

## New Manufacturing Locations

The Directors are pleased to inform that the Company is coming up with two new plants at Bengaluru and Rohtak. The Bengaluru Plant of Shivam Autotech Limited has been inaugurated by Hon'ble Chief Minister Shri Siddaramaiah and the production from the Bengaluru plant has already started.

The Company is planning to make the Rohtak plant operational in H2 of FY17. The view of the Bengaluru plant and Rohtak plant is as follows:

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



### **Rohtak Plant - Plot No.- 9, Sector-30A, IMT Rohtak, Rohtak – 124001, Haryana**





**AWARDS  
&  
ACCOLADES  
(2015-16)**



Award for Supplier of the year (2015-16) by Mando Automotive India Pvt Limited



Certificate of Supplier Quality awarded for fulfilling Quality Assurance Compliance by Hyundai Motor India Limited, (2015-16)



Mr. Neeraj Munjal, Managing Director standing fifth from left receiving award from MANDO



Certificate of Appreciation for superior performance in the field of Development, Maruti Suzuki India Limited, (2015-16)



Award for Outstanding performance in Quality by Denso India Limited, (2015-16)



Award for Excellence in Running SAP operations, (2015-16)



Certificate of Appreciation for Outstanding Performance in the category of Quality, by Denso India Limited, (2015-16)

**BOARD OF DIRECTORS**
**CHAIRMAN**

Sunil Kant Munjal

**MANAGING DIRECTOR**

Neeraj Munjal

**DIRECTORS**

Bhagwan Dass Narang

Surrinder Lal Kapur

Vinayshil Gautam

Anil Kumar Gupta, Director Technical

Charu Munjal, Executive Director

**FINANCE TEAM**

Davendra Ujlayan, VP-Finance

Shivani Kakkar, Company Secretary

**AUDITORS**

S.S. Kothari Mehta &amp; Co.

Chartered Accountants

146-149, Tribhvan Complex, Ishwar Nagar,

Mathura Road, New Delhi-110065

**SECRETARIAL AUDITORS**

Satyender Kumar &amp; Associates

Company Secretaries

Ganpati Sadan, 99, Sector - 40

Gurgaon, Haryana - 122002

**BANKERS**

IDBI Bank Ltd.

HDFC Bank Ltd.

IDFC Bank Ltd.

ICICI Bank Ltd.

Kotak Mahindra Bank Ltd.

YES Bank Ltd.

**REGISTERED OFFICE**

 303, 3rd Floor, Square One, C-2, District Centre,  
 Saket, New Delhi-110 017

**GURGAON PLANT**

58th Km. Stone, Delhi-Jaipur Highway,

Village: Binola-122 413 Distt. Gurgaon (Haryana)

**HARIDWAR PLANT**

Plot No. 3, Industrial Park-II, Phase-1,

Village Salempur Mehdood,

Distt. Haridwar (Uttarakhand)-249402

**MANESAR PLANT**

Plot No. 1, Sector 5, IMT Manesar

Gurgaon - 122050 Haryana

**BENGALURU PLANT**

Plot No. 98, Vemagal Industrial Area,

Kolar - 563101 Karnataka, India

**ROHTAK PLANT**

Plot No. 9, Sector-30A, IMT Rohtak,

District Rohtak -124001 Haryana, India

**REGISTRAR & TRANSFER AGENTS**

MCS Share Transfer Agent Limited

 F-65, First Floor, Okhla Industrial Area, Phase I,  
 New Delhi-110 020

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## NOTICE

Notice is hereby given that the **11<sup>th</sup> Annual General Meeting** of the Members of **SHIVAM AUTOTECH LIMITED** will be held on Thursday, the 29<sup>th</sup> day of September, 2016 at 11:30 A.M. at Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110030, to transact the following business:

### [A] ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend to the equity shareholders for the Financial Year ended March 31, 2016.
3. To appoint a director in place of Dr. Anil Kumar Gupta (DIN 02643623), who retires by rotation and being eligible has offered himself for re-appointment.
4. To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.
5. To re-appoint M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi, the retiring auditors to hold office as Statutory Auditors for Financial Year 2016-17 from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Audit Committee to fix their remuneration.

### [B] SPECIAL BUSINESS

6. To consider reappointment of Mr. Neeraj Munjal (DIN 00037792) as Managing Director and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions as amended or re-enacted from time to time, if any, of the Companies Act, 2013 and rules made there under and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Neeraj Munjal, Managing Director (DIN 00037792) of the Company for a period of 5 years w.e.f. April 1, 2016 to March 31, 2021 on the remuneration as set out in the explanatory statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Neeraj Munjal.”

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

7. To consider revision in the remuneration of Mrs. Charu Munjal (DIN 03094545), Whole-Time Director and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provision of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded for revision in the remuneration of Mrs. Charu Munjal, Whole Time Director (DIN 03094545) designated as “Executive Director” with effect from June 01, 2016 for the remainder of her tenure in the manner as set out in the explanatory statement annexed to the Notice convening this meeting.

**RESOLVED THAT** except as stated in the explanatory statement annexed below, other terms and conditions of re-appointment as approved by the shareholders at the Annual General Meeting held on September 09, 2015 shall remain unchanged.

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

8. To consider revision in the remuneration of Dr. Anil Kumar Gupta (DIN 02643623), Whole-Time Director and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provision of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded for the revision in remuneration of Dr. Anil Kumar Gupta (DIN 02643623), Whole Time Director of the Company designated as “Director (Technical)” with effect from December 20, 2015 for the remainder of his tenure in the manner as set out in the explanatory statement annexed to the Notice convening this Annual General Meeting.

**RESOLVED THAT** except as stated in the explanatory statement annexed below, other terms and conditions of re-appointment as approved by the shareholders at the Annual General Meeting held on September 09, 2015 shall remain unchanged

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

9. To consider and approve payment of minimum remuneration to Executive Directors and in this regard

to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the ceiling set out under Section II of Part II of Schedule V of the Companies Act, 2013 and subject to such other necessary approvals, consents or permission as may be required, the consent of the Members of the Company be and is hereby accorded to pay minimum remuneration to the Managing Director and Whole-time Director(s) for any financial year commencing from April 01, 2016 till March 31, 2019, in cases where the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**Place: Bengaluru**  
**Date: August 13, 2016**

**Registered Office:**  
303, 3rd Floor, Square One, C-2,  
District Centre, Saket,  
New Delhi – 110 017  
CIN:L34300DL2005PLC139163  
e-mail: admn@shivamautotech.com  
website: www.shivamautotech.com  
Tel: +91 11 49242100  
Fax: +91 11 49242116

**By Order of the Board of Directors**  
**For Shivam Autotech Limited**

**Sd/-**  
**Shivani Kakkar**  
**Company Secretary**  
**Membership No. A25097**

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES IN ORDER TO BE VALID MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HEREWITH.**
2. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.**
3. For the convenience of the Members, attendance slip is enclosed herewith in the Annual Report. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting along with their copies of the Annual Report.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution, authorising their representatives to attend and vote at the Annual General Meeting.
5. As required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars relating to Dr. Anil Kumar Gupta and Mrs. Charu Munjal, Directors retiring by rotation and whose re-appointments are being proposed at the forthcoming Annual General Meeting, are enclosed in the Appendix to this Notice.
6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business(es) to be transacted at the meeting, is annexed hereto.
7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 22, 2016 to Thursday, September 29, 2016 (both days inclusive)
8. In accordance with SEBI's directions vide their Circular No. DCC/FITT/Cir-3/2001 dated October 15, 2001, arrangements have been made to credit your dividend amount directly to bank account of members through the Electronic Clearing Service (ECS).  
  
In case of holding in physical form, please furnish your bank details in the ECS Mandate Form enclosed separately and return to our Registrars, MCS Limited on or before September 21, 2016. The said details in respect of the shares held in electronic form should be sent to your respective Depository Participant and not to the Registrar as the Registrar is obliged to use only the data provided by the Depository while making payment of dividend.
9. The dividend as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid at par to (i) those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Company on or before September 21, 2016; (ii) in respect of shares held in electronic form to those beneficiaries whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of business hours on September 21, 2016.
10. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.  
  
In view of the above, the Company requests all its shareholders to kindly provide their email addresses along with client ID/Folio no. and number of shares as reference to the following email addresses with subject as "Shivam Autotech Limited – Member Email ID" at admin@mcsregistrars.com.
11. Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The details of unpaid amounts as per Section 124 of the Companies Act, 2013 are uploaded on the website of the Company.

**The dividend declared by the Company for the financial year 2008-09, of which Rs. 256,572/- has remain unpaid/unclaimed shall be transferred to IEPF on or before December 5, 2016. Accordingly, members who have not encashed their Dividend Warrant(s) are requested to approach the RTA/ Company for issuance of demand draft(s) upon completion of necessary formalities for the same in lieu of such warrant(s). Unclaimed/unpaid final dividend for the financial year 2008-09, which is due for transfer to IEPF, should be claimed by the members before November 5, 2016. After that date, no claim shall lie against the IEPF/ Company, in respect of the said amount.**

The details of the shareholders who have not claimed/ encashed their dividend warrants till the last Annual General Meeting and subsequent due dates of transfer of unclaimed/ unpaid dividend to IEPF for the respective financial years shall be uploaded on the Company's website at [www.shivamautotech.com](http://www.shivamautotech.com)

12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the Meeting, so that the information required may be made available at the meeting.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by CDSL, on all the resolutions set forth in this Notice.

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

14. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at business closing hours on August 31, 2016
15. The shareholders shall have one vote per equity share held by them. The facility of remote evoting would be

provided once for every Folio/ Client ID, irrespective of the number of joint holders.

The Board of Directors of the Company (the "Board") at its meeting held on August 13, 2016 have appointed CS Satyender Kumar, (Membership No. FCS4087), Satyender Kumar & Associates, Company Secretaries, Gurgaon as the Scrutinizer for conducting the voting process (physical & remote e-voting) in a fair and transparent manner in accordance with law.

16. The scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of two witnesses not in employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated Scrutiniser's Report to Chairman of the Company.
17. The Results declared alongwith the Consolidated Scrutinizer's Report shall be placed on the Company's website [www.shivamautotech.com](http://www.shivamautotech.com) and on the website of CDSL immediately after the result is declared by Chairman and communicated to the NSE and BSE Limited.
18. The scrutinizer's decision on the validity of remote e-voting and poll at AGM will be final.

#### **Instructions for Voting through electronic mode**

- (i) The remote voting period begins on 09:00 A.M. on Monday, September 26, 2016 and ends 05:00 P.M. on Wednesday, September 28, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, September 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Company Name on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. August 31, 2016 may follow the same instructions as mentioned above for e-Voting.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 6

The present proposal is to seek the Members' approval for the re-appointment of Mr. Neeraj Munjal as Managing Director of the company in terms of the applicable provisions of the Companies Act, 2013.

At the Annual General Meeting of the Company held on September 30, 2011, the Members had approved the re-appointment of Mr. Neeraj Munjal as Managing Director for a period of five years from April 1, 2011 to March 31, 2016.

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 28, 2016, has re-appointed Mr. Neeraj Munjal as Managing Director for a further period of five years, with effect from April 1, 2016, subject to the approval of the Members in the ensuing Annual General Meeting.

Mr. Neeraj Munjal has completed his Bachelor's degree in Commerce and holds Diploma in Business management from Bradford & Likhly community college, England. He has more than 25 years of experience in the Auto Components sector. Mr. Neeraj Munjal has been involved from concept to the commissioning of the project which went on stream in the year 1999. Since then, he is spearheading the operations of the Company. He successfully handled the operations that have brought the Company to this level.

Shareholding in the Company: Nil

The Board of Directors, on the recommendations of Nomination and Remuneration Committee, has approved the proposal of re-appointment of Mr. Neeraj Munjal, Managing Director on the existing remuneration in their meeting held on May 28, 2016, subject to the approval of the members. The existing remuneration of Mr. Neeraj Munjal is set out as under:

- A) Basic Salary: Rs. 6,43,500/- (Rupees Six Lacs Forty Three Thousand Five Hundred only) per month.
- B) Commission: He will also be entitled to commission in addition to Basic Salary, Perquisites and any other Allowances, benefits or amenities subject to the condition that the amount of commission shall not exceed 2.00% (two percent) of the Net Profit of the Company in a particular financial year as computed in the manner referred to in Section 197 of the Companies Act, 2013.
- C) Perquisites and Allowances: In addition to the above Basic Salary and Commission, he shall be entitled to the following monthly perquisites and allowances:
- | a) Allowances                        | % of Basic Salary |
|--------------------------------------|-------------------|
| • House Rent Allowance               | 70%               |
| • Electricity Allowance              | 10%               |
| • Professional Development Allowance | 10%               |
| • Child Education Allowance          | 5%                |
| • Furnishing Allowance               | 5%                |
- b) Perquisites: The Managing Director shall also be entitled to the following perquisites:
- Club Fees: Reimbursement of Actual Fees of Clubs.
  - Personal Accident Insurance: Actual premium to be paid by the Company.
  - Medical Reimbursement: Reimbursement of actual medical insurance premium and medical expenses incurred by him and his family.
  - Insurance of Household goods: Actual premium to be paid by the Company.
  - Car: Facility of cars with drivers to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
  - Telephone: Free telephone facility at residence including Mobile Phone to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
  - Leave: One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will be encashed.
  - Reimbursement of expenses: Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred by him in India and abroad for the business of the Company.

- ix. Contribution to Provident Fund, Super Annuation or Annuity Fund etc.: Company's Contribution to Provident Fund, Super Annuation or Annuity Fund etc. will be as per policy/rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act.
- x. Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- xi. Leave Travel Concession: For the Managing Director and his family once in a year incurred in accordance with the policy/rules of the Company.
- xii. Spouse Travelling Expenses: Such travelling expenses of the spouse as may be required in connection with the business of the Company.
- xiii. Other allowances: As may be applicable from time to time as per policy/rules of the Company.

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

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

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

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

- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961; and
- (ii) Gratuity payable at a rate not exceeding half month' salary for each completed year of service.

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

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

## ITEM NO. 7

The present proposal is to seek the Members' approval for revision in the remuneration of Mrs. Charu Munjal as Whole Time Director designated as "Executive Director", in terms of the applicable provisions of the Companies Act, 2013.

Mrs. Charu Munjal has been appointed as the Whole Time Director of the Company for a period of five years w.e.f. June 01, 2013. She holds a Diploma in Textile Designing from Banaras Hindu University and has considerable exposure in creative designing and marketing field.

Shareholding in the Company: Nil

The Board of Directors, on the recommendations of Remuneration Committee, in their meeting held on May 28, 2016 has approved the proposal for revision in the remuneration of Mrs. Charu Munjal as Whole Time Director designated as "Executive Director", subject to the approval of the members. All other terms & conditions of her appointment will remain unchanged. The increased remuneration of Mrs. Charu Munjal w.e.f. June 01, 2016 is set out as under:

- A) Basic Salary: Rs. 308,000/- (Rupees Three Lacs Eight Thousand Only) per month.
- B) Commission: She will also be entitled to commission in addition to Basic Salary, Perquisites and any other Allowances, benefits or amenities, subject to the condition that the amount of commission shall not exceed 2.00% (Two percent) of the Net Profit of the Company in a particular financial year as computed in the manner referred to in Section 197 of the Companies Act, 2013.
- C) Perquisites and Allowances: In addition to the above Basic Salary and Commission, She shall be entitled to the following monthly perquisites and allowances:

I. Allowances	% of Basic Salary
a. House Rent Allowance	60%
b. Electricity Allowance	10%
c. Professional Development Allowance	10%
d. Child Education Allowance	5%
e. Furnishing Allowance	5%

- II. Perquisites: The Executive Director shall also be entitled to the following perquisites:
- a. Club Fees: Reimbursement of Actual Fees of Clubs.
  - b. Personal Accident Insurance: Actual premium to be paid by the Company.
  - c. Medical Reimbursement: Reimbursement of actual medical insurance premium and medical expenses incurred by her and her family.
  - d. Insurance of Household goods: Actual premium to be paid by the Company.
  - e. Car: Facility of cars with drivers to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
  - f. Telephone: Free telephone facility at residence including Mobile Phone to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
  - g. Leave: One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will be encashed.
  - h. Reimbursement of expenses: Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred by her in India and abroad for the business of the Company.
  - i. Contribution to Provident Fund, Super Annuation or Annuity Fund etc.: Company's Contribution to Provident Fund, Super Annuation or Annuity Fund etc. will be as per policy/rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act.
  - j. Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  - k. Leave Travel Concession: For the Executive Director and her family once in a year incurred in accordance with the policy/rules of the Company.
  - l. Other allowances: As may be applicable from time to time as per policy/rules of the Company.

