,664.70</b>	<b>443.86</b>	<b>31,847.81</b>
Depreciation for the year	-	221.18	220.79	65.94	51.90	16.14	335.56	25.14	936.65
Other adjustments	-	-	1,571.09	42.17	36.53	(7.83)	(150.26)	(68.79)	1,422.91
	-	221.18	1,791.88	108.11	88.43	8.31	185.30	(43.65)	2,359.56
Disposals (-)	-	(102.17)	(10,016.62)	(437.39)	(49.27)	(86.48)	(2,871.83)	(26.26)	(13,590.02)
<b>Net for the year</b>	-	<b>119.01</b>	<b>(8,224.74)</b>	<b>(329.28)</b>	<b>39.16</b>	<b>(78.17)</b>	<b>(2,686.53)</b>	<b>(69.92)</b>	<b>(11,230.46)</b>
<b>Balance as at March 31, 2020</b>	-	<b>4,360.49</b>	<b>11,283.81</b>	<b>1,694.74</b>	<b>556.19</b>	<b>370.00</b>	<b>1,978.17</b>	<b>373.94</b>	<b>20,617.35</b>
Asset held for Sales as at March 31, 2019	144.95	641.70	4644.02	130.53	59.81	8.18	183.28	12.48	<b>5,824.95</b>
<b>Asset held for Sales as at March 31, 2020</b>	<b>1,323.00</b>	<b>1,305.00</b>	<b>527.54</b>	<b>3.00</b>	<b>2.00</b>	-	<b>1.00</b>	-	<b>3,161.54</b>
<b>As at March 31, 2019</b>	<b>3,191.65</b>	<b>5,211.26</b>	<b>2,773.25</b>	<b>61.14</b>	<b>133.24</b>	<b>60.31</b>	<b>318.47</b>	<b>52.11</b>	<b>11,801.42</b>
<b>As at March 31, 2020</b>	<b>2,744.21</b>	<b>4,259.12</b>	<b>3,351.61</b>	<b>8.73</b>	<b>81.56</b>	<b>62.56</b>	<b>6.69</b>	<b>44.59</b>	<b>10,559.07</b>

### Note 6: Capital work-in-progress

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Plant & Equipments under Installations #	12,772.72	811.02
Others ##	2,470.30	454.28
<b>Total</b>	<b>15,243.02</b>	<b>1,265.30</b>

# Includes Rs. 2178.72 lac pertaining to two new projects being setup ( Previous year Rs. 416.58 lac)

## Includes Rs. 2143.64 lac pertaining to two new projects being setup ( Previous year Rs. 381.50 lac)

### Note 7 Investment property

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Gross carrying amount (a)	3,129.17	3,129.17
Accumulated Depreciation		
Opening Balance	6.37	5.35
Depreciation charge for the year	1.02	1.02
Closing Balance (b)	7.38	6.37
<b>Net carrying amount (a-b)</b>	<b>3,121.78</b>	<b>3,122.80</b>

Investment properties are carrying at cost less accumulated depreciation. There is no income recognised in statement of profit & loss in respect of investment properties.

The fair values of the properties are Rs 8834.89 lacs (Previous Year Rs. 8834.89 lacs). These valuations are based on valuations performed by an accredited independent valuer who is specialist in valuing these type of properties.

### Note 8 : Other Intangible assets

(Rs. in Lakhs)

Particulars	Service concession arrangement- Intangibles	Computer software & licences	Total
<b>Cost</b>			
<b>Balance as at April 1, 2018</b>	1,024.00	869.90	<b>1,893.90</b>
Additions		7.54	7.54
Disposals (-)		(3.51)	(3.51)
<b>Balance as at March 31, 2019</b>	<b>1,024.00</b>	<b>873.93</b>	<b>1,897.93</b>
Additions	-	10.19	10.19
Disposals (-)	-	-	-
<b>Balance as at March 31, 2020</b>	<b>1,024.00</b>	<b>884.12</b>	<b>1,908.12</b>
<b>Accumulated amortisation</b>			
<b>Balance as at April 1, 2018</b>	128.00	789.09	<b>917.09</b>
Amortisation expense for the year	64.24	28.82	93.06
Other adjustments	-	-	-
Subtotal	<b>64.24</b>	<b>28.82</b>	<b>93.06</b>
Disposals (-)		(2.97)	(2.97)
Total for the year	<b>64.24</b>	<b>25.85</b>	<b>90.09</b>
<b>Balance as at March 31, 2019</b>	<b>192.24</b>	<b>814.94</b>	<b>1,007.18</b>
Amortisation expense for the year	64.00	18.18	82.18
Other adjustments	-	0.76	0.76
Subtotal	64.00	18.94	82.94
Disposals (-)	-	-	-
Total for the year	<b>64.00</b>	<b>18.94</b>	<b>82.94</b>
<b>Balance as at March 31, 2020</b>	<b>256.24</b>	<b>833.88</b>	<b>1,090.12</b>
<b>At March 31, 2019</b>	<b>831.76</b>	<b>58.99</b>	<b>890.75</b>
<b>At March 31, 2020</b>	<b>767.76</b>	<b>50.24</b>	<b>818.00</b>

### Note 9 Non-current Financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Loans ( Unsecured, considered good)</b>		
Security deposits	681.93	219.88
<b>Total</b>	<b>681.93</b>	<b>219.88</b>
<b>(ii) Other financial assets</b>		
Finance lease receivable ( refer note 38h )	2,267.94	2,975.37
Fixed deposits with banks against bank guarantees	2,505.20	3,049.72
<b>Total</b>	<b>4,773.14</b>	<b>6,025.09</b>

### Note 10 : Income tax asset ( net)

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax and tax deducted at sources	2,696.56	1,974.18
Less : Provisions for taxes	(1,131.67)	(730.05)
<b>Total</b>	<b>1,564.89</b>	<b>1,244.13</b>

### Note 11 : Other non-current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances :		
-to related party	834.47	834.47
-to others	340.71	1,069.79
Less : provision	(27.15)	(27.15)
	<b>1,148.03</b>	<b>1,877.11</b>
Prepayments- security deposit	-	6.76
<b>Total</b>	<b>1,148.03</b>	<b>1,883.87</b>

### Note 12 Inventories

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials and components	2,476.08	3,803.27
Work in progress	458.18	1,068.23
Finished goods	927.42	1,618.57
Stores and spares	621.22	778.62
Others - scrap	108.00	167.96
<b>Total</b>	<b>4,590.90</b>	<b>7,436.65</b>

Basis of valuation : refer note no 4

Inventories are hypothecated with secured Working Capital lenders.

### Note 13 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	11,674.17	12,969.78
Unsecured, considered doubtful	1,037.30	458.34
	12,711.47	13,428.14
Less: Allowance for expected credit loss (refer note no 38q)	1,037.30	458.34
<b>Total</b>	<b>11,674.17</b>	<b>12,969.78</b>



#### Note 14 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks -		
in current accounts	92.37	441.41
in fixed deposit accounts	-	1,654.41
Cheques on hand	3.49	0.66
Cash on hand	8.02	3.59
<b>Total</b>	<b>103.88</b>	<b>2,100.07</b>

#### Note 15 Other bank balances

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Earmarked balances with banks</b>		
- Balance with unpaid dividend account	13.36	13.36
- Fixed deposits under lien with banks against OD limit	-	-
- Fixed deposits pledged with banks against LC	95.04	487.35
<b>Total</b>	<b>108.40</b>	<b>500.70</b>

#### Note 16 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit ( unsecured, considered good)	8.70	8.70
Loans : ( unsecured, considered good)		
- Related parties	23.44	23.44
- Others	300.17	300.17
Loans and advances to employees	1.80	1.69
<b>Total</b>	<b>334.11</b>	<b>334.00</b>

#### Note 17 Other current financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Interest receivables</b>		
- Interest accrued on deposits	57.61	92.33
Insurance claim receivable	8.72	4.47
<b>Total</b>	<b>66.33</b>	<b>96.80</b>

#### Note 18 Other current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity Recoverable	71.91	264.39
<b>Balance with government authorities</b>		
Excise balance receivable	259.30	1,174.39
GST Input adjustable*	1,840.19	417.66
Sales tax receivable	161.46	12.84
Export incentives receivables	35.99	36.00
Prepaid expenses	253.52	80.70
Others	188.21	64.25
Advances to vendors (against business supply/services)		
Considered good	1,079.95	1,558.35
Considered doubtful	-	-
Less : Provision for advances	(309.25)	(309.25)
Advance Received from Related party	(285.00)	-
<b>Total</b>	<b>3,296.28</b>	<b>3,299.33</b>

\* Includes Rs. 1494.34 lacs pertaining to two new plants being setup.( Previous years Rs. 8.77 lac)

### Note 19 Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorized shares :		
<b>Numbers :</b>		
Number of equity shares of Rs.10/-each	26,500,000	26,500,000
Number of equity shares of Rs.10/-each with differential voting rights	2,000,000	2,000,000
Number of 12% Optionally Convertible Cumulative Preference Shares of Rs.100/- each.	150,000	150,000
<b>Amount :</b>		
Equity Shares of Rs.10/-each	2,650.00	2,650.00
Equity Shares of Rs.10/-each with Differential Voting Rights	200.00	200.00
12% Optionally Convertible Cumulative Preference Shares of Rs.100/- each	150.00	150.00
<b>Total</b>	<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
2,13,88,213 (Previous Year 2,13,88,213) Equity Shares of Rs. 10/- each.	2,138.82	2,138.82
(Out of the above 1,61,25,000 Equity Shares have been allotted as fully paid-up by way of Bonus Shares by Capitalisation of Security Premium & General Reserve and 78,213 Equity Shares have been allotted as fully paid up in terms of the scheme of amalgamation.		
<b>Total</b>	<b>2,138.82</b>	<b>2,138.82</b>

#### (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

##### Equity Shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	21,388,213	2,138.82	21,388,213	2,138.82
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year/period</b>	<b>21,388,213</b>	<b>2,138.82</b>	<b>21,388,213</b>	<b>2,138.82</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs 10/- per share . Each holder of equity shares is entitled to one vote per share held and is entitled to dividend , if declared at the Annual General Meeting . In the event of liquidation , the equity shareholders are entitled to receive remaining assets of the company (after distribution of all preferential amounts, if any ) in the proportion of equity held by the shareholders.

**(c) Details of shareholders holding more than 5% of the equity shares in the Company**

Particulars	%age of holding	As at March 31, 2020	%age of holding	As at March 31, 2019
M/s Forerunner Capital Investments Limited ( No. of Shares )	19.97%	4,272,161	19.97%	4,272,161
Mr. Jatender Kumar Mehta ( No. of Shares )	10.81%	2,312,556	10.81%	2,312,556
Mr. Ravinder Kumar Mehta ( No. of Shares )	5.01%	1,071,600	5.95%	1,271,600

%age of holding is same for all reporting period.

**NOTE 20 :OTHER EQUITY**

Particulars	Reserves and Surplus					Items of other comprehensive income	Total
	Capital Reserve	Capital redemption reserve	Securities Premium	General Reserve	Retained Earnings	Actuarial gain /(loss) on defined benefit liabilities/ (asset)	
<b>Balance as at April 1, 2018</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>7,109.82</b>	<b>177.65</b>	<b>20,878.53</b>
Profit for the year	-	-	-	-	43.33	-	43.33
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(154.69)	(154.69)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43.33</b>	<b>(154.69)</b>	<b>(111.36)</b>
<b>Balance as at April 1, 2019</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>7,153.15</b>	<b>22.96</b>	<b>20,767.17</b>
Profit for the year	-	-	-	-	4,358.31	-	4,358.31
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(138.60)	(138.60)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,358.31</b>	<b>(138.60)</b>	<b>4,219.71</b>
<b>Balance as at March 31, 2020</b>	<b>207.63</b>	<b>136.53</b>	<b>1,568.00</b>	<b>11,678.90</b>	<b>11,511.46</b>	<b>(115.64)</b>	<b>24,986.90</b>

## Note 21 : Long term borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Measured at amortised cost</b>		
<b>Secured borrowing :</b>		
Term Loan ( refer note no. 27 )		
<b>- from banks</b>		
- IndusInd Bank Ltd.	2,602.53	-
- Indian Bank	1,103.00	-
- Yes Bank Ltd.	1,931.34	-
<b>- from Others</b>		
- Bajaj Finance Limited	541.67	708.34
- PICUP Interest free loan	5,803.68	4,366.96
-Tata Capital Financial Services Ltd	1,080.39	
<b>Total</b>	<b>13,062.61</b>	<b>5,075.30</b>

### Note

Borrowings - There is no amount of default as on the balance sheet date in repayment of loans and interest.