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

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

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

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

- a. Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961; and
- b. Gratuity payable at a rate not exceeding half month' salary for each completed year of service.

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

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

## ITEM NO.8

The present proposal is to seek the Members' approval for revision in the remuneration of Whole Time Director designated as "Director (Technical)", in terms of the applicable provisions of the Companies Act, 2013.

Dr. Anil Kumar Gupta was appointed as Whole Time Director designated as "Director (Technical)" of the Company w.e.f. December 20, 2011 for a period of 3 years. He has done doctorate in Engineering from Delhi University. He has a vast Experience in the field of mechanical / metallurgy engineering.

Shareholding of the Company: Nil

The Board of Directors, on the recommendations of Remuneration Committee, has approved the proposal of re-appointment of Dr. Gupta for a period of 3 years w.e.f. December 20, 2015 and approved the revision in the remuneration in their meeting held on February 12, 2016, subject to the approval of the members. The increased

remuneration of Dr. Anil Kumar Gupta is set out as under:

- A) Basic Salary: Rs.200,000/- (Rupees Two Lacs Only) per month.
- B) Perquisites and Allowances: In addition to the above Basic Salary, he shall be entitled to the following monthly perquisites and allowances:

a) Allowances

S. No	Particulars	% of Basic Salary
i.	House Rent Allowance	60.00%
ii.	Dearness Allowance	10.00%
iii.	Professional Development Allowance	10.00%
iv.	Special Allowance	25.00%
v.	Medical Reimbursement Allowance	0.63%

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

- i. Car: Facility of car with driver to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
- ii. Telephone: Free telephone facility at residence including Mobile Phone to be used for the business of the Company shall not be included in the computation of the ceiling of perquisites.
- iii. Leave: As per rules of the Company.
- iv. Reimbursement of expenses: Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred by him in India and abroad for the business of the Company.
- v. Contribution to Provident Fund: Company's Contribution to Provident Fund as per rules of the Company.
- vi. Leave Travel Concession: For the Director (Technical) and his family once in a year incurred in accordance with the policy/rules of the Company, restricted to one months' basic salary.
- vii. Variable Performance Bonus: Director (Technical) shall be entitled for Variable Performance Bonus upto a maximum of Rs. 11.20 Lakhs (Rupees Eleven Lakhs and Twenty Thousand Only) in a Financial Year depending upon the levels of measurement as may be decided by the Board of Directors.
- viii. Other allowances: As may be applicable from time to time as per policy/rules of the Company.

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

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

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

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

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

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

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

**ITEM NO. 9**

The Companies Act, 2013 specifies the limits for remuneration, which can be paid to the managerial personnel of the Company in case of inadequacy of profits or no profits and in view of the same, it is proposed to obtain shareholder's approval for payment of minimum remuneration to Managing Director and Whole – Time Director(s) of the Company subject to the ceiling set out under Section II of Part II of Schedule V of the Companies Act, 2013 and subject to such other necessary approvals, consents or permission as may be required.

Mr. Neeraj Munjal, Mrs. Charu Munjal and Dr. Anil Kumar Gupta, may be deemed to be concerned / interested in this Resolution.

The resolution is accordingly recommended for the approval of the Members as a Special Resolution.

**Place: Bengaluru**  
**Date: August 13, 2016**

**By Order of the Board of Directors**  
**For Shivam Autotech Limited**

**Registered Office:**

303, 3rd Floor, Square One, C-2,  
District Centre, Saket, New Delhi – 110 017  
CIN:L34300DL2005PLC139163  
e-mail: admn@shivamautotech.com  
website: www.shivamautotech.com  
Tel: +91 11 49242100 Fax: +91 11 49242116

**Sd/-**  
**Shivani Kakkar**  
**Company Secretary**  
**Membership No. A25097**

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

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

\* Excluding private limited companies

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

**Place: Bengaluru**  
**Date: August 13, 2016**

**By Order of the Board of Directors**  
**For Shivam Autotech Limited**

**Registered Office:**

303, 3rd Floor, Square One, C-2,  
District Centre, Saket, New Delhi – 110 017  
CIN:L34300DL2005PLC139163  
e-mail: admn@shivamautotech.com  
website: www.shivamautotech.com  
Tel: +91 11 49242100 Fax: +91 11 49242116

**Sd/-**  
**Shivani Kakkar**  
**Company Secretary**  
**Membership No. A25097**

## BOARD'S REPORT

To  
 The Members,

Your Directors have the pleasure in presenting their 11<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2016.

### Financial Highlights

During the year under review, performance of your Company is as under:

(Rs. In Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Gross Sales & Other Income	44,785.80	47,005.58
<b>Profit before Depreciation and Interest</b>	<b>7079.68</b>	<b>8,329.40</b>
Depreciation	2784.75	2,745.27
Interest	2146.90	1,997.13
<b>Profit before Taxation</b>	<b>2148.03</b>	<b>3,587.00</b>
Provision for Taxation (Deferred & Current)	224.17	773.43
<b>Profit after Taxation</b>	<b>1923.86</b>	<b>2813.57</b>
Profit available for appropriations	1923.86	2813.57
<b>Appropriations</b>		
Amount transferred to General Reserve	300.00	300.00
Proposed Dividend on Equity Shares	400.00	450.00
Tax on Dividend	81.43	122.14
<b>Profit after Appropriations</b>	<b>1142.43</b>	<b>1791.42</b>

### State of Company's Affairs and Future Outlook

During the year under review, your Company has taken measures to enhance operational efficiencies by focusing on improving yields, reducing rejections and enhancing capacity utilisation.

The total sales of the Company have declined by 4.72% from Rs. 47,005.58 lacs in 2014-15 to Rs. 44785.80 lacs in 2015-16. Operating profit (PBDIT) of the company has declined by 15% from Rs. 8329.40 lacs in 2014-15 to Rs. 7079.68 lacs in 2015-16.

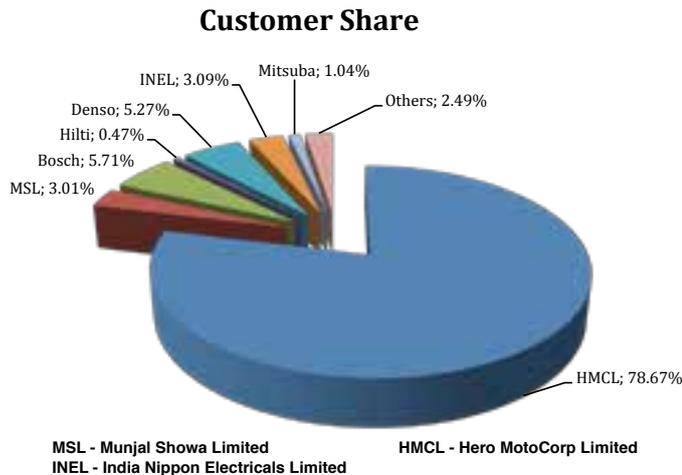
The Company is at the tail-end of the major expansion of setting up two major state of the art manufacturing facilities. Out of these two, Bengaluru plant has commenced operations in April 2016 while Rohtak plant is expected to go on stream in the last quarter of FY 16-17. The effect of these major capex will impact the profitability in FY 16-17. However, going forward these capex in new plants will widen Company's product portfolio, enhance further its capability as a niche auto components producer and start contributing substantially to the operation from FY17-18 and beyond.

### Business Overview

The Directors are pleased to inform that the production from the Bengaluru plant has already started in order to meet the ever-increasing demand of the Customers and to substitute the import of indigenised products. The Bengaluru plant of the Company is working towards the PM's Make in India deliberation as the production from this plant will help in import substitution of indigenised products. The Company is planning to make the Rohtak plant operational in H2 of FY 16-17.

Hero MotoCorp Limited (HMCL) is the major customer of the Company and continues to maintain its growth at a constant rate. Other customers of the Company like BOSCH, DENSO etc. have increased their sales/business share marginally as compared to last year. To cater to the requirements of the customers, the company is utilising its available resources to achieve a satisfactory growth rate. With the increase in growth rate of Customers, the Company is expecting to maintain a healthy growth in its scale of operations and widen its geographical reach. It is also expected to add new customers. There is pressure on the EBITDA margin, due to competitive pricing and increase in employees cost.

The customer share for the year ended March 31, 2016 is as follows:



### Awards & Accolades

The Company is proud recipient of the following Awards in the year 2015-16 as shown in Awards & Accolades Section:

1. Award for Supplier of the year by Mando Automotive India Pvt Limited.
2. Certificate of Supplier Quality awarded for fulfilling Quality Assurance Compliance by Hyundai Motor India Limited.
3. Certificate of Appreciation for superior performance in the field of Development by Maruti Suzuki India Limited.
4. Award for Outstanding performance in Quality by Denso India Limited.
5. Certificate of Appreciation for Outstanding Performance in the category of Quality by Denso India Limited.
6. Award for excellence in running SAP operations.

### Management Discussion and Analysis report

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

### Transfer to General Reserve

The Board proposes to transfer an amount of Rs.300 lacs to General Reserve. The balance amount of Rs. 11,846.25 lacs (Previous year Rs. 11,703.83 lacs) will be retained as surplus in the statement of Profit and Loss Account.

### Dividend

Your directors are pleased to recommend a final dividend of 20% i.e. Rs. 0.40 per equity share of the face value of Rs. 2/- each for the year ended March 31, 2016 which is provided for in the accounts absorbing a sum of Rs. 4 crore, if approved by the members in the ensuing Annual

General Meeting. Dividend will be tax free in the hands of shareholders, as the Company will bear the dividend distribution tax of Rs. 81.43 lacs (Previous year Rs. 122.14 lacs). The dividend paid during the previous year was 60% (Rs. 1.20 per share).

The Register of Members and Share Transfer Books will remain closed from Thursday, September 22, 2016 to Thursday, September 29, 2016 (both days inclusive).

### Share Capital

- (a) Issue of Bonus Shares: In the Board Meeting held on May 18, 2015, the Board has recommended Bonus Issue of Shares to the existing Equity Shares holders of the Company, in the proportion of 1(One) Equity Share for every 1 (One) Equity Share held by them, which was approved by the shareholders in the Annual General Meeting held on September 09, 2015.
- (b) The paid up Equity Share Capital as on March 31, 2016 was Rs. 20 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. And also the Company has not accepted or repaid any Debentures, Preference Share Capital and any Bond & Security during the financial year, and none of the Directors of the Company hold any shares or security of the Company. The Company does not have any Debentures, Preferential Shares as on March 31, 2016.
- (c) Your company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

### Extract of Annual Return

The extract of Annual Return, in format MGT-9, for the Financial Year 2015-16 is enclosed as **Annexure – C** to this report.

### Meeting of Board of Directors

A calendar of Meetings is prepared and circulated in advance to the Directors. During the Financial Year 2015-16, 6 (Six) meetings of the Board of Directors of the company were held on 18-May-2015, 04-Aug-2015, 9-Sep-2015, 16-Oct-2015, 02-Nov-2015 and 12-Feb-2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR, 2015"). For details of the meetings of the board, please refer to the Corporate Governance report, which forms part of this report.

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

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

### **Particulars of Contracts or Arrangements with Related Parties**

All contracts /arrangements/transactions entered by the Company during the financial year with the related parties were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any contracts /arrangements/transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

### **Statutory Auditors**

M/s. S. S. Kothari Mehta & Co., Chartered Accountants, existing Statutory Auditors' will retire at the conclusion of the ensuing Annual General Meeting and seek re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting.

The Company has received letters from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Board of Directors recommends to the shareholders the re-appointment of M/s. S.S. Kothari Mehta & Co. as Statutory Auditors of the Company for the financial year 2016-17.

### **Explanation to Auditors' Remarks**

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

### **Material Changes Affecting the Financial Position of the Company**

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

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

### **Significant or Material Orders passed by the Regulators**

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

### **Changes in the Nature of Business**

There is no change in the nature of the business of the Company during the Financial Year 2015-16.

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

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

### **Holding Company**

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

Your company continues to be a subsidiary company of DMIPL.

### **Subsidiary Companies, Joint Ventures Or Associate Companies**

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

### **Details of Directors and Key Managerial Personnel**

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

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

### **Declaration by Independent Director**

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

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

Your company has adequate internal control for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations. The internal controls are complemented, on an on-going basis, by an extensive program of internal audits being implemented throughout the year. The internal controls are designed to ensure

that the financial and other records of the company are reliable for preparing financial statement and other data for maintaining the accountability of assets in conformity with established accounting principles and that the assets of the company are adequately safe-guarded against any significant misuse or loss.

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

### Deposits

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

### Receipt of any commission by MD / WTD from a Company

Details of commission received by Mrs. Charu Munjal, Whole Time Director is as follows:

(Rs. in Lacs)

	Mrs. Charu Munjal, Whole Time Director
Commission	7.00

The details of Commission paid to Independent Directors forms the part of the Corporate Governance.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Satyender Kumar & Associates, a proprietorship firm of Company Secretaries to undertake the Secretarial Audit of the Company. Secretarial Audit Report in prescribed format MR-3 is annexed as **Annexure – E** to this Board's Report.

### Explanation to Secretarial Audit Report

The explanations to the observations / remarks / qualifications of the report of the Secretarial Auditor are as follows:

1. The process for Issuance of Duplicate Shares has been regularised by the Company during the FY 2016-17.
2. The Company was under an impression that the implementation has the meaning of initiation of process and not the completion.
3. The Company shall initiate the process for transfer of unclaimed shares to Unclaimed Suspense Account as per requirements of Regulation 39(4) read with Schedule VI of SEBI LODR, 2015 during the FY 2016-17.
4. The observation is self-explanatory.

### Corporate Social Responsibility (CSR) Policy

The Corporate Social Responsibility Committee comprise of the following members:

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

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

### Audit Committee

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

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

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

### Nomination and Remuneration Committee

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

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

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

### Risk Management Policy

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

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

## Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board's committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI LODR, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

## Separate Meeting of Independent Directors

In terms of requirements under Schedule IV of the Companies Act 2013 and SEBI LODR, 2015, a separate meeting of Independent Directors was held on March 31, 2016. In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

## Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the corporate governance report, which forms part of the Board's report.

## Disclosure on Establishment of a Vigil Mechanism

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

## Listing

The shares of your Company are listed at The National Stock Exchange of India Limited and The BSE Limited,

and pursuant to the SEBI LODR, 2015, the Annual Listing fees for the year 2015-16 have been paid to them well before the due date i.e. April 30, 2015. The Company has also paid the annual custodian fees for the year 2015-16 in respect of Shares held in dematerialized mode to National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

The Company has executed new Listing Agreement(s) with The National Stock Exchange of India Limited and The BSE Limited on February 12, 2016. The Company has complied with the requirements of Corporate Governance as stipulated under Clause 49 of the erstwhile Listing Agreements and those specified under the SEBI LODR, 2015 as applicable.

## Corporate Governance

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

A certificate from M/s Satyender Kumar & Associates, Company Secretaries regarding the compliance of the conditions of Corporate Governance by the Company stipulated under SEBI LODR, 2015 is also attached to this Report.

Separate detailed chapters on Corporate Governance, Additional Shareholder information and Management Discussion and Analysis are attached herewith and form part of this Report Declaration by CEO/CFO that the Board Members and Senior Management Personnel have complied with the Code of Conduct for the Financial Year 2015-16 is attached to this report.

## Managerial Remuneration

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure - G** to this Report.

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

Your Company is committed to provide work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company has adopted the policy for prevention of sexual harassment at workplace. An appropriate complaint mechanism in the form of "Complaints Committee" has been created in the Company for time-bound redressal of the complaint made by the victim.

## Directors' Responsibility Statement

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

- (i) That in preparation of accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to the material departures;
- (ii) That the directors' of the company have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profits of the Company for the financial year ended March 31, 2016;
- (iii) That the directors' of the company have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) That the directors' of the company have prepared the annual accounts on a going concern basis.
- (v) That the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Environment, Health & Safety

The Company is very keen on its responsibilities with respect to the clean environment. Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees.

The Company regularly conducts counselling and safety review meetings for the employees to appraise and educate them on the adoption of safety measures and avoidance of unsafe practices. Safe operating procedures, standards and systems have been laid down at all manufacturing locations. Prompt medical assistances is provided to its employees. The Company has an internal plant dispensary which operates round the clock and is managed by the qualified doctors supported by staff who are available for addressing health issues of employees.

## Human Resource Development

The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential. The Company believes that its human capital is the most valuable asset that helps it remain competitive. The Company's policy not only meets all applicable statutory requirements but also focuses on motivation, learning and training of employees. Human resources being one of the most important factors of production, the Company is initiating measures towards competence and overall development of people at all levels to be future ready. The Company arranges training sessions for its employees to empower and upgrade them to achieve business motives and help them build their career.

The Company encourages long-term commitment by rewarding its people for the opportunities they create through KAIZEN activities and the value generated for customers and shareholders. The Company's progressive workforce policies and benefits, various employee engagement and welfare initiatives program, have addressed stress management, promoted work life balance and helped the Company maintain a low attrition rate. The Directors are pleased to record their appreciation for the services rendered by the employees and staff at all levels.

## Policies

The SEBI LODR, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website [www.shivamautotech.com](http://www.shivamautotech.com).

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

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

### **Acknowledgments**

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

**For and on behalf of the Board**

**Sd/-**  
**Neeraj Munjal**  
**Managing Director**  
**DIN: 00037792**

**For and on behalf of the Board**

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

**Place: Bengaluru**  
**Date: August 13, 2016**

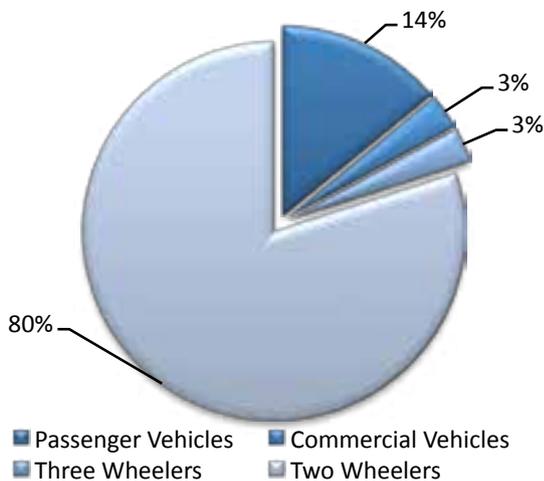
## ANNEXURE 'A' TO BOARD'S REPORT

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian automobile market can be divided into several segments viz., two-wheelers (motorcycles, geared and ungeared scooters and mopeds), three wheelers, commercial vehicles (light, medium and heavy), passenger cars, utility vehicles (UVs) and tractors. India is the 2nd largest two wheeler market in the world. Over the past few years the two wheeler industry has witnessed healthy growth scenario primarily driven by strong demand from urban as well as rural areas owing to healthy economic scenario.

#### Domestic Market Share for 2015-16



#### OPPORTUNITIES AND THREATS

The underpenetrated rural market will be the key growth driver for the two wheeler industry due to low penetration. Scooter sales are likely to grow at a higher rate than motorcycles over the next five years due to changing consumer preferences.

The Indian two-wheeler industry swung wildly in last 2-3 years. Domestic two wheelers sales growth was slow in 2015-16. While motorcycle sales will remain sluggish due to weak rural demand, scooter sales growth is likely to moderate to low double digits. Two wheeler sales are expected to recover in 2016-17 led by a recovery in motorcycle sales while scooters sales are expected to maintain growth momentum.

Export growth is likely to moderate due to currency issues in key export markets(Africa and Latin America) fuelled by low crude prices. However, long term growth will be driven by factors such as low motorcycle penetration, rising per capita GDP and poor public transport system in key export markets and expansion of global footprint by two wheeler players.

#### SEGMENT WISE PERFORMANCE

Growing population in urban areas also created the need for public transport infrastructure for regular commuting and thereby pushing the demand for low cost and fuel efficient two wheelers.

#### Production

As per the data from Society of Indian Automobile Manufacturers, the industry produced a total 23,960,940 vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadri-cycle in April-March 2016 as against 23,358,047 in April-March 2015, registering a marginal growth of 2.58 percent over the same period last year.

#### Domestic Sales

The sales of Passenger Vehicles grew by 7.24 percent in April-March 2016 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 7.87 percent, 6.25 percent and 3.58 percent respectively during April-March 2016 over the same period last year.

The overall Commercial Vehicles segment registered a growth of 11.51 percent in April-March 2016 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered a growth at 29.91 percent and Light Commercial Vehicles grew marginally by 0.30 percent during April-March 2016 over the same period last year.

Three Wheelers sales grew by 1.03 percent in April-March 2016 over the same period last year. Passenger Carrier sales grew by 2.11 per cent & Goods Carrier sales declined by (-) 3.62 percent respectively in April-March 2016 over April-March 2015.

Two Wheelers sales registered a growth at 3.01 percent during April-March 2016 over April-March 2015. Within the Two Wheelers segment, Scooters grew by 11.79 percent while Motorcycles and Mopeds dropped by (-) 0.24 percent and (-) 3.32 percent respectively in April-March 2016 over April-March 2015.

#### Exports

In April-March 2016, overall automobile exports grew by 1.91 percent. Passenger Vehicles, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 5.24 percent, 16.97 percent (-) 0.78 percent and 0.97 percent respectively in April-March 2016 over April-March 2015.

The Indian two-wheeler industry is estimated to be worth around Rs 820 billion in 2015-16, with total sales volumes of

about 19 million units. Hero MotoCorp continues as market leader, with a stronghold in the motorcycles segment. As of 2015-16, the motorcycles segment accounted for about 65% of overall two-wheeler sales. Hero MotoCorp continues to be the leader in this segment, with a market share of around 52.4%.

Scooter sales volume grew 11.8% y-o-y in 2015-16, however moderated over ~25% y-o-y growth in the past two years. Moped sales dropped by 3.3% due to continued weak rural demand, especially in South India, where they are sold in large numbers.

## OUTLOOK

Demand is linked to economic growth and rise in income levels. Per capita penetration at around nine cars per thousand people is among the lowest in the world.

While the industry is highly capital intensive in nature in case of four-wheelers, capital intensity is a lot less for two-wheelers. Though three-wheelers and tractors have low barriers to entry in terms of technology, four wheelers is technology intensive. Costs involved in branding, distribution network and spare parts availability increase entry barriers. With the Indian market moving towards complying with global standards, capital expenditure will rise to take into account future safety regulations.

Indian Two-Wheeler Industry will attract foreign investors and will be creating further growth opportunities in the coming years.

There are expectations of increased focus on reforms and ramp up in infrastructure. Thus, government spending on infrastructure in roads and airports and higher GDP growth in the future will benefit the auto sector in general.

## RISKS AND CONCERNS

Competition in the two-wheeler industry has intensified across segments over the past few years. Factors such as aggressive capacity additions, expansion of dealership network and model launches at competitive price points have contributed to the rising competition.

Change in consumer preferences towards premium products will help boost realisations in 2016-17. Expansion plans and wage hikes will increase employee cost.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In the Union Budget 2016-17, customs as well excise duties on two-wheelers remained unchanged.

Indian two-wheeler manufacturers are increasing their focus on research & development (R&D), as more foreign manufacturers enter India. Henceforth, developments such as the introduction of advanced emission norms, tax incentives and a greater reluctance on part of foreign players to share technology will drive Indian two-wheeler manufacturers to increasingly invest in R&D activities.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Rising competition and model launches will increase selling and distribution expenses. EBITDA margins are still expected to increase over the next 2 years owing to decline in raw material costs.

Margins to remain flat with marginal decline in raw material index expected to offset a decline in utilization. Utilisation rates are declined in 2015-16 as demand remained subdued. Utilisation rates are expected to further decline in 2016-17 as the growth in capacities is likely to outpace growth in production.

## CAUTIONARY STATEMENT

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

For and on behalf of the Board

Sd/-  
Neeraj Munjal  
Managing Director  
DIN: 00037792

Place: Bengaluru  
Date: August 13, 2016

For and on behalf of the Board

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

## **ANNEXURE 'B' TO BOARD'S REPORT REPORT ON CORPORATE GOVERNANCE**

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

### **A. MANDATORY REQUIREMENTS**

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

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

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a code of conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a code of conduct for its non-executive directors and independent directors. These codes are available on the Company's website.

Pursuant to SEBI LODR, 2015, your Company has executed new Listing Agreements with the Stock Exchanges. The Company has complied with the requirements of Corporate Governance as stipulated under Clause 49 of the erstwhile Listing Agreements and those specified under the SEBI LODR, 2015, as applicable, the details of which are as under:

#### **2. BOARD OF DIRECTORS**

##### **(a) Composition of the Board**

The strength of the Board as on March 31, 2016, is 7 (Seven) directors. The Chairman of the Board is a Non-Executive Director. The Board comprises of Non-Executive Chairman, a Managing Director, two Whole-time Directors and three other Independent Directors.

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

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

##### **(b) Board / Committee Meetings and procedure**

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

During the Financial Year 2015-16, 6 (Six) meetings of the Board of Directors were held on 18-May-2015, 04-Aug-2015, 9-Sep-2015, 16-Oct-2015, 02-Nov-2015 and 12-Feb-2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI LODR, 2015.

The information as required under Schedule II of the SEBI LODR, 2015 is made available to the Board of Directors. Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions.

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

Name of Directors	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Sunil Kant Munjal	6	4	Yes
Mr. Neeraj Munjal	6	6	Yes
Mrs. Charu Munjal	6	6	Yes
Mr. Bhagwan Dass Narang	6	6	Yes
Mr. Surrinder Lal Kapur	6	6	Yes
Dr. Vinayshil Gautam	6	6	Yes
Dr. Anil Kumar Gupta	6	6	Yes

**(c) Number of other Companies or Committees the Director is a Director / Member / Chairman**

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

Name	Category	No. of Directorships in listed entities including this listed entity	No. of Committee Memberships in Audit/ Stakeholder Committee including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entity including this listed entity
Mr. Sunil Kant Munjal <i>Chairman</i>	Independent	3	1	-
Mr. Neeraj Munjal <i>Managing Director</i>	Executive	1	1	-
Mrs. Charu Munjal <i>Executive Director</i>	Executive	2	-	-
Dr. Anil Kumar Gupta <i>Director - Technical</i>	Executive	1	2	-
Mr. Bhagwan Dass Narang	Independent	3	2	1
Mr. Surrinder Lal Kapur	Independent	3	5	2
Dr. Vinayshil Gautam	Independent	1	2	0

None of the Independent Directors hold any shares (as own or on behalf of other person on beneficial basis) in the Company.

Notes:

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

**(d) Re - Appointment of Directors**

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

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

**(e) Performance Evaluation of Board Members**

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

#### (f) Availability of Information to Board Members

The Board has unrestricted access to all Company-related information including that of our employees. At Board meetings, managers and representatives who can provide additional insights on the items being discussed are invited. Regular updates provided to the Board include:

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

#### (g) Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held on 31-Mar-2016.

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

### 3. AUDIT COMMITTEE

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

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

The Audit Committee comprises mainly of Independent Directors and the composition is compatible with the SEBI LODR, 2015. During the Financial Year 2015-16, 4 (four) meetings of the Audit Committee were held on 18-May-2015, 04-Aug-2015, 02-Nov-2015 and 12-Feb-2016.

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

The Company Secretary acts as the Secretary of the Committee.

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

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

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

#### **(b) Terms of Reference**

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

- (i) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditors.
- (ii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examining the financial statements and the auditors' report thereon;
- (iv) Considering with the management approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutinizing inter-corporate loans and investments;
- (vi) Considering valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluating internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters.
- (ix) Reviewing Foreign Exchange Exposure of the Company.
- (x) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (xi) Discussion with internal auditors any significant findings and follow up thereon.
- (xii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- (xiii) Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013 are:
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgement by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.

#### **4. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

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

During the Financial Year 2015-16, 4 (four) meetings of the Stakeholders' Relationship Committee were held on 18-May-2015, 04-Aug-2015, 02-Nov-2015 and 12-Feb-2016.

The composition of the Stakeholders' Relationship Committee is as follows:

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

### Scope of the Committee

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

### Compliance Officer

Ms. Shivani Kakkar - Company Secretary

Details of shareholders' complaints received during the FY 2015-16 and their status are as follows:

	Nature of Complaint / Query	Total Received	Total Replied / Resolved	Pending
1.	Inquiry pertaining to non receipt of shares after transfer	7	7	-
2.	Request for issue of duplicate share certificates	1	1	-
3.	Non receipt of dividend / Revalidation of dividend warrants	10	10	-
4.	Communication relating to Transfer / Transmission / Name Deletion / Demat of Shares	0	0	-
5.	Miscellaneous i.e. Credit of Shares in Demat A/c's, non receipt of Annual Report, Change of Address, Bank Details, etc.	7	7	-

## 5. NOMINATION AND REMUNERATION COMMITTEE

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

### (a) Terms of Reference

The Nomination and Remuneration Committee reviews and recommends the payment of annual salaries, commission and other employment conditions of Executive Directors to the Board for approval. The Committee takes into consideration performance parameters, growth in business as well as profitability and practices prevailing in the similar industry, while fixing appropriate remuneration packages.

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

The Nomination and Remuneration Committee comprises mainly of Independent Directors. During the Financial Year 2015-16, 2 (two) meetings of the Nomination and Remuneration Committee were held on 18-May-2015 and 12-Feb-2016.

The composition of the Nomination and Remuneration Committee is as follows:

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

### (c) Remuneration Policy

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

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

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

### Details of Remuneration Paid to Managing Director & Executive Directors

(Rs. in Lacs)

Executive Director(s)	Salary	Commission	Perquisites & Allowances	Contribution to PF Fund	Total
Mr. Neeraj Munjal	47.35	-	64.35	7.72	119.64
Mrs. Charu Munjal	26.00	7.00	23.40	3.12	59.52
Dr. Anil Kumar Gupta	22.18	-	23.26	2.58	56.30

### Notes:

- The agreement between the Company and the Managing Director is for a period of five years. Either party is entitled to terminate the Agreement by giving not less than 180 days' notice in writing to the other party.
- \*Commission is payable @2.00% of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.
- Presently, the Company does not have Stock Option Scheme.

### Details of Remuneration Paid to Non-Executive Directors

(Rs.)

Name of Non-Executive Directors	Sitting fees				Total
	Board Meeting	Committee Meeting	Independent Director's Meeting	Commission	
Mr. Sunil Kant Munjal	120,000	120,000		-	240,000
Mr. Bhagwan Dass Narang	180,000	420,000	30,000	233,333	863,333
Mr. Surrinder Lal Kapur	180,000	420,000	30,000	233,333	863,333
Dr. Vinayshil Gautam	180,000	420,000	30,000	233,334	863,334

### (d) Performance Evaluation Criteria for Independent Directors:

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

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been constituted according to Section 135 of the Companies Act, 2013. CSR committee has met 4 (four) times during the financial year 2015-16 on the following dates: 18-May-2015, 04-Aug-2015, 02-Nov-2015 and 12-Feb-2016.