- Term Loan from IndusInd Bank is secured by way of first pari passu charge over entire assets ( moveable and immovable) present and future on upcoming Long Member project and first pari passu charge on Land & Building of Dharuhera main unit . Term Loan is bearing 10.25% - 10.50% p.a. interest rate and finally repayable by September, 2025 in twenty equal quarterly instalments beginning from September, 2020 end.
- Rupee Term Loan from Indian Bank is under syndication with IndusInd Bank secured by way of first pari passu charge over entire assets ( moveable and immovable ) present and future on upcoming Long Member project and first pari passu charge on Land & Building of our Dharuhera main unit . Term Loan is bearing 10.50% p.a. interest rate and finally repayable by September 2025 in twenty equal quarterly instalments beginning from September, 2020 end.
- Term Loan from Yes Bank is secured by way of exclusive charge over entire assets ( moveable and immovable ) present and future on upcoming New Railways project and exclusive first charge on Faridabad Land . Term Loan is bearing 10.50% ~ 11% p.a. interest rate and finally repayable by June 2026 in twenty equal quarterly instalments beginning from June, 2021.
- Term Loan from Bajaj Finance Limited is secured by way of exclusive first charge on Haridwar Industrial Land. Term Loan is bearing 9.4% p.a. interest rate and finally repayable by March 2024 in 28 quarterly installments of average Rs. 35.72 lacs each beginning from June, 2018.
- Term Loan from The Pradeshiya Industrial & Investment Corporation of U.P. Limited (PICUP) is secured by way of first charge on Land and Building of Bawal and Binola unit and hypothecation on the Plant and Machinery of Lucknow Unit and Bawal Unit. Term Loan is interest free under Industrial Investment Promotion Scheme (IIPS) of Government of Uttar Pradesh, and repayable after 7 years from the date of respective disbursement in single instalment. Further disbursement of Financial Year 2019-20 is secured by way of Bank Guarantee issued by a scheduled bank.
- Rupee Term Loan from TATA Capital Financial Services Limited is secured by way of hypothecation of identified Plant & Machineries. Term Loan is bearing 10.75% p.a. interest rate and finally repayable by Sept. 2026 in twenty equal quarterly instalments of average Rs.59 lakhs each beginning from June, 2021.

#### Note 22 Government Grant

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
- Government Grant (PICUP Interest free loan )	2,687.43	2,242.76
<b>Total</b>	<b>2,687.43</b>	<b>2,242.76</b>

**Note-** Interest free PIC UP loan is considered as a Government grant and measured at effective rate of interest.

#### Note 23 Deferred Tax Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities ( refer note 38g )	-	228.10
<b>Total</b>	<b>-</b>	<b>228.10</b>

#### Note 24 Other non current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits from business/ contractors	4.23	4.23
Security deposits from employees	28.43	32.88
<b>Total</b>	<b>32.66</b>	<b>37.11</b>

#### Note 25 Short term borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Working Capital Loans</b>		
Loans repayable on demand		
i) Secured :		
<b>--from Banks :</b>		
- Yes Bank Ltd.	2,750.00	-
- Indian Bank	899.69	318.85
- HDFC Bank Ltd.	2,979.37	1,066.68
ii) Unsecured		
<b>--from Banks</b>		
- HDFC Bank Ltd	-	1,500.00
- Yes Bank Ltd	-	3,250.00
- Indian Bank	298.03	-
<b>--from Others</b>		
- Tata Capital Financial Services Ltd	481.64	-
- Hero Motocorp Ltd	-	7,410.00
<b>Total</b>	<b>7,408.73</b>	<b>13,545.53</b>

**Note:**

Short Term Borrowings - There is no default as on the balance sheet date in repayment of loans. Working capital loans carrying interest rate ranging 9.5%~11.00% p.a.

Working Capital Loans from Banks are secured by way of hypothecation of Stock & Receivables.

#### Note 26 Trade payables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding due to small enterprise and micro enterprises	1,383.29	623.44
Total outstanding due of creditors other than small enterprise and micro enterprises	5,512.34	10,303.99
<b>Total</b>	<b>6,895.63</b>	<b>10,927.43</b>

### Note 27 Other financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividend (There is no amount currently due and outstanding which is to be credited to Investor Education and Protection Fund)	13.36	13.36
<b>Current maturities from long term debt #</b>		
<b>Secured :</b>		
<b>- from banks</b>		
- HDFC Bank Ltd.	-	300.00
- Indusind Bank Ltd.	1,050.00	
- Indian Bank	375.00	
<b>- from Others</b>		
-Bajaj Finance Ltd	166.66	166.66
Salary & wages payable	1,071.56	1,988.54
<b>Total</b>	<b>2,676.58</b>	<b>2,468.56</b>

# No amount of default as on the balance sheet date in repayment of loans and interest rate ranging 9.50% ~11.00% p.a. Further, refer foot note of note no 21 )

### Note 28 Other current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues :		
- TDS/ TCS payable	63.91	82.26
- Indirect tax payable	-	-
- Others	43.29	49.24
Other liabilities	1,396.31	1,457.57
Advances from customers	72.69	72.13
<b>Total</b>	<b>1,576.20</b>	<b>1,661.20</b>

### Note 29 Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits Leave encashment	215.24	121.50
<b>Total</b>	<b>215.24</b>	<b>121.50</b>

### Note 30 Revenue from Operations

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of products	43,349.76	92,021.34
Sale of services	1,164.49	1,161.88
Income from service concession arrangement	133.13	141.85
Other operating revenues ( refer note 30a)	2,020.40	5,839.28
<b>Total</b>	<b>46,667.78</b>	<b>99,164.35</b>