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

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

### (a) Terms of Reference

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

## 7. RISK MANAGEMENT COMMITTEE

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

### (a) Terms of Reference

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

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

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

During the financial year 2015-16, 4 (four) meeting of the Risk Management Committee were held on 18-May-2015, 04-Aug-2015, 02-Nov-2015 and 12-Feb-2016. The composition of the Risk Management Committee and details of the meetings attended by its members are given below:

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

## 8. RELATED PARTY TRANSACTIONS (RPT)

All transactions entered into with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR), 2015, during the financial year under review were in the ordinary course of business and on arm's length pricing basis. All RPTs are referred to the Audit Committee for its approval at the scheduled quarterly meetings or as may be called upon from time to time alongwith the relevant and stipulated information of such transaction(s).

## 9. GENERAL BODY MEETINGS

### Annual General Meeting

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

Year	Type	Date	Venue	Time	Whether Special resolution passed in previous AGM
2012-13	AGM	24.09.2013	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110030	11.00 A.M.	<b>YES</b> Payment of commission not exceeding in the aggregate, 0.30% per annum of the company's net profit or Rs. 8.00 Lacs, whichever is minimum, to the non-executive directors of the Company as may be decided by the Board of Directors from time to time, for a period of 5 years commencing from April 01, 2013.
2013-14	AGM	29.09.2014	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110030	11.30 A.M.	<b>YES</b> 1. Modification in the terms of appointment of Mrs. Charu Munjal (DIN 03094545), Whole-time Director. 2. Modification in the terms of appointment of Dr. Anil Kumar Gupta (DIN 02643623), Whole-time Director. 3. Alteration of Memorandum of Association of the Company. 4. Alteration of Articles of Association 5. Borrowing in excess of the paid-up capital and free reserves upto limit of Rs. 300 Crores
2014-15	AGM	09.09.2015	Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road New Delhi-110030	11.30 A.M.	<b>YES</b> 1. Amendment of incidental object clause of Memorandum of Association of the Company 2. Deletion of other object clause of Memorandum of Association of the Company 3. Amendment of liability clause IV of Memorandum of Association of the Company 4. Increase in Authorised Share Capital and alteration of Memorandum of Association of the Company 5. Adoption of new set of Articles of Association of the Company in accordance with the provisions of the Companies Act 2013 6. Issuance of Bonus Shares

## 10. DISCLOSURES

- a) All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI LODR, 2015 during the Financial Year 2015-16 were in the ordinary course of business and on arm's length pricing basis and do not attract provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the Financial Year which were in conflict with the interest of Company. Suitable disclosures as required by accounting standard (AS 18) have been made in the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company's website link <http://www.shivamautotech.com>.
- b) The Company has complied with the requirements of the Stock Exchanges/ SEBI and Statutory Authorities on all matters related to the capital markets during the last three years except for the delay in submission of Shareholding Pattern pursuant to Regulation 31 of SEBI LODR, 2015 for the quarter ended March 31, 2016.
- c) The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of the SEBI LODR, 2015 for Directors and Employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been put up on the website of the Company on the link <http://www.shivamautotech.com>.
- d) The Company has complied with the mandatory and discretionary requirements specified in SEBI LODR, 2015 relating to Corporate Governance.
- e) The Company does not have any material subsidiary nor does the company is exposed to the commodity price risks and commodities hedging activities.

## 11. MEANS OF COMMUNICATION

- a) The Quarterly and Annual Financial Results of the Company are uploaded in NSE Electronic Application Processing System (NEAPS) and BSE Listing in accordance with the SEBI Listing Regulations. The quarterly results are published in widely circulating national and local newspapers such as The Economic Times, Business Standard, in English and Navbharat Times, in Hindi.
- b) The Company's results are displayed on the Company's website i.e. [www.shivamautotech.com](http://www.shivamautotech.com). The website also displays the Distribution Schedule and Shareholding Pattern pursuant to Regulation 31 of the SEBI (LODR) Regulations, 2015.

## 12. GENERAL SHAREHOLDER INFORMATION

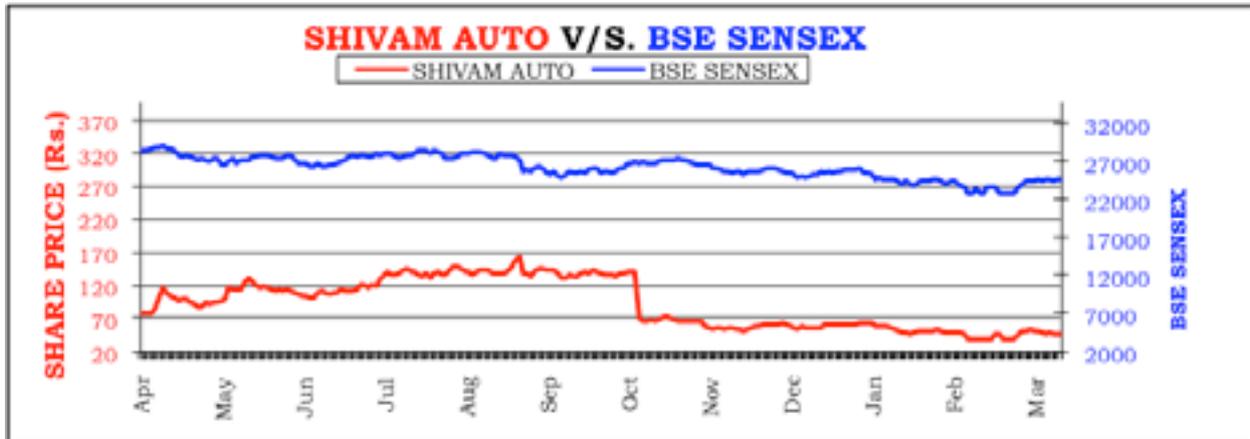
<b>Annual General Meeting</b>	
Date : September 29, 2016                      Venue : Tivoli Garden Resort, Day : Thursday    Near Chattarpur Mandir, Time : 11:30 A.M.    Chattarpur Road, New Delhi – 110030.	
<b>Financial Year Calander for FY 2016-17</b>	Financial Year - April 1 to March 31 i) First Quarter Results – on or before August 14, 2016 ii) Second Quarter Results – on or before November 14, 2016 iii) Third Quarter Results – on or before February 14, 2017 iv) Fourth Quarter Results – on or before May 30, 2017 v) Audited Results for the year ended March 31, 2017 – on or before May 30, 2017
<b>Dates of Book Closure</b>	Thursday, September 22, 2016 to Thursday, September 29, 2016 (both days inclusive)

<b>Annual General Meeting</b>	
<b>Dividend Payment Dates</b>	Within 30 days of AGM
<b>Listing on Stock Exchanges</b>	The BSE Limited The National Stock Exchange of India Limited  The Annual Listing Fees for 2015-2016 have been paid to both the Stock Exchanges.
<b>Stock Code</b>  <b>Demat ISIN Number for NSDL and CDSL</b>	532776 – The Stock Exchange, Mumbai SHIVAMAUTO – The National Stock Exchange  INE 637H01024
<b>Unclaimed Dividend</b>	As provided in Section 124 and 125 of the Companies Act, 2013, dividend for the financial year ended March 31, 2009 and thereafter, which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, and no payments shall be made in respect of any such claims by the (IEPF).  The amount of unclaimed dividend of Rs. 256,572/- shall be transferred to IEPF by December 5, 2016.
<b>Postal Ballot</b>	No special resolution has been passed through the exercise of postal ballot last year.

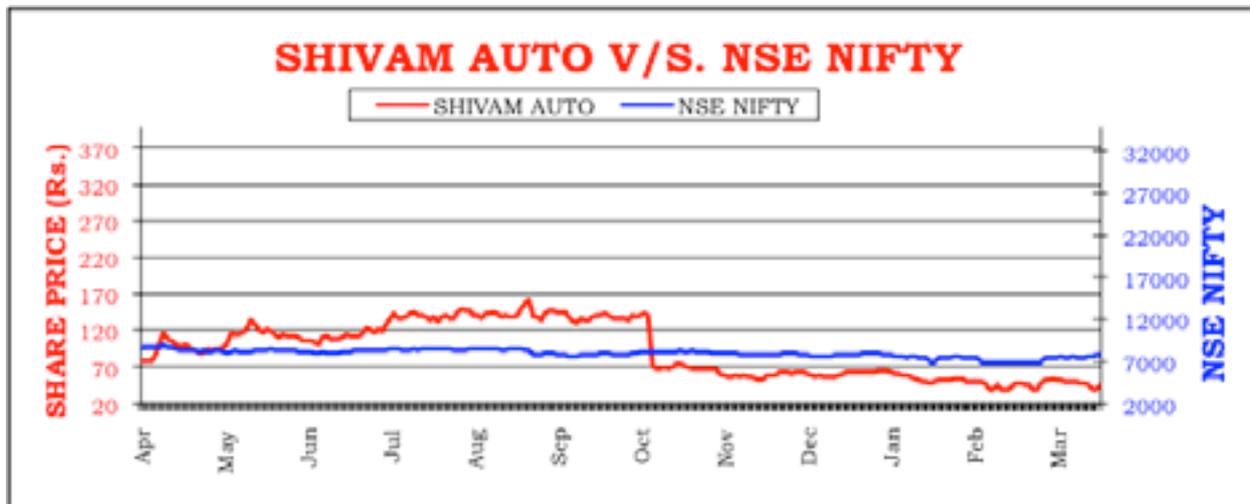
#### MARKET PRICE DATA

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

Month	BSE LTD					National Stock Exchange (NSE)				
	High (Rs.)	Date	Low (Rs.)	Date	Monthly Volume	High (Rs.)	Date	Low (Rs.)	Date	Monthly Volume
Apr' 2015	122.00	13-04-15	75.95	01-04-15	44,135	122.15	13-04-15	75.00	01-04-15	63,335
May' 2015	134.95	19-05-15	93.20	04-05-15	30,830	134.75	18-05-15	93.05	04-05-15	76,962
Jun' 2015	126.10	26-06-15	101.50	09-06-15	10,718	126.45	26-06-15	101.10	09-06-15	38,913
Jul' 2015	154.70	29-07-15	120.10	01-07-15	17,845	154.75	29-07-15	118.50	01-07-15	68,072
Aug' 2015	169.50	20-08-15	123.00	25-08-15	19,678	169.40	20-08-15	125.35	25-08-15	53,812
Sep' 2015	149.00	15-09-15	126.50	08-09-15	5,385	150.00	01-09-15	125.50	08-09-15	22,511
Oct' 2015	144.40	07-10-15	65.55	12-10-15	3,862	144.40	07-10-15	65.55	12-10-15	12,231
Nov' 2015	67.40	02-11-15	52.00	19-11-15	7,907	69.50	02-11-15	52.50	19-11-15	24,083
Dec' 2015	65.20	03-12-15	55.00	10-12-15	8,487	64.95	01-12-15	55.05	10-12-15	20,550
Jan' 2016	68.50	04-01-16	48.00	20-01-16	4,875	68.40	04-01-16	48.05	20-01-16	15,639
Feb' 2016	55.50	02-02-16	39.70	12-02-16	5,448	56.00	01-02-16	39.55	12-02-16	14,791
Mar' 2016	57.00	08-03-16	41.55	23-03-16	7,000	56.25	08-03-16	41.35	23-03-16	23,984



YEAR 2015-16



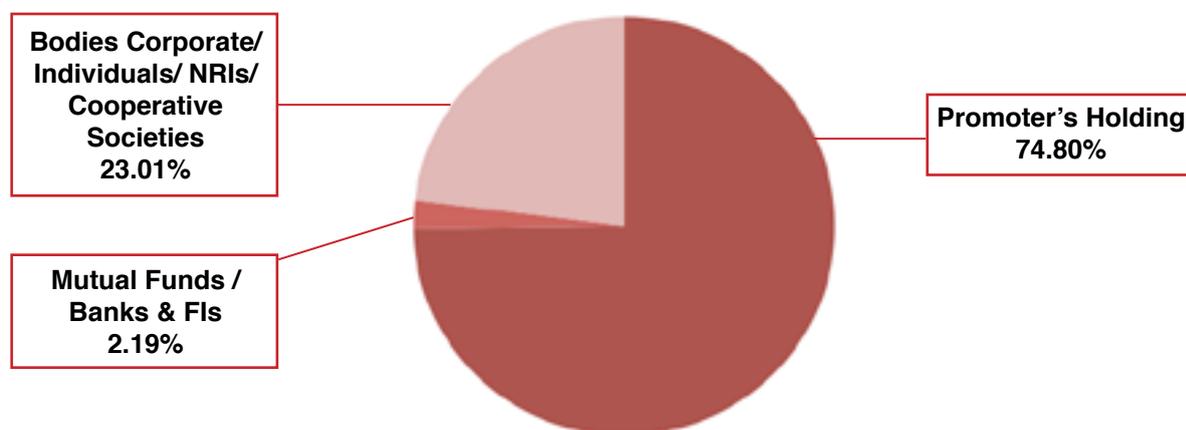
YEAR 2015-16

**Distribution of Shareholding as on March 31, 2016**

No. of shares held	No. of shareholders		No. of shares	
	Numbers	%	Numbers	%
Up to 500	8,856.0	66.21%	2,051,628	2.05%
501 – 1000	1,975.0	14.77%	1,788,573	1.79%
1001 – 2000	988.0	7.39%	1,603,925	1.60%
2001 – 3000	603.0	4.51%	1,551,777	1.55%
3001 – 4000	182.0	1.36%	676,372	0.68%
4001 – 5000	295.0	2.21%	1,450,200	1.45%
5001 – 10000	233.0	1.74%	1,806,631	1.81%
10001 – 50000	207.0	1.55%	4,190,155	4.19%
50001 – 100000	18.0	0.13%	1,341,371	1.34%
100001 & above	19.0	0.14%	83,539,368	83.54%
<b>Total</b>	<b>13,376</b>	<b>100.00%</b>	<b>100,000,000</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2016**

Categories	No. of Holders	No. of shares held	% of shareholding
<b>PROMOTER HOLDING</b>			
Dayanand Munjal Investments Pvt Ltd	1	74,795,590	74.80
<b>Total Promoter Holding</b>	<b>1</b>	<b>74,795,950</b>	<b>74.80</b>
<b>PUBLIC HOLDING</b>			
Institutions			
Mutual Funds	7	2,187,876	2.19
Banks, FI & FII	7	55,020	0.06
Foreign Portfolio Investors	1	384,413	0.38
<b>Sub Total</b>	<b>15</b>	<b>2,627,309</b>	<b>2.63</b>
Non Institutions			
Individuals	12,741	20,574,853	20.57
Others:			
Other Corporate Bodies	421	1,533,598	1.53
NRIs	197	442,290	0.44
Cooperative Societies	1	26,000	0.03
<b>Sub Total</b>	<b>13,360</b>	<b>22,576,741</b>	<b>22.58</b>
<b>Total Public Holding</b>	<b>13,375</b>	<b>25,204,050</b>	<b>25.20</b>
<b>Grand Total</b>	<b>13,376</b>	<b>100,000,000</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2016**

**Secretarial Audit**

- M/s Satyender Kumar & Associates, Company Secretaries have conducted a Secretarial Audit of the Company for the year 2015-16. Their Audit Report (except observations, remarks, qualifications as stated in the report) confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, Listing Agreements with the Stock Exchanges, applicable SEBI LODR, 2015 and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Clause 47 of Listing Agreement / Regulation 40(9) of the SEBI LODR, 2015, certificates have been issued on a half-yearly basis, by M/s Satyender Kumar & Associates, Company Secretaries, certifying due compliance of share transfer formalities by the Company.
- M/s Satyender Kumar & Associates, Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

## Dematerialisation of Shares and Liquidity

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

The Company has arrangements with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. As on March 31, 2016, 97.09% of the total Equity Capital is held in the demat form with NSDL and CDSL.

### Physical and Demat Shares:

	As on 31/03/2016	%
No. of Shares held by NSDL	90,722,996	90.72
No. of Shares held by CDSL	6,369,379	6.37
Physical Shares	2,907,625	2.91
<b>TOTAL</b>	<b>100,000,000</b>	<b>100.00</b>

### Physical and Demat Shares:

<b>Registrar and Transfer Agents</b>	<b>MCS Share Transfer Agent Limited</b> F-65, 1st Floor, Phase-I, Okhla Industrial Area, New Delhi-110 020 (T) 011-41406149-52 (F) 011-41709881(E)admin@mcsregistrars.com
<b>Share Transfer System</b>	All the transfers received are processed by the Registrar and Transfer Agents and are approved by the Company Secretary pursuant to the authority given for effecting such transfers and noted in the meeting of Stakeholders Relationship Committee. Share Transfers are registered and returned within the prescribed period if documents are complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in dematerialised form.
<b>Unclaimed Shares</b>	There are 1527 share certificates lying unclaimed with the Company relating to split of shares/ Bonus issue. The shareholders are requested to claim their shares from the company.
<b>Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity</b>	Not Issued
<b>Plant Locations with address</b>	I. <b>Binola Plant</b> – 58 Km Stone, Delhi - Jaipur Highway, Village - Binola, Gurgaon – 122413, Haryana. II. <b>Haridwar Plant</b> – Plot No. 3, Industrial Park 2, Phase I, Village Salempur, Tehsil Mehdood, Haridwar, Uttarakhand III. <b>Manesar Plant</b> – Plot No.- 1, Sector-5, IMT Manesar, Gurgaon- 122050 Haryana. IV. <b>Bengaluru Plant</b> – Plot No. 98, Vemagal Industrial Area, Kolar – 563101, Karnataka. V. <b>Rohtak Plant</b> – Plot No. 9, Sector-30A, IMT Rohtak, District: Rohtak -124001, Haryana.
<b>Address for correspondence</b>	Ms. Shivani Kakkar Company Secretary 303, 3rd Floor, Square One, District Centre, Saket, New Delhi - 110017 Tel. No.: 011-49242100 E-mail: shivani@shivamautotech.com

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

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

### B. NON-MANDATORY REQUIREMENTS

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

## Annexure - C

Form No. MGT-9

**Extract of Annual Return as on the financial year ended on March 31, 2016**

*[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]*

### I. REGISTRATION AND OTHER DETAILS

- |  |  |
|--|--|
| i) CIN:-   | L34300DL2005PLC139163  |
| ii) Registration Date:   | 29-Jul-2005  |
| iii) Name of the Company:  | Shivam Autotech Limited  |
| iv) Category/Sub-Category of the Company:  | Public Company Limited by Shares/Indian Non-Government Company   |
| v) Address of the Registered Office and Contact Details:                         | 303, 3rd Floor, Square One,<br>District Centre, Saket,<br>New Delhi – 110017<br>Tel: 011-49242100<br>Fax: 011-49242116<br>Email: admn@shivamautotech.com                                 |
| vi) Whether listed Company:  | Yes  |
| vii) Name, Address and contact details of Registrar and Transfer Agents, if any: | MCS Share Transfer Agent Limited<br>F-65, 1st Floor, Phase-I,<br>Okhla Industrial Area,<br>New Delhi-110 020<br>Tel: 011-41406149-52<br>Fax No: 011-41709881<br>E-mail: admin@mcsdel.com |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No	Name and description of main products/ services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Motor Cycle Parts	29301	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dayanand Munjal Investments Private Limited. G.T. Road, Hero Nagar, Ludhiana	U67120PB1979PTC004038	Holding	74.8%	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break Up as Percentage of Total Equity)**
**i) Category –wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year as on March 31, 2015				No of shares held at the end of the year as on March 31, 2016				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
(a) Individual/HUF									
(b) Central Govt									
(c) State Govt (s)									
(d) Bodies Corp.	37397975	0	37397975	74.80%	74795950		74795950	74.80%	0.00%
(e) Banks/FI									
(f) Any Other									
<b>Sub Total (A) (1):-</b>	<b>37397975</b>	<b>0</b>	<b>37397975</b>	<b>74.80%</b>	<b>74795950</b>		<b>74795950</b>	<b>74.80%</b>	<b>0.00%</b>
(2) Foreign									
(a) NRIs- Individuals									
(b) Other- Individuals									
(c) Bodies Corp.									
(d) Banks/FI									
(e) Any Other									
<b>Sub Total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>37397975</b>		<b>37397975</b>	<b>74.80%</b>	<b>74795950</b>		<b>74795950</b>	<b>74.80%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	216686	1750	218436	0.44%	2184376	3500	2187876	2.19%	1.75%
(b) Banks/FI	7760	24455	32215	0.06%	6110	48910	55020	0.06%	0.00%
(c) Central Govt (s)									
(d) State Govt (s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FII's									
(h) Foreign Venture Capital Funds									
(i) Others (Specify) • Foreign Portfolio Investors					384413	0	384413	0.38%	0.38%
<b>Sub total (B) (1):-</b>	<b>224446</b>	<b>26205</b>	<b>250651</b>	<b>0.50%</b>	<b>2574899</b>	<b>52410</b>	<b>2627309</b>	<b>2.63%</b>	<b>2.13%</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	1640722	38250	1678972	3.36%	1457098	76500	1533598	1.53%	-1.83%
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	5705579	1416430	7122009	14.24%	10700044	2663715	13363759	13.36%	-0.88%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3301131	0	3301131	6.60%	7211094	0	7211094	7.21%	0.61%

Category of Shareholders	No of Shares held at the beginning of the year as on March 31, 2015				No of shares held at the end of the year as on March 31, 2016				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of total shares	
(c) Others (Specify)									
Cooperative Societies	13000	0	13000	0.03%	26000	0	26000	0.03%	0.00%
Non Resident Individual	175512	60750	236262	0.47%	327290	115000	442290	0.44%	-0.03%
<b>Sub total (B) (2) :-</b>	<b>10835944</b>	<b>1515430</b>	<b>12351374</b>	<b>24.70%</b>	<b>19721526</b>	<b>2855215</b>	<b>22576741</b>	<b>22.58%</b>	<b>-2.12%</b>
<b>Total Public Shareholding (B)= (B) (1) + (B) (2)</b>	<b>11060390</b>	<b>1541635</b>	<b>12602025</b>	<b>25.20%</b>	<b>22296425</b>	<b>2907625</b>	<b>25204050</b>	<b>25.20%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Grand Total (A+ B+C)</b>	<b>48458365</b>	<b>1541635</b>	<b>50000000</b>	<b>100.00%</b>	<b>97092375</b>	<b>2907625</b>	<b>100000000</b>	<b>100.00%</b>	<b>0.00%</b>

### (ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	No of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	
1.	Dayanand Munjal Investments Private Limited.	37397975	74.80%	0	74795950	74.80%	0	0
	<b>Total</b>	<b>37397975</b>	<b>74.80%</b>	<b>0</b>	<b>74795950</b>	<b>74.80%</b>	<b>0</b>	<b>0</b>

### (iii) Change in Promoters' Shareholding (Please Specify, if there is no change)

Sl. No		Shareholding at the beginning of the year		Cummulative Shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	At the beginning of the year	3,73,97,975	74.80%	3,73,97,975	74.80%
	Date Wise Increase/Decrease in Promoters shareholding during the year Specifying the reasons for Increase/Decrease (e.g. Allotment/transfer/bonus/sweat equity etc)	As on October 16, 2015, the Company has issued Bonus Shares in the ratio of 1:1 resulting in increasing the no. of shares from 3,73,97,975 equity shares to 7,47,95,950 equity shares.			
	At the end of the year	7,47,95,950	74.80%	7,47,95,950	74.80%

**(iv) Shareholding pattern of top ten shareholders (Other than Directors, promoters and Holders of GDRs and ADRs):-**

S.No	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-15 to 31-03-16)	
			No of Shares at the Beginning (31-03-15) / end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
1	IN30005410076630	DSP BLACKROCK 3 YEARS CLOSE ENDED EQUITY FUND	-	-	31/03/2015				
					17/04/2015	-	Purchase	569,956	0.57
					24/04/2015	9,159	Purchase	579,115	0.58
					01/05/2015	107,613	Purchase	686,728	0.69
					31/07/2015	63,402	Purchase	750,130	0.75
					14/08/2015	159,642	Purchase	909,772	0.91
					06/11/2015	909,772	Bonus	1,819,544	1.82
		1,819,544	1.82	31/03/2016					
2.	1203760000210771	ANIL KUMAR GOEL	925,200	0.93	31/03/2015				
					10/04/2015	(25,200)	Sale	900,000	0.90
					06/11/2015	900,000	Bonus	1,800,000	1.80
			1,800,000	1.80	31/03/2016				
3.	IN30246110029333	RAJAN VASUDEV DAPKI	853,800	0.85	31/03/2015				
					10/04/2015	(18,800)	Sale	835,000	0.84
					17/04/2015	(15,000)	Sale	820,000	0.82
					08/05/2015	(30,000)	Sale	790,000	0.79
					15/05/2015	(50,000)	Sale	740,000	0.74
					26/06/2015	(3,500)	Sale	736,500	0.74
					03/07/2015	(28,000)	Sale	708,500	0.71
					10/07/2015	(6,000)	Sale	702,500	0.70
					17/07/2015	(5,000)	Sale	697,500	0.70
					21/08/2015	(5,000)	Sale	692,500	0.69
					28/08/2015	(6,918)	Sale	685,582	0.69
					04/09/2015	1,918	Purchase	687,500	0.69
					25/09/2015	(1,289)	Sale	686,211	0.69
					30/09/2015	734	Purchase	686,945	0.69
					06/11/2015	686,945	Bonus	1,373,890	1.37
		29/01/2016	683	Purchase	1,374,573	1.37			
		1,374,573	1.37	31/03/2016					
4	IN30021414425389	DEEPAK SIRUMAL RAJANI	-	-	31/03/2015				
					22/05/2015	-	Purchase	387,800	0.39
					26/06/2015	52,625	Purchase	440,425	0.44
					17/07/2015	(3,300)	Sale	437,125	0.44
					31/07/2015	(300)	Sale	436,825	0.44
					21/08/2015	(6,160)	Sale	430,665	0.43
					06/11/2015	428,665	Bonus	859,330	0.86
					26/02/2016	(5,000)	Sale	854,330	0.85
		849,810	0.85	31/03/2016	(4,520)	Sale			
5.	1203760000210765	SEEMA GOEL	300,000	0.30	31/03/2015				
					06/11/2015	300,000	Bonus	600,000	0.60
			600,000	0.60	31/03/2016				

S.No	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-15 to 31-03-16)	
			No of Shares at the Beginning (31-03-15) / end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
6.	IN30152430016027	TARRA FUND	-	-	31/03/2015				
					15/05/2015	-	Purchase	220,000	0.22
					06/11/2015	220,000	Bonus	440,000	0.44
					12/02/2016	(20,000)	Sale	420,000	0.42
					19/02/2016	(35,587)	Sale	384,413	0.38
		384,413	0.38	31/03/2016					
7.	IN30378610003377	PRINCIPAL TRUSTEE COMPANY PVT LTD A/C PRINCIPAL MUTUAL FUND- PRINCIPAL DIVIDEND YIELD FUND	-	-	31/03/2015				
					26/02/2016	-	Purchase	363,108	0.36
					25/03/2016	(39,000)	Sale	324,108	0.32
		324,108	0.32	31/03/2016					
8.	IN30154931101495	D SRIMATHI	128,815	0.13	31/03/2015				
					06/11/2015	128,815	Bonus	257,630	0.26
					31/03/2016				
		257,630	0.26	31/03/2016					
9	IN30014210033480	LINCOLN P COELHO	100,000	0.10	31/03/2015				
					06/11/2015	100,000	Bonus	200,000	0.20
					31/03/2016				
		200,000	0.20	31/03/2016					
10	IN30246110006383	VIKRAM CHINUBHAI SHAH	162,500	0.16	31/03/2015				
					06/11/2015	162,500	Bonus	325,000	0.33
					27/11/2015	(27,500)	Sale	297,500	0.30
					04/12/2015	(5,000)	Sale	292,500	0.29
					18/12/2015	(5,858)	Sale	286,642	0.29
					25/12/2015	(3,225)	Sale	283,417	0.28
					08/01/2016	(5,917)	Sale	277,500	0.28
					19/02/2016	(26,692)	Sale	250,808	0.25
					26/02/2016	(9,543)	Sale	241,265	0.24
					04/03/2016	(53,765)	Sale	187,500	0.19
					11/03/2016	(14,589)	Sale	172,911	0.17
					18/03/2016	(10,411)	Sale	162,500	0.16
		162,500	0.16	31/03/2016					
11	IN30021410671128	KOTAK MAHINDRA INVESTMENTS LTD	373,105	0.37	31/03/2015				
					01/05/2015	35,000	Purchase	408,105	0.41
					22/05/2015	(408,105)	Sale	-	-
					31/03/2016				
		-	-	31/03/2016					
12	IN30226914008820	NIRANKAR ADVISOR LLP	178,001	0.18	31/03/2015				
					22/05/2015	(135,001)	Sale	43,000	0.04
					10/07/2015	7,000	Purchase	50,000	0.05
					17/07/2015	14,179	Purchase	64,179	0.06
					24/07/2015	(12,936)	Sale	51,243	0.05
					31/07/2015	(7,709)	Sale	43,534	0.04
					14/08/2015	(43,534)	Sale	-	-
		-	-	31/03/2016					

S.No	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-15 to 31-03-16)	
			No of Shares at the Beginning (31-03-15) / end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
13	IN30005410011722	PRINCIPAL TRUSTEE COMPANY PVT LTD A/C PRINCIPAL MUTUAL FUND- PRINCIPAL DIVIDEND YIELD FUND	151,200	0.15	31/03/2015				
					17/04/2015	(15,000)	Sale	136,200	0.14
					24/04/2015	(3,200)	Sale	133,000	0.13
					01/05/2015	(6,100)	Sale	126,900	0.13
					08/05/2015	(8,100)	Sale	118,800	0.12
					22/05/2015	(8,100)	Sale	110,700	0.11
					25/09/2015	45,000	Purchase	155,700	0.16
					16/10/2015	(9,000)	Sale	146,700	0.15
					30/10/2015	(1,001)	Sale	145,699	0.15
					06/11/2015	155,680	Bonus	301,379	0.30
					18/12/2015	58,729	Purchase	360,108	0.36
					08/01/2016	(36,000)	Sale	324,108	0.32
					22/01/2016	9,000	Purchase	333,108	0.33
					19/02/2016	30,000	Purchase	363,108	0.36
		26/02/2016	(363,108)	Sale	-	-			
		31/03/2016	-	-					
14	IN30014210502167	APURVA JAYANTKUMAR MEHTA	110,904	0.11	31/03/2015				
					10/04/2015	(6,000)	Sale	104,904	0.10
					17/04/2015	(2,000)	Sale	102,904	0.10
					15/05/2015	(2,000)	Sale	100,904	0.10
					10/07/2015	(900)	Sale	100,004	0.10
					07/08/2015	(25,000)	Sale	75,004	0.08
					28/08/2015	(35,228)	Sale	39,776	0.04
					09/10/2015	(39,776)	Sale		
		31/03/2016	-	-					

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Directors and Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	Mr. Sunil Kant Munjal	Nil					
2.	Mr. Neeraj Munjal	Nil					
3.	Mrs. Charu Munjal	Nil					
4.	Mr. Bhagwan Dass Narang	Nil					
5.	Mr. Surrinder Lal Kapur	Nil					
6.	Dr. Vinayshil Gautam	Nil					
7.	Dr. Anil Kumar Gupta	Nil					
8.	Ms. Shivani Kakkar	Nil					
9.	Mr. Davendra Ujlayan	As per below table					

Name	Shareholding		Date	Reason	Increase / Decrease in Shareholding	Cumulative Shareholding during the year	
	No of Shares at the Beginning	% of total shares of the Company				Shares	% of total shares of the Company
Mr. Davendra Ujlayan	5	0.00	31/03/2015				0.00%
			06/11/2015	Bonus	5	10	0.00%
	10	0.00	31/03/2016				0.00%

## V. INDEBTEDNESS

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

(Rs. in Lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	9413.97	3756.38		13170.36
ii) Interest due but not paid				
iii) interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>9413.97</b>	<b>3756.38</b>		<b>13170.36</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	9690.69			9690.69
Reduction	1777.71	1064.94		2842.66
<b>Net Change</b>	<b>7912.98</b>	<b>-1064.94</b>		<b>6848.03</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	17326.95	2691.48		20018.43
ii) Interest due but not paid	99.07			99.07
iii) interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>17426.02</b>	<b>2691.48</b>		<b>20117.50</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and /or Manager:**