**Note 30a Other operating revenue**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Scrap	1,503.27	3,857.83
Other Sales	516.16	1,965.49
Incentives on Exports	0.97	15.97
<b>Total</b>	<b>2,020.40</b>	<b>5,839.28</b>

**Note 31 Other income**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income :		
- from related parties	2.88	2.67
- from banks	158.19	264.92
- from others	36.60	40.56
Income from embedded lease, Government Grant & Others	867.17	841.85
Profit from sale of property, plant & equipment	931.74	24.20
Discounting income	-	58.41
Net gain on foreign currency transactions	-	26.00
Other income	168.85	20.52
<b>Total</b>	<b>2,165.42</b>	<b>1,279.12</b>

**Note 32 Cost of materials consumed**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	2,843.77	3,951.13
Add : Purchases	28,210.27	69,934.99
	<b>31,054.04</b>	<b>73,886.12</b>
Less: Closing Stock	3,097.30	2,843.77
<b>Total</b>	<b>27,956.74</b>	<b>71,042.35</b>

**Note 33 Changes in inventories of finished goods & work-in-progress**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Inventories at the beginning of the year</b>		
Work-in-progress	1,068.23	1,193.41
Finished goods	1,786.54	597.82
	<b>2,854.77</b>	<b>1,791.23</b>
<b>Inventories at the end of the year</b>		
Work-in-progress	458.18	1,068.23
Finished goods including scrap	1,035.42	1,786.54
	<b>1,493.60</b>	<b>2,854.77</b>
<b>Net (increase)/ decrease</b>	<b>1,361.17</b>	<b>(1,063.54)</b>

### Note 34 Employee benefits expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and incentives	4,886.15	10,174.84
Contributions to provident fund, superannuation & other funds -	139.16	230.19
Staff welfare expenses	101.99	123.60
Directors remuneration & perks ( refer note no 38 e & f )	394.86	331.95
<b>Total</b>	<b>5,522.16</b>	<b>10,860.60</b>

### Note 35 Finance Cost

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense;		
-Interest to banks	751.95	1,030.85
Interest adjustment towards embedded lease, Government grant and others	1,672.58	1,560.62
Other borrowing costs	86.90	215.76
<b>Total</b>	<b>2,511.43</b>	<b>2,807.23</b>

### Note 36 Depreciation/ Amortisation

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation/Amortisation		
On tangible asset	941.43	1,869.59
On intangible asset	82.78	92.82
On investment property	1.02	1.02
<b>Total</b>	<b>1,025.23</b>	<b>1,963.43</b>

### Note 37 Other expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of stores and spare parts	1,334.36	2,254.54
Power and fuel	806.54	2,527.74
Rent	278.91	273.27
Repairs to buildings	89.20	142.87
Repairs to machinery	361.94	716.54
Repairs - others	397.11	405.10
Insurance	103.28	136.71
Rates and taxes, excluding, taxes on income	129.37	61.91
Outside job work expenses	1,738.00	2,461.64
Packing material consumed	123.89	325.30
Loss on sale of property , plant & equipment	-	27.40
Provision for doubtful advances	-	120.81
Provision for doubtful debts	614.49	169.28
Net loss on foreign currency transactions	10.84	-
Corporate social responsibility expenses ( refer note 38 o )	37.55	31.75
Freight outward	1,023.60	1,480.72
Legal & profession expenses	1,089.92	820.90
Directors sitting fee	11.15	10.85
Other admin and selling expenses	1,611.08	2,350.63
<b>Total</b>	<b>9,761.234</b>	<b>14,317.96</b>



**Note 38**

**(a) Contingent liabilities and commitments (to the extent not provided for)**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Contingent Liabilities</b>		
<b>(A) Claims against the Company not acknowledged as debt</b>		
(i) Excise & Service Tax matters	520.16	639.12
(ii) Sale Tax	77.02	112.22
(iii) Others	-	-
<b>(B) Outstanding Guarantees issued by banks</b>	1,927.47	161.16
<b>(C) Other money for which the company is contingently liable</b>		
i) Letters of credits	1,997.28	1,402.61
<b>(ii) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,196.35	7,017.57
(ii) Uncalled liability on shares and other investments partly paid	-	-
<b>(iii) Other commitments</b>		
Advance Licence/ EPCG	438.70	413.48

**(b) Gross turnover is net of inter unit transfer of Rs. 1,293.28 lacs ( Previous Year Rs. 5,533.21 lacs)**

**(c) Gross turnover includes direct & deemed exports of Rs. 164.35 lacs (Previous Year Rs. 565.05 lacs)**

**(d) Enterprises covered under the Micro, Small & Medium Enterprises Development Act, 2006 have been identified by the Company on the basis of available information. Disclosure requirement by MSMED Act 2006 are as under -**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
i) Principal amount outstanding but not due.	-	-
ii) Principal amount due and remain outstanding.	1,383.28	623.44
iii) Interest due on alone and the unpaid interest.	56.07	35.05
iv) Interest paid on all delayed payment under the MSMED Act.	-	-
v) Payment made beyond the appointed day during the year.	-	-
vi) Interest due and payable for the period of delay other than iv above	56.07	35.05

**(e) Remuneration and perks paid / payable to Directors :**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Executive Directors	Executive Directors
Salary & Perquisites	394.86	331.95
Commission	-	-
Provident Fund	29.69	23.99
	<b>424.55</b>	<b>355.94</b>

The remuneration paid to Executive Directors was as per minimum remuneration prescribed in Schedule V to the Companies Act, 2013 ("the Act"), for which necessary approvals from the shareholders were taken as per the provisions of the Act.