(Rs. in Lacs)

SI. No.	Particulars of Remuneration	Name of MD/WTD/manager			Total Amount
		Neeraj Munjal, MD	Charu Munjal, WTD	Anil Kumar Gupta, WTD	
1	Gross Salary (a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act 1961  (b) Value of perquisites u/s 17 (2) Income Tax Act 1961  (c) Profits in lieu of salary under Section 17 (30) Income tax Act 1961	47.35	26.00	22.18	95.53
		64.35	23.40	31.54	119.29
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as 2% of profit  Others, Specify		7.00	-	7.00
5	Others, Please Specify - Provident Fund	7.72	3.12	2.58	13.42
	Total (A)	119.42	59.52	56.30	235.24
	Ceiling as per the Act	Rs. 241.27 lacs (Being 10% of profits calculated under Section 198 of the Companies Act, 2013)			

**B. Remuneration to other Directors**

(Rs. in Lacs)

SI.No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Mr. Sunil Kant Munjal	Mr. Bhagwan Dass Narang	Mr. Surrinder Lal Kapur	Dr. Vinayshil Gautam	
	Fee for attending board committee meetings	2.40	6.30	6.30	6.30	21.30
	Commission	-	2.33	2.33	2.34	7.00
	Others, Please specify	-	-	-	-	-
	Total (1)	2.40	8.63	8.63	8.64	28.30
2.	Other Non-Executive Directors					
	Total (2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	Rs. 265.40 lacs (Being 11% of profits calculated under Section 198 of the Companies Act, 2013)				

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

(Rs. in Lacs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary - Ms. Shivani Kakkar	CFO - Mr. Davendra Ujlayan	Total
1	Gross Salary (a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act 1961  (b) Value of perquisites u/s 17 (2) Income Tax Act 1961  (c) Profits in lieu of salary under Section 17 (30 Income tax Act 1961	7.56  -  -	47.62  -  -	55.18  -  -
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit Others, Specify	-	-	-
5	Others, Please Specify	-	-	-
	<b>Total</b>	<b>7.56</b>	<b>47.62</b>	<b>551.8</b>

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016 except for Rs. 6000/- each which was imposed by The National Stock Exchange of India and The BSE Limited for late submission of quarterly Shareholding Pattern pursuant to Regulation 31 of SEBI LODR, 2015.

## Annexure - D

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

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

#### A) Conservation of Energy:

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

- (a) Green Infrastructure,
- (b) Energy efficiency glazing,
- (c) Use of Fly Ash Brick
- (d) Gravients for natural Air Circulation.
- (e) High Performance VRV Air Conditioning
- (f) Reduced Lighting Power Densities in Spaces
- (g) Optimized Air cooling and air conditioned systems for the plant areas,
- (h) New plants are designed to use natural day light to reduce the electricity consumption for illumination during the day time,
- (i) Water conservation measures to minimize water intake
- (j) Usage of recycle waste
- (k) Onsite waste water treatment and its usage.

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

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

#### B) Technology Absorption, adaption and innovation:

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

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

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

The research and development is an ongoing exercise and suitable efforts will continue to be made in future. The expenditure incurred on research, development and improvement of products is an indirect cost which is reflected in the financials of the company.

<b>c) Foreign Exchange Earnings/ Outgo:</b>		(Rs. In Lacs)
Earnings		213.55
Outgo		4254.90

## Annexure – E

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31<sup>st</sup> March, 2016 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India Prohibition of Insider Trading) Regulations, 2015 (effective from May 15, 2015).
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit the period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- vi) On the basis of representation received from the Company for the Financial Year 2015-16, we hereby confirm that the Company is only an auto ancillary industry, and that no industry specific laws are applicable to the company.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India. (Applicable w.e.f. 1.7.2015).
2. The Listing Agreement entered into by the Company with the Stock Exchange/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations, 2015") effective from 01.12.2015.

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

1. *During the period under review, the duplicate share certificates were issued by the Registrar and Share Transfer Agents (RTA). Whereas Rule 6 (2) (a) of the Companies (Share Capital and Debentures) Rules, 2014 requires that the duplicate share certificate shall be not issued in lieu of those that are lost or destroyed, without the prior consent of the Board. The Ministry vide General Circular No. 19/2014 dated 12th June, 2014 has clarified that committee of directors may exercise powers to issue duplicate share certificates.*
2. *During the period under review, the company has initiated the process of implementation of Bonus shares as per regulation 95 of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, on 18.5.2015 but allotment of bonus shares was made on 16.10.2015, which was beyond the prescribed time as mentioned in Regulation 95 of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements), 2009.*
3. The Company is yet to initiate the process for transfer of unclaimed shares to Unclaimed Suspense Account as per the requirements of Regulation 39(4) read with Schedule VI of Listing Regulations, 2015.
4. We have observed that six forms for the Financial Year 2015-16, were filed beyond the prescribed time with the Ministry of Corporate Affairs.

**We further report that,**

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

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

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

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

We further report that during the audit period:

1. The Company has issued 5,00,00,000 equity shares of Rs. 2/- each (fully paid) as Bonus shares.
2. The Company has received notice for non-filing of Cost Audit Report for the financial year ending 31.3.2014 from Cost Audit Branch, Ministry of Corporate Affairs, for which appropriate reply has been submitted by the Company.
3. The Company has submitted shareholding pattern for the quarter ending 31.3.2016 with a delay of 6 days as per Regulation 31 of Listing Regulations, 2015 and paid fine of Rs. 6000/- each to NSE/BSE in this regard.

**For SATYENDER KUMAR & ASSOCIATES**  
**Company Secretaries**

Sd/-

**Satyender Kumar**  
**(Proprietor)**  
**C.P. No. 5189**

Place: Gurgaon  
Date : 13<sup>th</sup> August, 2016

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

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

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

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

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

Place: Gurgaon  
Date : 13<sup>th</sup> August, 2016

## Annexure - F

### ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**
2. **The composition of the CSR committee:** The Company has a CSR committee of directors comprising of Mr. Bhagwan Dass Narang, Chairman of the Committee, Mrs. Charu Munjal and Dr. Anil Kumar Gupta.
3. **Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs. 3750.36 Lacs
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 75.01 Lacs
5. **Details of CSR spent during the financial year:**
  - a. Total amount to be spent for the financial year: Rs. 75.01 Lacs
  - b. Amount unspent: Rs. 63.42 Lacs
  - c. Manner in which the amount spent during the financial year:

S. no.	CSR Project or Activity	Sector in which the project is covered	Amount (in lacs)
1	Janki Social Welfare Society	Promoting Education	0.02
2	Purchased footwear	Promoting Education	0.49
3	Diya Foundation	Promoting Education- Differently abled children	0.34
4	Arpita Cancer Society For Children	Promoting Healthcare	1.00
5	Disha Charitable Trust	Promoting Education- Differently abled children	4.00
6	NIFFT Scholarship fees	Promoting Education	3.84
7	BML Munjal Green Meadows School Student fees	Promoting Education	0.39
8	Diya Foundation	Promoting Education- Differently abled children	0.08
9	Purchased benches	Promoting Education	1.43
<b>Total</b>			<b>11.59</b>

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

Renovation work at the schools identified by the Company in Haridwar is in process which includes civil work, rework for water leakage solution, floor work etc. Providing hygienic sanitation facilities and providing education are multi-year projects which have been started and are under process. The amount has been earmarked by the Company for the identified projects to be executed in the coming financial year(s).

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

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

Sd/-  
**Neeraj Munjal**  
 Managing Director  
 DIN: 00037792

Sd/-  
**Bhagwan Dass Narang**  
 Chairman, Corporate Social Responsibility Committee  
 DIN: 00038052

**August 13, 2016**  
**Bengaluru**

## Annexure - G

Information as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2016.

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

Executive Directors	Ratio
Mr. Neeraj Munjal	32.38
Mrs. Charu Munjal	16.14
Dr. Anil Kumar Gupta	15.27

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

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

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase / decrease
Mr. Neeraj Munjal	-39.94%
Ms. Charu Munjal	-52.82%
Dr. Anil Kumar Gupta	14.55%
Mr. Davendra Ujlayan	4.22%
Ms. Shivani Kakkar	4.42%

- c. The percentage increase in the median remuneration of employees in the financial year: 24.95%
- d. The number of permanent employees on the rolls of Company: 820
- e. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 10-12% in India. The individual increments varied from 12% to 20%, based on individual performance though the sales of the Company have declined by 4.72%. The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY16 (Rupees In lacs)	174.60
Revenue (Rupees In lacs)	44,785.81
Remuneration of KMPs (as % of revenue)	0.39%
Profit before Tax (PBT) (Rupees In lacs)	2,148.05
Remuneration of KMP (as % of PBT)	8.13%

- g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% change
Market Capitalisation (Rs. in lacs)	12230.27	9,498.78	29%
Price Earnings Ratio	25.27	13.39	89%

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2016
Market Price (BSE)	48.65
Market Price (NSE)	48.40

*The Company was incorporated under the Companies Act, 1956 on 29th July, 2005 as Shivam Autotech Ltd. as per the Demerger Scheme.*

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 12%-18%. However, during the course of the year, the total increase is approximately 12%, after accounting for promotions and other event based compensation revisions.

There was decrease in the managerial remuneration for the year i.e. -33.71%.

- j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mr. Neeraj Munjal, Chief Executive Officer and Managing Director	Mr. Davendra Ujlayan Chief Financial Officer	Ms. Shivani Kakkar, Company Secretary
Remuneration in FY16 (Rupees In lacs)	119.42	47.62	7.56
Revenue (Rupees In lacs)	44,785.81		
Remuneration as % of revenue	0.27%	0.11%	0.02%
Profit before Tax (PBT) (Rupees In lacs)	2,148.05		
Remuneration as % of PBT	5.56%	2.22%	0.35%

- k. The key parameters for any variable component of remuneration availed by the directors:

- The members through postal ballot have approved on December 29, 2014, payment of commission to the non-executive directors at 0.30% per annum of the Company's net profit or Rs. 10.00 lacs whichever is minimum as computed under the applicable provisions of the Act. The said commission is distributed amongst the Independent directors on yearly basis.
- Dr. Anil Kumar Gupta, Director (Technical) is entitled for Variable Performance Bonus upto a maximum of Rs. 11.20 Lakhs (Rupees Eleven Lakhs and Twenty Thousand Only) in a Financial Year depending upon the levels of measurement as may be decided by the Board of Directors

- l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

None.

- m. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

- n. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as mentioned below:**

S. No	Name	Designation	Nature of employment	Remuneration (Rs. in Lacs)	Qualification & Experience (Yrs)	Age (Yrs)	Date of Commencement of Employment	Previous Employment & Designation	Shareholding
1.	Mr. Neeraj Munjal	Managing Director	Director	119.42	B.Com & DIBM  28 years	49	01.04.2006	Munjal Auto Industries Ltd.  Executive Director	Nil

Notes:

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

## CEO & CFO CERTIFICATE

We hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016, and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
- (i) Significant changes in Internal Control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

Place: New Delhi  
Date: May 28, 2016

Sd/-  
(NEERAJ MUNJAL)  
Managing Director

Sd/-  
(DAVENDRA UJLAYAN)  
VP – Finance

## CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT

I, **Neeraj Munjal**, Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2015-16.

Sd/-  
(NEERAJ MUNJAL)  
MANAGING DIRECTOR

Place: Bengaluru  
Date: August 13, 2016

## CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of  
**SHIVAM AUTOTECH LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shivam Autotech Limited (the Company) for the financial year ended 31<sup>st</sup> March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1<sup>st</sup> April 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable *except following*:

1. The Company is yet to initiate the process for transfer of unclaimed shares to Unclaimed Suspense Account as per the requirements of Regulation 39(4) read with Schedule VI of the Listing Regulations.
2. *Late Submission of shareholding pattern for the quarter ending 31.03.2016 as per Regulation 31 of Listing Regulations.*

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

**Place: Gurgaon**  
**Date: August 13, 2016**

**For Satyender Kumar & Associates**  
**Company Secretaries**

**Sd/-**  
**Satyender Kumar**  
**Proprietor**  
**C.P. No. 5189**

## **Independent Auditors' Report To the Members of Shivam Autotech Limited**

### **Report On the Financial Statements**

We have audited the accompanying financial statements of Shivam Autotech Limited ("the Company") which comprises the balance sheet as at March 31, 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statement that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included, in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and accordingly to explanations given us;
    - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements as referred to in Note 25 to the financial statements.
    - ii. Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. S. KOTHARI MEHTA & Co**

Chartered Accountants

FRN – 000756N

**Sd/-**

**SUNIL WAHAL**

Partner

Membership No. 087294

Date: May 28 , 2016

Place: New Delhi

**Annexure A to the Independent Auditor's Report to the Members of Shivam Autotech Limited dated 28<sup>th</sup> May 2016.**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.**

- (i)
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
  - (c) In our opinion, and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- (ii) In respect of the Company's inventories:
- (a) (a) As explained to us the Management has conducted physical verification of inventory at reasonable intervals during the year, except stocks lying with third parties which have been verified with reference to correspondence received from third parties.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not applicable.
- (vi) We have broadly reviewed the Cost Accounting records maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.
- (vii) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has generally deposited its statutory dues including Employees' Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues, as applicable, within the prescribed time with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the details of dues of Income-tax, Sales-tax, Wealth-tax, Service-tax, Customs Duty, Excise Duty and Value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending, are as follows :

S. No	Name of the Statute	Nature of Dues	Amount (Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
1.	Income Tax Act, 1961	Demand raised on assessment	6.45	A.Y 2008-09	Commissioner of Income Tax (Appeals), New Delhi
2.	Central Excise Act, 1944	Cenvat Credit disallowance on input services	8.95	April 2009 to March 2011	Commissioner of Central Excise (Appeals), Gurgaon

- (viii) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company has not defaulted in repayment of its dues to banks and financial institutions. The Company does not have any debentures.
- (ix) In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer, further term loans taken during the year were applied for the purpose for which the loan were obtained. Hence reporting under clause (ix) of the order is not applicable to the Company.
- (x) In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) In our opinion, and according to the information and explanations given to us that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) In our opinion, and 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 explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S. S. KOTHARI MEHTA & Co**

Chartered Accountants

FRN – 000756N

Sd/-

**SUNIL WAHAL**

Partner

Membership No. 087294

Place: New Delhi

Date: 28<sup>th</sup> May 2016

## **Annexure B to the Independent Auditor's Report to the members of Shivam Autotech Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of **Shivam Autotech Limited** ("the Company") as of March 31, 2016 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". 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 Act.

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, 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 31st March, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For S. S. KOTHARI MEHTA & Co**

Chartered Accountants

FRN – 000756N

**Sd/-**

**SUNIL WAHAL**

Partner

Membership No. 087294

Place: New Delhi

Date: 28<sup>th</sup> May 2016

## Balance Sheet as at 31<sup>st</sup> March 2016

	Note	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	2,000.00	1,000.00
Reserves and surplus	4	17,546.49	17,149.99
<b>Total shareholders' fund</b>		<b>19,546.49</b>	<b>18,149.99</b>
<b>Non - current liabilities</b>			
Long-term borrowings	5	17,052.98	10,327.90
Deferred tax liabilities	6	1,188.99	1,140.77
Long - term provisions	7	401.00	274.43
<b>Total non - current liabilities</b>		<b>18,642.97</b>	<b>11,743.10</b>
<b>Current liabilities</b>			
Short term borrowings	8	10,494.95	6,702.96
Trade payables	9		
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		4,556.28	4,816.51
Other current liabilities	10	3,982.29	3,785.30
Short - term provisions	7	508.51	751.64
<b>Total current liabilities</b>		<b>19,542.03</b>	<b>16,056.40</b>
<b>Total</b>		<b>57,731.49</b>	<b>45,949.50</b>
<b>Assets</b>			
<b>Non - current assets</b>			
Fixed assets			
Tangible assets	11	24,541.59	25,011.29
Intangible assets	11	99.39	94.38
Capital work-in-progress		10,089.74	592.55
Long term loans and advances	12	5,429.77	4,837.95
<b>Total non - current assets</b>		<b>40,160.49</b>	<b>30,536.17</b>
<b>Current assets</b>			
Inventories	13	9,116.04	7,965.57
Trade receivables	14	4,698.17	4,857.13
Cash and cash equivalents	15	321.64	618.67
Short - term loans and advances	12	3,405.88	1,786.75
Other current assets	16	29.27	185.21
<b>Total current assets</b>		<b>17,571.00</b>	<b>15,413.33</b>
<b>Total</b>		<b>57,731.49</b>	<b>45,949.50</b>
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

**As per report of even date**  
**For S.S. KOTHARI MEHTA & CO.**  
**Chartered Accountants**

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

**Sd/-**  
**Sunil Wahal**  
**Partner**  
**Membership No. : 087294**

**Sd/-**  
**Neeraj Munjal**  
**Managing Director**  
**DIN : 00037792**

**Sd/-**  
**Anil Kumar Gupta**  
**Director**  
**DIN : 02643623**

**Place : New Delhi**  
**Dated : 28<sup>th</sup> May 2016**

**Sd/-**  
**Davendra Ujlayan**  
**VP- Finance**  
**PAN: AAFPU2249C**

**Sd/-**  
**Shivani Kakkar**  
**Company Secretary**  
**M No 25097**

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2016

	Note	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Revenue</b>			
Revenue from operations	17	44,755.29	46,992.72
Less : Excise duty		2,342.80	2,411.11
		<b>42,412.49</b>	<b>44,581.61</b>
Other income	18	30.52	12.86
<b>Total revenue</b>		<b>42,443.01</b>	<b>44,594.47</b>
<b>Expenses</b>			
Cost of raw material consumed	19	14,618.52	14,728.07
Job work on components		3,637.35	3,932.88
Consumption of stores		4,744.40	4,730.94
(Increase) / decrease in finished goods and work in progress	20	(599.54)	356.47
Employee benefit expenses	21	4,219.38	3,963.80
Finance cost	22	2,146.90	1,997.13
Depreciation and amortisation expenses	23	2,784.75	2,745.27
Other expenses	24	8,743.20	8,552.91
<b>Total expenses</b>		<b>40,294.96</b>	<b>41,007.47</b>
<b>Profit before tax</b>		<b>2,148.05</b>	<b>3,587.00</b>
<b>Tax expense</b>			
Current tax		458.42	769.28
Mat credit entitlement		(282.48)	-
Deferred tax charge/(credit)	6	48.22	4.15
<b>Profit/(loss) for the year</b>		<b>1,923.89</b>	<b>2,813.57</b>
<b>Earning per equity share (Nominal value per share Rs. 2/-)</b>			
Basic	25	<b>1.92</b>	<b>2.81</b>
Diluted		<b>1.92</b>	<b>2.81</b>
<b>Significant accounting policies</b>	2		
The accompanying notes form an integral part of these financial statements			

As per report of even date  
For S.S. KOTHARI MEHTA & CO.  
Chartered Accountants

For & on behalf of the Board of Directors

Sd/-  
Sunil Wahal  
Partner  
Membership No. : 087294

Sd/-  
Neeraj Munjal  
Managing Director  
DIN : 00037792

Sd/-  
Anil Kumar Gupta  
Director  
DIN : 02643623

Place : New Delhi  
Dated : 28<sup>th</sup> May 2016

Sd/-  
Davendra Ujlayan  
VP- Finance  
PAN: AAFPU2249C

Sd/-  
Shivani Kakkar  
Company Secretary  
M No 25097

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2016

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Operating activities</b>		
Profit before tax	2,148.05	3,587.01
Adjustments for:		
Depreciation	2,787.97	2,745.27
Sale tax subsidy	(75.96)	-
Loss on fixed asset sold / discarded	1.12	14.83
Interest on deposits	(12.53)	(0.14)
Interest paid	3,124.67	2,228.26
<b>Operating profit before working capital changes</b>	<b>7,973.32</b>	<b>8,575.22</b>
<b>Working capital changes</b>		
Trade receivables	314.90	(1,910.31)
Inventories	(1,150.47)	(1,684.75)
Loans and advances/ Other current assets	(1,383.47)	(3,757.97)
Current liabilities & provisions	(534.41)	173.59
<b>Cash from operations</b>	<b>5,219.87</b>	<b>1,395.78</b>
Direct taxes paid (net of refund)	(545.00)	(717.19)
<b>Net cash from operating activities</b>	<b>4,674.87</b>	<b>678.59</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets	(11,834.71)	(5,551.63)
Proceeds from sale of fixed assets	13.12	3.88
Interest on deposits	12.53	0.14
<b>Net cash(used in)/ from investing activities</b>	<b>(11,809.06)</b>	<b>(5,547.61)</b>
<b>Cash flow from financing activities</b>		
Proceeds/(repayment) from short term borrowings - net	3,791.99	793.98
Proceeds/(repayment) of long term borrowings - net	6,848.04	7,372.08
Dividend paid	(600.00)	(450.00)
Tax on dividend	(122.15)	(76.48)
Interest paid	(3,110.72)	(2,202.52)
State sales tax subsidy	30.00	-
<b>Net cash used in financing activities</b>	<b>6,837.16</b>	<b>5,437.06</b>
<b>Net (decrease)/increase in cash or cash equivalents</b>	<b>(297.03)</b>	<b>568.04</b>
Cash or cash equivalents at beginning of the year	618.67	50.63
<b>Cash or cash equivalents at the end of the year</b>	<b>321.64</b>	<b>618.67</b>
<b>Notes:</b>		
1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 'Cash Flow Statement'		
2. Figures in bracket represent Cash Outflow.		
3. Previous Year's figures have been regrouped/rearranged wherever necessary.		
<b>Components of cash and cash equivalents as at</b>		
Cash and cash equivalents as above	82.49	486.31
Other bank balances	239.15	132.36
<b>Cash &amp; bank balances</b>	<b>321.64</b>	<b>618.67</b>

As per report of even date  
For S.S. KOTHARI MEHTA & CO.  
Chartered Accountants  
Sd/-  
Sunil Wahal  
Partner  
Membership No. : 087294

For & on behalf of the Board of Directors

Sd/-  
Neeraj Munjal  
Managing Director  
DIN : 00037792  
Sd/-  
Davendra Ujlayan  
VP- Finance  
PAN: AAFPU2249C

Sd/-  
Anil Kumar Gupta  
Director  
DIN : 02643623  
Sd/-  
Shivani Kakkar  
Company Secretary  
M No 25097

Place : New Delhi  
Dated : 28<sup>th</sup> May 2016

## Notes to the financial statements for the year ended 31<sup>st</sup> March 2016

### 1. Background

**Shivam Autotech Limited** (the 'Company') was established in the year 1999, and was initially known as Munjal Auto Components till July, 2005. The Company got converted to a separate Public Limited Company w.e.f. 29th July, 2005. In pursuant to the scheme of Demerger arrangement, the Gurgaon Unit was transferred to Shivam Autotech Limited on 1st August, 2005. The Company has been engaged in the manufacturing of Near-Net-Shaped, auto transmission components mainly for Original Equipment Manufacturers (OEMs). The product range includes various types of transmission gears, transmission shafts, spline shafts, plunger, power train components, and employing cold/warm/hot forging techniques. The Company has four state-of-the-art manufacturing facilities, located at Gurgaon, Manaser, Haridwar & Bengaluru. The Company's new plant in Bengaluru was commissioned in April, 2016 and is equipped with modern and state of art facilities. The Company is listed on the National Stock Exchange and BSE Limited. These financial statements are presented in Indian Rupees (Rs).

### 2. Significant accounting policies

#### I. Basis of Preparation of financial statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except in case of assets for which revaluation is carried out.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### II. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

#### III. Fixed Assets

##### a. Tangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Costs include costs of acquisitions or constructions, including incidental expenses thereto and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

##### b. Intangible assets

Intangible assets are recognized on the basis of recognition criteria as set out in Accounting Standard (AS-26) "Intangible assets".

##### c. Expenditure during construction period

Expenditure related to and incurred during implementation of new/expansion projects is included under capital work -in-progress and the same is allocated to the respective Fixed Assets on completion of its construction/ erection. Interest on borrowing costs relating to the qualifying asset is worked out on the basis of actual utilisation of funds out of project specific loan and/ or other borrowings to the extent identifiable with the qualifying asset and are capitalised with the cost of qualifying assets.

#### IV. Depreciation/amortisation

Depreciation is provided on pro-rata basis on the straight-line method over the estimated useful lives prescribed under Schedule II to the Companies Act, 2013. Pursuant to this policy, depreciation is provided at the following rates which are in line with the corresponding useful life prescribed in Schedule II of the Companies Act, 2013 :

Plant & Machinery	15 years
Building	30 years
Computers	3 years
Office equipment	5 years
Furniture & fixtures	10 years
Vehicles	8 years
Intangible assets	4 years
Lease hold Improvements	Amortised over the period of lease

#### V. Impairment of assets

The carrying amount of assets is reviewed for impairment at each balance sheet date wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units).

Previously recognized impairment losses are reversed where the recoverable amount increases because of favourable changes in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of an asset's impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized in prior years.

#### VI. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with..

#### VII. Borrowing costs

Borrowing cost related to a qualifying asset is worked out on the basis of actual utilization of funds project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset. Other borrowing costs incurred during the period are charged to statement of profit and loss.

#### VIII. Segment reporting

##### Identification of segments

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

#### IX. Employee benefits

- a. Employee benefits in the form of the Company's contribution to provident fund, pension fund and ESI are considered as defined contribution plan and charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.

- b. Retirement benefits in the form of gratuity are defined benefit plans. Gratuity is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- c. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.
- d. Actuarial gains/losses are immediately taken to statement of profit and loss.

#### **X. Valuation of inventories**

- a. Finished goods are valued at lower of cost or net realizable value. Scrap is valued at net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
- b. Work in progress is valued at lower of cost or net realizable value. Cost is determined on average basis.
- c. Stores, spares and raw materials are valued at lower of cost or net realizable value. However materials & other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of purchases is assessed on first in first out (FIFO) method.

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

- d. Excise duty liability on finished goods lying in the factory is accounted for and the corresponding amount is considered for the valuation thereof.

#### **XI. Tools & dies**

The consumable tools & dies are charged to statement of profit & loss in the year they are put to use.

#### **XII. Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost on individual investment basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments in case of long term investments.

#### **XIII. Revenue recognition**

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

##### **a. Sale of goods**

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

##### **b. Dividends**

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

##### **c. Insurance claim**

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

#### **XIV. Foreign currency transactions**

**a. Initial recognition**

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**b. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**c. Exchange differences**

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**d. Forward exchange contracts not intended for trading or speculation purposes**

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

#### **XV. Income taxes**

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations

contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### **XVI. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

#### **XVII. Provisions, contingent liabilities and contingent assets**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are shown by way of notes to accounts in respect of obligations where based on the evidence available, their existence at the balance sheet date is considered not probable. Contingent assets are not recognized in the accounts nor disclosed.

#### **XVIII. Leases**

##### **Where the Company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

##### **Where the Company is the lessor**

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

#### **XIX. Cash and cash equivalents**

Cash and cash equivalents consist of cash, bank balances in current account and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase.

## Notes to the financial statements for the year ended 31<sup>st</sup> March 2016

### 3. Share capital

	As at 31 March 2016 Number	As at 31 March 2016 Amount Rs.Lacs	As at 31 March 2015 Number	As at 31 March 2015 Amount Rs.Lacs
<b>Authorised</b>				
Equity shares of Rs. 2/- each	125,000,000	2,500.00	63,000,000	1,260.00
	<b>125,000,000</b>	<b>2,500.00</b>	63,000,000	1,260.00
<b>Issued, subscribed &amp; paid up</b>				
Equity shares of Rs. 2/- each	100,000,000	2,000.00	50,000,000	1,000.00
<b>Total</b>	<b>100,000,000</b>	<b>2,000.00</b>	<b>50,000,000</b>	<b>1,000.00</b>

### Reconciliation of the number of shares outstanding

	As at 31 March 2016 Number	As at 31 March 2015 Number
Equity shares outstanding at the beginning of the year	50,000,000	50,000,000
Add: issued during the year	50,000,000	-
Equity shares outstanding at the close of the year	<b>100,000,000</b>	<b>50,000,000</b>

### Rights, restrictions and preferences attached to each class of Shares

The Company has only one class of equity shares having par value of Rs. 2/- per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares dividends in Indian Rupees. The dividend proposed by the board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Amount of per share dividend recognized as distributions to equity shareholders is Rs. 0.40 (previous year Rs. 1.20).

The Company has issued 5,00,00,000 fully paid up shares of face value of Rs 2/- each during the year, pursuant to bonus issue approved by the Shareholders in Annual General Meeting.

During the last five years, the company has not bought back any shares.

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

**Details of shareholders holding more than 5% shares in the Company**

Name of shareholder	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015	As at 31 March 2015
	Number	Amount Rs.Lacs	Number	Amount Rs.Lacs
Dayanand Munjal Investments Pvt Ltd (holding company) (Equity shares of Rs. 2/- each)	74,795,950	74.80%	37,397,975	74.80%

**4. Reserves & surplus**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>General reserve</b>		
Opening balance	4,768.62	4,468.62
Add: Transferred from statement of profit & loss	300.00	300.00
Closing balance	<b>5,068.62</b>	<b>4,768.62</b>
<b>Capital redemption reserve</b>		
Opening balance	5.00	5.00
Add: Transferred from statement of profit & loss	-	-
Closing balance	<b>5.00</b>	<b>5.00</b>
<b>Sales tax subsidy from the government of Haryana</b>		
Opening balance	672.54	672.54
Add: Capital subsidy received in current year	30.00	-
Less: repaid during the year to statutory authorities	(75.96)	-
Closing balance	<b>626.58</b>	<b>672.54</b>
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Opening balance	11,703.83	9,964.36
Less: Depreciation on account of change in useful lives of assets as per company Act 2013 (Net of Deferred tax)	-	(51.95)
Less: Amount Utilised for issuance of bonus shares	1,000.00	
Add: Profit for the year	1,923.89	2,813.57
<b>Less: Appropriations</b>		
Transfer to general reserve	300.00	300.00
Proposed dividend on equity shares	400.00	600.00
Dividend distribution tax	81.43	122.15
Closing balance	<b>11,846.29</b>	<b>11,703.83</b>
<b>Total</b>	<b>17,546.49</b>	<b>17,149.99</b>

**5. Long term borrowings**

	As at 31 March 2016			As at 31 March 2015		
	Non Current Rs. lacs	Current Rs. lacs	Total Rs. lacs	Non-Current Rs. lacs	Current Rs. lacs	Total Rs. lacs
<b>Secured</b>						
<b>Term Loans</b>						
Rupee loan from Banks	15,579.60	1,747.35	17,326.95	7,636.26	1,777.71	9,413.97
<b>Unsecured</b>						
Hero Fincorp Limited	1,473.38	1,218.06	2,691.44	2,691.64	1,064.74	3,756.38
<b>Total</b>	<b>17,052.98</b>	<b>2,965.41</b>	<b>20,018.39</b>	<b>10,327.90</b>	<b>2,842.45</b>	<b>13,170.35</b>

**Amount disclosed under the head “Other Current Liabilities” Refer Note No - 10 as :**

Current Maturities of Long Term Debts		(2,965.41)	(2,965.41)		(2,842.45)	(2,842.45)
Total	-	(2,965.41)	(2,965.41)	-	(2,842.45)	(2,842.45)
<b>Net Amount</b>	<b>17,052.98</b>	<b>-</b>	<b>17,052.98</b>	<b>10,327.90</b>	<b>-</b>	<b>10,327.90</b>

**Nature of Security and Terms of Repayment**
**Details of Securities**

- (i) Term Loan from IDBI Bank Ltd having outstanding balance of Rs. 1014.42 lacs (previous year Rs. 198.00 lacs) is secured by exclusive charge on the specific machinery created under expansion project of Binola & Haridwar plant alongwith other lenders.
- (ii) Term loan from Axis Bank having outstanding balance of Rs. 77.73 lacs (previous year Rs. 233.73 lacs) are secured by exclusive charge on specific movable machineries of Binola Plant respectively with other lenders.
- (iii) Term loan availed from Karnataka Bank having outstanding balance of Rs. 1500.00 lacs (previous year Rs. 2000.00 lacs) is secured against Hypothecation of specific movable Machineries located at Binola & Manesar Plant along with other lenders.
- (iv) Term loans availed for Haridwar Plant from Punjab National Bank having outstanding balance of Rs. 847.92 lacs (previous year Rs. 1,986.67 lacs) is having pari passu charge over the entire Fixed assets of Haridwar plant both present and future.
- (v) Term Loan availed from Yes Bank Ltd having outstanding balance of Rs.5,000.00 lacs (previous year Rs 5,000.00 lacs) is having first pari passu on entire fixed assets of Rohtak & Banglore Plant, respectively with other lenders.
- (vi) Term Loan availed from Kotak Mahindra Bank Ltd having outstanding balance of Rs. 4,000.00 lacs (previous year Rs 961.74 lacs) is having first pari passu on entire fixed assets of Rohtak & Banglore Plant, respectively with other lenders.
- (vii) Term Loan availed from ICICI Bank Ltd having outstanding balance of Rs. 3,000.00 lacs (previous year Rs Nil) is having first pari passu on entire fixed assets of Haridwar plant upto 1.25 times cover of loan amount.
- (viii) Term Loan availed from IDFC Bank Ltd having outstanding balance of Rs. 2,648.52 lacs (previous year Rs Nil) is having first pari passu on entire fixed assets of Rohtak & Bengaluru Plant, respectively with other lenders.
- (ix) The interest rate for the above Term Loan varies from 9.68% to 12.00 % (previous year 11.00% to 12.50 %).