**(f) Computation of Net Profit for the purpose of Section 197 of the Companies Act, 2013.**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before extraordinary items and tax	4,652.75	514.44
Add: Directors Remuneration (Including perquisites)	394.86	334.09
Add: Bonus or commission paid to Staff	80.89	111.60
Add: (Profit)/Loss on Sale of Fixed Assets (net)	(931.74)	3.20
Add: Exceptional items (Profit)/Loss (net)	(3,957.50)	-
Net Profit as per Section 198 of the Companies Act 2013	239.26	963.33
Maximum Limit for managerial remuneration to the Executive Directors @ 10% of net profit as above	<b>23.93</b>	<b>96.33</b>
Maximum Limit for commission to Non-Executive Directors @ 1% of net profit as above	<b>2.39</b>	<b>9.63</b>

The managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule-V of the Act.

**g) IND AS 12** requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Disallowances u/s 40(a)/43B of the Income Tax Act, 1961	76.87	329.40
Provisions for doubtful debts	261.07	153.01
Investment Property-Land	1,449.90	1,338.52
Others	77.83	103.24
Deferred Tax liabilities		
Property, plant and equipment & Intangible assets	(1,472.32)	(2,152.27)
<b>Net Deferred tax Asset / (liabilities)</b>	<b>393.35</b>	<b>(228.10)</b>
Mat credit entitlement ( recognised as deferred tax asset and shown separately earlier in non current assets)	<b>73.13</b>	<b>73.13</b>
<b>Total Net Deferred tax Asset / (liabilities)</b>	<b>466.48</b>	<b>(154.97)</b>

**h) Under INDAS**, PPE related to Lucknow plant, considered as embedded lease arrangement, has been de-recognised and shown as lease receivable at amortised value.

(Rs. in Lakhs)

Particulars	Minimum lease payments	
	As at March 31, 2020	As at March 31, 2019
Not later than one year	1,187.46	1,084.79
Later than one year and not later than five years	1,478.10	2,586.70
Later than five years	-	-
Total	2,665.56	3,671.49
Less: unearned finance lease income	(397.62)	(696.12)
<b>Total Lease receivable</b>	<b>2267.94</b>	<b>2,975.37</b>

**i) The Company has in-house R&D centre at IMT Manesar, Gurgaon (Haryana). Ministry of Science & Technology (Department of Scientific and Industrial Research) has accorded recognition to this centre, which is valid upto 31.03.2020 vide its letter no. TU/IV-RD/2906/2015 dated 27.04.2015.**

**Total expenditure incurred towards In-house Research and Development activities during the year 2019-20 is as under -**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital Expenditure	-	104.64
Revenue Expenditure-net (Incl. Salary to R&D staff and Other related expenses included in respective heads of accounts in the Balance Sheet.)	104.45	115.15
<b>Total</b>	<b>104.45</b>	<b>219.79</b>

**j) Payment to Auditors**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>As auditors</b>		
Audit Fee	6.00	6.00
Limited review	6.00	6.00
Tax Audit Fee	-	-
Other Services	2.00	2.00
Reimbursement of expenses	1.61	1.59
<b>Total</b>	<b>15.61</b>	<b>15.59</b>

**k) Related Party Disclosure as required under Ind AS-24 :**

**1. Relationship :**

**a) Key Managerial Personnel & their Relatives :**

Mr. Jatender Kumar Mehta	Managing Director
Mrs.Kiran Mehta	Wife
Mr.Devashish Mehta	Joint Managing Director/ Son
Mrs. Sakshi Kaura	Joint Managing Director/ Daughter
Mr. Puneet Kaura	Daughter's Husband
Mrs. Sandhya Katyal	Daughter, Sister
Mr. Ritesh Katyal	Daughter's Husband
Mr. Ravinder Kumar Mehta	Managing Director
Mrs.Usha Mehta	Wife
Mrs.Ekta Dewan	Daughter
Mrs.Sarika Dhanda	Daughter
Mr.Varun Mehta	Son
Mr. S.M.Mehta	Brother
Mr. S.K.Mehta	Brother
Mr. Tavinder Singh	Whole Time Director
Mr. Sanjeeb Kumar Subudhi	Company Secretary
Mr. Ghan Shyam Dass	Chief Financial Officer #
Mr. Hari Gopal Agrawal	Chief Financial Officer **

# left with effect from 17th August, 2019

\*\* Joined with effect from 31st January, 2020

**b) Entities over which key management personnel and their relatives are able to exercise significant influence.**

- i) Forerunner Capital Investments Limited
- ii) Green Systems Limited
- iii) Mehta Engineers Limited
- iv) Omax Fusions Private Limited
- v) Vishal Engineers
- vi) J.K. Mehta (HUF)
- vii) R.K. Mehta (HUF)
- viii) S.K. Mehta (HUF)
- ix) S.M. Mehta (HUF)
- x) Gurgaon Energy & Infrastructure Limited
- xi) Haridwar Estates Pvt. Limited.
- xii) Automax Constructions Limited
- xiii) Samtel Avionics Limited
- xiv) Monk.e.wise
- xv) Thrive Eco Logical Innovation Pvt. Limited
- xvi) SKK & Associates LLP
- xvii) SKM & Associates LLP

**2) The following transactions were carried out with related parties in the ordinary course of business and on arms length basis during the year:** (Rs. in Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Purchase of Goods/Services from Associate Parties</b>		
Mehta Engineers Limited	-	558.48
Monk.e.Wise	23.80	21.00
<b>Purchase/Advance for Capital Assets</b>		
Automax Constructions Limited	-	-
<b>Interest Income</b>		
Interest Income from associate parties ( Automax Constructions Ltd. )	2.88	2.54
Rental Income from Monk-e- Wise	12.37	15.12
<b>Interest Paid</b>		
Interest paid (Omax Fusions Private Ltd)	1.06	-
<b>Rent/Security Paid</b>		
Kiran Mehta	48.57	45.99
<b>Loan/Advances Received</b>		
Omax Fusions Private Ltd.	285.00	-
<b>Loan /Security recovery</b>		
Omax Fusions Private Ltd.	-	-
Automax Constructions Limited	-	-
<b>Salary to Relatives</b>		
Devashish Mehta	-	13.86
<b>Remuneration &amp; Perks to Directors &amp; KMPs excluding PF.</b>		
Key Managerial Personnel	76.50	93.16
Directors #	409.68	331.97

#Note : Including part salary of Rs. 14.82 lac capitalised during the year pertaining to one of director heading upcoming one new projects.

**Balance outstanding at the year end**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Receivables / payables including security and rent</b>		
<b>Receivables ( Net)</b>		
Monk.e. Wise	45.04	20.16
Automax Constructions Ltd.	825.28	858.55
<b>Payables ( Net)</b>		
Mehta Engineers Ltd.	-	138.65
Omax Fusions Private Ltd.	283.55	2.51
Kiran Mehta	-	0.73

**(l) SEGMENT REPORTING:**

The Company is primarily engaged in manufacturing of Sheet Metal Components for various customers and within geographical area of India and accordingly there are no reportable operating or geographical segments .

**(m) Earning per share :**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Net Profit / (loss) for the year after taxes ( Rs. lacs)	4,358.31	43.33
(ii) Weighted Average No. of equity shares	21,388,213	21,388,213
(iii) Basic / Diluted Earning per share (Rs.) (Equity Share of face value of Rs.10 each)	20.38	0.20
(iv) Nominal Value of Share (Rs.)	10.00	10.00

**(n) Expenditure in foreign currency**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Value of Imports on CIF Basis</b>		
Raw Material	-	8.82
Capital Goods	6,518.73	-
Consumables	4.59	-
<b>Expenditure incurred in foreign currency</b>		
Travelling Expenses	19.02	13.19
Business Promotion Expenses	-	1.28
Fees and subscription	2.66	-
Bank Charges	2.65	-
Dividends*	-	-
<b>Foreign currency earnings :</b>		
FOB Value of Exports	164.35	565.05

**(o) Pursuant to Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility,**

a) Gross amount to be spent/to be spent by the Company on CSR activities is as under:

b) Amount spent -

(Rs. in Lakhs)

Particulars	Total CSR liability	Expenditure incurred during the year	Amount incurred till previous year	Yet to incur
1. Construction/ acquisition of any assets	-	-	-	-
2. 'On purposes other than (i) above up to FY 2019-20 *	156.87	37.55	108.53	10.78

\* Amounts include previous years projects also.

\* Amounts include Rs. 29.05 lac current year CSR liability also.

**p) Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards business needs, optimisation of working capital requirements and deployment of surplus funds into fixed deposits. The Company does not have high long terms debts and use minimum working capital limits.

The Company is not subject to any externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the status of debts, cost of capital and movement in the working capital.

The following table summarizes the capital of the Company:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt	17,372.86	7,828.35
Share capital	2,138.82	2,138.82
Equity reserves	24,986.90	20,767.17
Total Equity	<b>27,125.72</b>	<b>22,905.99</b>
Gearing ratio	<b>64.05%</b>	<b>34.18%</b>

(Rs. in Lakhs)

Categories of financial instruments	As at March 31, 2020	As at March 31, 2019
Financial assets at amortised cost		
Non-current :		
Loans	681.93	219.88
Others	4,773.15	6,025.09
<b>Current :</b>		
Trade receivables	11,674.17	12,969.78
Cash and bank balances	212.27	2,600.77
Loans	334.11	334.01
Other financial assets	66.33	96.80
<b>Total</b>	<b>17,741.97</b>	<b>22,246.33</b>
Financial liabilities at amortised cost		
Non-current :		
Borrowing	13,062.62	5,075.30
Government Grant	2,687.43	2,242.76
Current		
Borrowing	7,408.73	13,545.53
Trade payables	6,895.63	10,927.43
Other financial liabilities	2,676.59	2,468.56
Government Grant	31.15	43.63
<b>Total</b>	<b>32,762.15</b>	<b>34,303.21</b>

#### q) Financial risk management :

The Company's Corporate Treasury function monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company seeks to minimise the effects of these risks by using credit limits to hedge risk exposures. The use of financial instruments is governed by the Company's policies on foreign exchange risk and the investment. The Company does not enter into agreements for trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates risk/ liquidity which impact returns on investments. Keeping in mind the overall small exposure, the company does not enter into derivative financial instruments to manage its exposure to foreign currency risk including export receivables and import payables. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's significant exposure to foreign currency risk at the end of the reported periods, expressed in INR, are as follows:

		(Rs. in Lakhs)	
Foreign currency exposure		As at March 31, 2020	As at March 31, 2019
Trade Receivables	USD	48.30	67.17
Trade Payables	USD	-	-
Trade Payables	JPY	-	-
Term loans	USD	301.34	-
Term loans	EUR	3,130.52	-
Forward contract	USD	544.68	-
Forward contract	EUR	-	-
<b>Net Exposure</b>	USD	894.32	67.17
	EUR	3130.52	-

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency 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.

(Rs. in Lakhs)			
Currency	Change in currency exchange rate	As at March 31, 2020	As at March 31, 2019
USD	Increase 5%	44.72	3.36
EUR	Increase 5%	156.53	-
JPY	Increase 5%	-	-
<b>Net exposure</b>		201.24	3.36

A decrease of 5% in the above currency's exchange rates would result in an equivalent reciprocal effect.

#### 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 and other receivables) and from its financing activities, including deposits with banks and other financial instruments.

#### Trade receivables

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on its trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances, clubbed with, historical experience with the customer and/ or the industry in which the customer operates and assessment of litigation, if applicable. Receivables are written off when they are no more deemed collectible.

(Rs. in Lakhs)

**Movement in the expected credit loss allowance of financial assets :**

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	458.34	312.98
Add: Provided during the year	614.49	212.70
Less: Amounts written off	(35.53)	(67.34)
<b>Balance at the end of the year</b>	<b>1037.30</b>	<b>458.34</b>

**Liquidity risk**

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of readily convertible instruments and working capital limits from banks.

**Maturity profile of financial liabilities ( Term borrowings):**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date :

(Rs. in Lakhs)

March 31 ended	Particulars	As at March 31, 2020	As at March 31, 2019
31.03.19	Less than 1 year	-	466.66
31.03.20	Less than 1 year	1591.67	-
31.03.21	1 year - 3 year	5866.46	3,340.00
31.03.22		-	-
31.03.23	3-5 year	5067.31	2,374.20
31.03.24		-	-
31.03.25	More than 5 year	4847.42	1,841.70

**Borrowing & Trade payable**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	Less than 1 year	Less than 1 year
Trade payables	7,408.73	13,545.53
	6,895.63	10,927.43
Other financial liabilities	1084.92	2001.90

- (r) The company is in the business of manufacturing and selling sheet metal components related to automobile and Railways, catering to various OEMs through number of plants across country and has a vast product range. After assessing the viability of some products, the board for the purpose of reorganisation of company's business activities to maximise the profit, has approved to dispose off identified assets of two manufacturing plants namely Speedomax and Sprocket units out of which all assets of both units except Land and Building of Speedomax unit disposed off during the year, consequently, shown net profit on sale of assets as exceptional items in profit and loss account and decided to continue to manufacture sheet metal components for its remaining plants .

Company had given tooling advances to certain vendors for supply of components for two wheeler manufacturing facilities. The vendors had already incurred expenses for development of respective tools, which were of no use/ can not be utilised by the Company as the company has decided to discontinue such operations. Accordingly, such tooling advances have been written off under exceptional items.

Further, plant and equipment of closed plants were valued at residual price which were earlier classified as 'Held for Sale'. Inventories for closed units manufacturing business, which were not having alternative use or realisable value were also written off at the time of such disposal of manufacturing facilities.



Further, closure of other manufacturing plants viz Dharuhera, Manesar and Automax unit, Company has identified relevant assets having total book value of Rs.3161.54 lac (previous year Rs. 5993.40 lac) as being held for sale at an appropriate time, accordingly, have been disclosed as “Assets held for Sale” in the financial statements as at 31st March 2020.

- s) The Company has started to set up two new plants one is for Indian Railways and other one is for Tata Motors Ltd at Lucknow -Raebareli Road, Uttar adesh to manufacture sheet metal components. Since , manufacturing activities are yet to start ,expenses amounting Rs. 4322.36 lac ( Previous year Rs. 798.08 ) have been transferred to Capital Work in Progress.

The Company has two new plants in Uttar Pradesh becoming operational in current financial year 20-21. These new plants viz. Long Member Plant & New Railway Plant, are situated at 48th K.M. Stone, N. H. 30, (Lucknow - Raebareli), Village - Malhipur, Bachhrawan, Tehsil – Maharajganj, Raebareli, Uttar Pradesh – 229301 (“LM Plant”) and 54th K.M. Stone, N. H. 30, (Lucknow - Raebareli), Village - Kandawan, Bachharawan, Tehsil – Maharajganj, Raebareli, Uttar Pradesh – 229301 (“NRL Plant”), respectively. These were expected to go into commercial production in first quarter of financial year 20-21. However, due to the lockdown situation arisen of corona virus pandemic and imposition of restrictions in China and European countries, certain key machineries could not be procured as per the speculated time line. Hence, completion of these two new projects is expected to be delayed by few months.

- t) The Company had entered in to fully hedged fixed rate currency transactions with Induisn Bank and Yes Bank / through these banks relating to two new projects being setup. The outstanding amount as on 31st March 2020 is Rs. 3971.19 lac ( Previous year NIL) . Mark to Market ( MTM) net loss is Rs. 37.13 lac as on 31st March 2020 which has been accounted in profit and loss account under the head Comprehensive Incoime . Actual cost for the Swap Currency transaction has been apportioned during its tenure and has been accounted under the finance cost by transfer to Capital Work in Progress of respective project.

- u) The onset of COVID – 19 pandemic and consequent lockdowns and restrictions imposed on various industrial and economic activities have posed several challenges to all the business units of Omax Autos Limited (the “Company”/“Omax”). When the national lockdown was declared all the units located across India and corporate office were closed. Later, in May, 2020, various plants and units resumed operations gradually, but, with reduced capacity. As the Company is dealing in manufacture and supply of auto-components and heavily dependent on business from only few customers, the revenue is also hampered due to low business volume from customers. There was no revenue during the complete lockdown period and there has been marginal growth in revenue in all the units since then up to the date of reporting. Hence, the revenue in the current financial year 20-21 may be slightly lower than normal. However, the company expects the situation to improve soon.

- v) The amount of borrowing costs capitalized during the year ended 31 March 2020 was Rs. 1016.65 lacs ( Previous years Rs. 240.00 lacs). The effective interest rate used to determine the amount of borrowing Costs eligible for capitalization.

- w) Company has prepared cash flow statement from profit before tax and exceptional items to reflect operational results appropriately. Accordingly, sale proceeds from property , plant and equipment’s have been adjusted in cash flows from investing activities along with other non-cash fixed asset related adjustments and assets related to inventories/advances etc. have been considered as changes in working capital under the cash flows from operating activities.

- x) The Company has assessed its lease arrangements and has concluded that provisions of Ind AS 116 does not have any material impact.

- y) Under Ind AS, the financial liability of interest free loan from PICUP is to be measured at fair value and the difference between disbursed interest free loan amount and fair value is to be recognised as Government grant. The Company has availed mandatory exception under Ind AS 101 and accordingly, change done in accounting treatment on the amount carried forward on the date of transition. After transition date, the difference between interest free loan and fair value has been recognised as Government grant as at Balance Sheet date. Also Government grant has been recognised in the Statement of Profit and Loss as an income on a internal rate of return basis spread over the period of grant and interest on fair value of Government grant on its inception has been recognised as finance cost.

- z) Under Ind AS, all items of income and expense recognised in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are recognised in profit or loss and also shown in the Statement of Profit and Loss as ‘other comprehensive income’ includes re measurements of defined benefit plans.

**za) Report on Gratuity as Indian Accounting Standard (Ind AS) 19**

(Rs. in Lakhs)

The principal assumption used for the purpose of the actuarial valuations were as follows:-

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	7.00 % per annum	7.75 % per annum
Salary Growth Rate	7.00 % per annum	7.00 % per annum
Mortality	IALM 2012-14	IALM 2006-08 Ultimate
Expected rate of return	7.00 % per annum	7.75% per annum
Withdrawal rate (Per Annum)	5.00% p.a. (18 to 30 Years)	5.00% p.a. (18 to 30 Years)
Withdrawal rate (Per Annum)	5.00% p.a. (30 to 44 Years)	5.00% p.a. (30 to 44 Years)
Withdrawal rate (Per Annum)	5.00% p.a. (44 to 58 Years)	5.00% p.a. (44 to 58 Years)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of the obligation at the end of the period	385.64	432.67
Fair value of plan assets at end of period	448.48	613.17
Net liability/(asset) recognized in Balance Sheet and related analysis	(62.84)	(180.50)
Funded Status	62.84	180.50

**Table Showing Changes in Present Value of Obligations:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of the obligation at the beginning of the period	432.67	831.62
Interest cost	30.29	64.45
Current service cost	62.18	54.53
Past Service Cost	-	-
Benefits paid (if any)	(283.84)	(721.50)
Actuarial (gain)/loss	144.34	203.57
Present value of the obligation at the end of the period	385.64	432.67

**Bifurcation of total Actuarial (gain) / loss on liabilities**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	17.59	3.02
Experience Adjustment (gain)/ loss for Plan liabilities	126.75	200.55
<b>Total amount recognized in other comprehensive Income</b>	<b>144.35</b>	<b>203.57</b>

**Expense recognized in the statement of Profit and Loss:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest cost	30.29	64.45
Current service cost	62.18	54.53
Past Service Cost	-	-
Expected return on plan asset	(42.92)	(95.63)
<b>Expenses to be recognized in P&amp;L</b>	<b>49.55</b>	<b>23.35</b>

**Other comprehensive (income) / expenses (Remeasurement)**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial (gain)/loss - obligation	144.35	203.57
Actuarial (gain)/loss - plan assets	(49.76)	10.71
Total Actuarial (gain)/loss	94.58	214.28

**Table showing changes in the Fair Value of Planned Assets:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets at the beginning of the period	613.17	1,233.93
Expected return on plan assets	42.92	95.63
Contributions	26.47	15.83
Benefits paid	(283.84)	(721.50)
Actuarial gain/(loss) on plan assets	49.76	(10.71)
<b>Fair Value of Plan Asset at the end of the Period</b>	<b>448.48</b>	<b>613.17</b>

**Table showing Fair Value of Planned Assets:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets at the beginning of the period	613.17	1,233.93
Actual Return on plan assets	92.68	84.91
Contributions	26.47	15.83
Benefits paid	(283.84)	(721.50)
Fair value of plan assets at the end of the period	448.48	613.17

**Actuarial (Gain)/Loss on Planned Assets:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Actual return on plan assets	92.68	84.92
Expected return on plan assets	42.92	95.63
Actuarial gain/ (Loss)	49.76	(10.71)

**Experience adjustment:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Experience Adjustment (Gain ) / loss for Plan liabilities	126.75	200.55
Experience Adjustment Gain / (loss ) for Plan assets	49.76	(10.71)

**3.1: Summary of membership data at the date of valuation and statistics based thereon:**

(Rs. in Lakhs)

Period	As at March 31, 2020	As at March 31, 2019
Number of employees	513	450
Total monthly salary	14,180,042	12,764,498
Average Past Service(Years)	4.2	6.6
Average Future Service (yr)	23.7	20.4
Average Age(Years)	34.3	37.6
Weighted average duration (based on discounted cash flows) in years	11	10
Average monthly salary	27,641	28,366

**Benefits valued:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Normal Retirement Age	58 Years	58 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	Without limit	Without limit

**Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :**

(Rs. in Lakhs)

Period	As at March 31, 2020	As at March 31, 2019
Non Current Liability (Long Term)	-	-
<b>Total Liability</b>	-	-

Current liability is NIL, because of overfunding.

**zb) Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans:**

(Rs. in Lakhs)

Particulars	Purpose/ Term of loan	As at March 31, 2020	As at March 31, 2019
Century Autotech Pvt. Ltd.	General business purpose and Interest rate 12% p.a.		
Outstanding as at the beginning of year		265.68	295.68
Given during the year		-	-
Repaid during the year		-	30.00
Outstanding as at the end of Year		265.68	265.68

**Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans:**

(Rs. in Lakhs)

Particulars	Purpose/ Term of loan	As at March 31, 2020	As at March 31, 2019
Autovsion India Pvt. Ltd.	General business purpose and Interest rate 12% p.a.		
Outstanding as at the beginning of year		34.50	64.50
Given during the year		-	-
Repaid during the year		-	30.00
Outstanding as at the end of Year		34.50	34.50

**Disclosre pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans:**

(Rs. in Lakhs)

Particulars	Purpose/ Term of loan	As at March 31, 2020	As at March 31, 2019
Automax Constructions Ltd.	General business purpose and Interest rate 12% p.a.		
Outstanding as at the beginning of year		23.44	23.44
Given during the year		-	-
Repaid during the year		-	-
Outstanding as at the end of Year		23.44	23.44

zc) Previous Year's figures have been regrouped, rearranged & re casted wherever necessary to make them comparable with the current year's figures.

zd) Figures have been rounded off to the nearest Rupees in lac

**For BGJC & Associates LLP**

Chartered Accountants  
Firm Registration No. 003304N/N500056

**Pranav Jain**  
(Partner)  
M.No. 098308

Place : Gurugram  
Date : 29th June, 2020

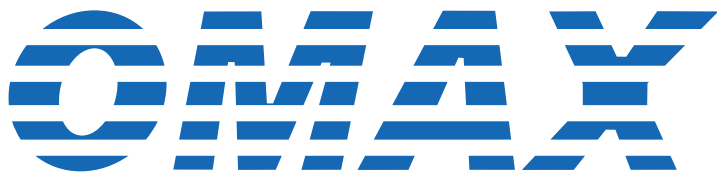
**For and on behalf of the Board of Directors**

**Tavinder Singh**  
Whole-time Director  
(DIN:01175243)

**Hari Gopal Agrawal**  
(Chief Financial Officer)

**Jatender Kumar Mehta**  
(Chairman Managing Director)  
(DIN:00028207)

**Sanjeeb Kumar Subudhi**  
(Company Secretary)  
M.No. A-18791



Passionate about Performance

**OMAX AUTOS LIMITED**

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