## Terms of Repayment

<b>Binola Plant</b>		Yearly repayment schedule				
Banks	o/s as on 31st March 2016	2016-17	2017-18	2018-19	2019-20	2020-21 & Above
IDBI bank limited	1,014.42	750.00	264.42	-	-	-
Axis bank limited	77.73	77.73	-	-	-	-
Hero fincorp limited	2,691.44	1,218.06	597.61	603.46	272.31	-
Karnataka bank limited	750.00	250.00	250.00	250.00	-	-
<b>Total</b>	<b>4,533.58</b>	<b>2,295.79</b>	<b>1,112.02</b>	<b>853.46</b>	<b>272.31</b>	<b>-</b>

<b>Haridwar Plant</b>		Yearly repayment schedule				
Banks	o/s as on 31st March 2016	2016-17	2017-18	2018-19	2019-20	2020-21 & Above
ICICI Bank Limited	3,000.00	-	150.00	600.00	600.00	1,650.00
Kotak Mahindra Bank (ING Vysya Bank Ltd.)	86.29	86.29	-	-	-	-
<b>Total</b>	<b>3,086.29</b>	<b>86.29</b>	<b>150.00</b>	<b>600.00</b>	<b>600.00</b>	<b>1,650.00</b>

<b>Manesar Plant</b>		Yearly repayment schedule				
Banks	o/s as on 31st March 2016	2016-17	2017-18	2018-19	2019-20	2020-21 & Above
Karnataka bank limited	750.00	250.00	250.00	250.00	-	-
<b>Total</b>	<b>750.00</b>	<b>250.00</b>	<b>250.00</b>	<b>250.00</b>	<b>-</b>	<b>-</b>

<b>Rohtak &amp; Bangalore Plant</b>		Yearly repayment schedule				
Banks	o/s as on 31st March 2016	2016-17	2017-18	2018-19	2019-20	2020-21 & Above
Yes Bank Limited	5,000.00	-	150.00	650.00	800.00	3,400.00
Kotak Mahindra Bank (ING Vysya Bank Ltd.)	4,000.00	333.33	666.67	666.67	666.67	1,666.67
IDFC Bank Limited	2,648.52	-	1,111.11	185.19	185.19	1,167.03
<b>Total</b>	<b>11,648.52</b>	<b>333.33</b>	<b>1,927.78</b>	<b>1,501.85</b>	<b>1,651.85</b>	<b>6,233.70</b>

<b>Grand Total</b>	<b>20,018.39</b>	<b>2,965.41</b>	<b>3,439.80</b>	<b>3,205.31</b>	<b>2,524.17</b>	<b>7,883.70</b>
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## 6. Deferred tax liabilities (net)

### A. Deferred tax liabilities

Difference between book and tax depreciation

### B. Deferred Tax Assets

Disallowance u/s 43-B of the Income Tax Act, 1961

### TOTAL

	As at 31 Mar '16 Amount Rs. Lacs	Charge/(Credit during the year) Rs. Lacs	As at 31 Mar '15 Amount Rs. Lacs
Difference between book and tax depreciation	1,313.54	84.41	1,229.13
Disallowance u/s 43-B of the Income Tax Act, 1961	124.55	(36.19)	88.36
<b>TOTAL</b>	<b>1,188.99</b>	<b>48.22</b>	<b>1,140.77</b>

**7. Provisions**

	As at 31 March 2016		As at 31 March 2015	
	Short Term Rs. Lacs	Long Term Rs. Lacs	Short Term Rs. Lacs	Long Term Rs. Lacs
<b>Provision for employee benefits</b>				
Gratuity (Refer Note 30)	4.26	142.17	11.37	66.91
Leave encashment (Refer Note 30)	22.82	258.83	18.12	207.52
<b>Other provisions</b>				
Proposed dividend (including dividend distribution tax)	481.43	-	722.15	-
<b>TOTAL</b>	<b>508.51</b>	<b>401.00</b>	<b>751.64</b>	<b>274.43</b>

**8. Short term borrowings**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
From banks on cash credit (secured)	10,494.95	6,702.96
<b>TOTAL</b>	<b>10,494.95</b>	<b>6,702.96</b>

**Details of Securities**

- (i) Cash credit from IDBI Bank having outstanding balance of Rs. 292.59 Lacs (previous year Rs. 1400.00 lacs) and Axis Bank having outstanding balance Rs. 12.66 (PY Rs. Nil) at Binola is secured by first Pari Passu charge on current assets of the Company.
- (ii) Cash credit from Karnataka Bank having outstanding balance of Rs. 1206.75 Lacs (previous year Rs. 625.87 Lacs) at Binola is secured as first charge on entire current assets of the Binola plant alongwith other lenders (Both Present and future and second charge on the machineries proposed to be purchased out of Term Loan of Rs. 10 Crores for Binola Plant).
- (iii) Cash credit from Punjab National Bank having outstanding balance of Rs. 1976.58 lacs (previous year Rs. 1491.64 lacs) and IDBI Bank Ltd. having an outstanding balance of Rs. 1029.45 Lacs (previous year Rs.1110.12 lacs) is secured by first pari passu charge on the current assets of Haridwar Plant along with the other working capital bankers.
- (iv) Cash credit from Kotak Mahindra Bank Limited having outstanding balance or Rs 180.67 lacs (previous year Rs. 2075.33 lacs) is secured by first pari passu charges on the current asset of Binola plant along with the other working capital bankers.
- (v) Cash credit from ICICI Bank Limited having outstanding balance of Rs 839.33 lacs (previous year Rs. Nil lacs) is secured on First pari passu charge over fixed assets at Haridwar Plant.
- (vi) Cash credit from HDFC Bank Limited having outstanding balance of Rs 2520.01 lacs (previous year Rs. Nil) is secured by first pari passu charges on the current asset of Binola & Haridwar plants along with the other working capital bankers.
- (vii) Cash credit from IDFC Bank Limited having outstanding balance or Rs 2436.91 lacs (previous year Rs. Nil) is secured by first pari passu charges on the current asset of Haridwar plant along with the other working capital bankers.
- (viii) The interest rate for the above cash credit varies from 9.45% to 11.90% (previous year 11.50% to 12.75%).

**9. Trade payables**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Trade payables	4,556.28	4,816.51
<b>TOTAL</b>	<b>4,556.28</b>	<b>4,816.51</b>

**10. Other current liabilities**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Current maturities of long-term borrowings (Refer Note 5)	2,965.41	2,842.45
Advance from customers	35.58	2.93
Unpaid dividend*	39.37	32.36
Interest accrued but not due on borrowings	99.07	85.12
<b>Other payables</b>		
Withholding & other taxes	188.03	122.15
Expenses	243.60	682.01
Security deposits	15.79	8.19
Retention money	7.98	10.09
Accrued salary & benefits	371.07	409.95
Others	16.39	18.63
<b>TOTAL</b>	<b>3,982.29</b>	<b>3,785.30</b>

\*This amount does not include amount to be credited to Investor Education and Protection Fund.

**12. Loans and advances (unsecured considered good)**

	As at 31 March 2016		As at 31 March 2015	
	Short Term Rs. Lacs	Long Term Rs. Lacs	Short Term Rs. Lacs	Long Term Rs. Lacs
Capital advances	3,637.96	-	3,417.46	-
Security deposits	-	232.51	-	204.06
Prepaid expenses	-	80.23	-	70.36
Advance to suppliers/contractors	-	1,666.20	-	923.73
Advance to employees	-	41.39	-	35.33
Balances with statutory authorities	-	1,385.55	-	553.27
Advance tax and tax deducted at source {Net of provision of income tax Rs. 2412.75 lacs (previous year Rs. 3684.39 lacs)}	159.93	-	71.10	-
MAT credit entitlement	1,631.88	-	1,349.39	-
<b>TOTAL</b>	<b>5,429.77</b>	<b>3,405.88</b>	<b>4,837.95</b>	<b>1,786.75</b>



**13. Inventories (As taken valued and certified by the management)**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Raw materials	1,513.97	1,930.24
Work - in - process	2,448.13	1,713.29
Finished goods	139.85	210.92
Stores & spares	4,997.33	4,053.84
Others	16.76	57.28
<b>TOTAL</b>	<b>9,116.04</b>	<b>7,965.57</b>

**14. Trade receivables (Unsecured, considered good unless otherwise stated)**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Outstanding for a period exceeding six months from the due date</b>		
Considered good	406.99	45.94
Considered doubtful	-	-
<b>Outstanding for a period less than six months from the due date</b>		
Considered good	4,291.18	4,811.19
<b>TOTAL</b>	<b>4,698.17</b>	<b>4,857.13</b>

**15. Cash and cash equivalents**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Cash and bank balances</b>		
Bank balances in current account	69.02	574.36
Cash in hand	13.47	11.95
	<b>82.49</b>	<b>586.31</b>
<b>Other bank balances</b>		
Fixed deposit with less than 12 months of maturity	199.78	100.00
Earmarked for unpaid dividend	39.37	32.36
	239.15	132.36
<b>TOTAL</b>	<b>321.64</b>	<b>618.67</b>

**16. Other Current Asset**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Unbilled revenue	29.27	185.21
<b>TOTAL</b>	<b>29.27</b>	<b>185.21</b>

**17. Revenue from operations**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Sale of products (finished goods)	43,835.45	45,761.33
Other operating revenue	1,026.59	1,231.39
	<b>44,862.04</b>	<b>46,992.72</b>
Less : Income capitalised	(106.75)	
<b>TOTAL</b>	<b>44,755.29</b>	<b>46,992.72</b>

**18. Other income**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Interest income	12.53	0.14
Net gain of foreign exchange fluctuation	25.70	-
Miscellaneous income	5.81	12.72
	<b>44.04</b>	<b>12.86</b>
Less : Income capitalised	(13.52)	
<b>TOTAL</b>	<b>30.52</b>	<b>12.86</b>

**19. Cost of raw material consumed**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Opening balance of the raw material inventory	1,930.24	1,366.91
Add : Purchases during the year	14,328.19	15,291.40
	<b>16,258.43</b>	<b>16,658.31</b>
Less : Closing balance of the raw material inventory	1,513.97	1,930.24
Cost of raw material consumed	<b>14,744.46</b>	<b>14,728.07</b>
Less : raw material consumption capitalised	(125.94)	
<b>Net cost of raw material consumed</b>	<b>14,618.52</b>	<b>14,728.07</b>

**20. (Increase) / decrease In finished goods and work - in - progress**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
<b>Opening balance of the Inventories</b>		
Work - in - process	1,713.29	1,946.39
Finished goods	210.92	385.09
Process scrap	57.28	6.48
	<b>1,981.49</b>	<b>2,337.96</b>

**Less:**
**Closing balance of the Inventories**

Work - in - process	2,448.13	1,713.29
Finished goods	139.85	210.92
Process scrap	16.76	57.28
	<b>2,604.74</b>	<b>1,981.49</b>
Less: Expenses capitalised	(23.71)	
<b>Net (increase) / decrease in finished goods and work-in-progress</b>	<b>(599.54)</b>	<b>356.47</b>

**21. Employee benefit expenses**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Salaries, wages, allowances & commission	3,548.63	3,184.63
Contribution to gratuity, provident and other funds	245.51	209.32
Staff welfare expenses	365.24	382.59
Retirement benefit	203.53	189.05
	<b>4,362.91</b>	<b>3,965.59</b>
Less: Expenses Capitalize	(143.53)	(1.79)
<b>TOTAL</b>	<b>4,219.38</b>	<b>3,963.80</b>

**22. Finance cost**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Interest on term loans	1,839.91	1,028.61
Interest on cash credit	834.72	706.80
Interest others (including cash discount)	272.88	287.63
Bank & other charges	177.16	205.22
	<b>3,124.67</b>	<b>2,228.26</b>
Less: Expenses Capitalize	(977.77)	(231.13)
<b>TOTAL</b>	<b>2,146.90</b>	<b>1,997.13</b>

**23. Depreciation and amortization expense**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Depreciation of tangible assets	2,744.51	2,707.27
Depreciation of intangible assets	43.46	38.10
	<b>2,787.97</b>	<b>2,745.37</b>
Less: Expenses Capitalize	(3.22)	(0.10)
<b>TOTAL</b>	<b>2,784.75</b>	<b>2,745.27</b>

**24. Other expenses**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Power and fuel consumption	3,093.47	2,980.28
Packing material consumption	97.24	92.92
Repair and maintenance		
Machinery repairs	<b>648.65</b>	<b>456.20</b>
Building repairs	<b>305.52</b>	<b>188.08</b>
Vehicle repairs	<b>147.41</b>	<b>152.03</b>
Lease rent	176.77	163.84
Wages to contractors	3,324.50	3,325.13
Rates and taxes	32.90	9.34
Charity and donation	0.41	5.16
Corporate Social Responsibility Expenses	11.25	13.84
Insurance	166.10	149.76
Legal and professional	245.43	131.22
Travelling and conveyance	538.88	437.80
Printing and stationery	4.51	2.65
Postage, telegram and telephones	33.03	25.01
Selling expenses	47.25	43.84
Board & secretarial expenses	73.62	49.22
Security expenses	136.92	103.25
Freight and forwarding charges	132.00	166.01
Excise duty difference on stocks of finished goods (net)	(9.44)	(17.15)
Loss on sale of fixed assets	1.12	14.83
Foreign exchange fluctuation	-	4.08
Miscellaneous expenses	143.29	149.21
	<b>9,350.83</b>	<b>8,646.55</b>
Less: Expenses Capitalize	(607.63)	(93.64)
<b>TOTAL</b>	<b>8,743.20</b>	<b>8,552.91</b>
<b>Payment to Auditor</b>		
<b>As Auditor</b>		
Audit Fee	8.25	7.20
Limited Review	1.40	1.20
Reimbursement of expenses	1.76	2.94
	<b>11.41</b>	<b>11.34</b>

**25. Earning per share**

	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
Net profit for calculation of basic and diluted EPS (Rs. in lacs)	1,923.89	2,813.57
Total number of equity shares outstanding at the end of the year	100000000	50000000
Weighted average number of equity shares in calculating basic and diluted EPS*	100000000	100000000
Basic and diluted EPS (Rs.)	<b>1.92</b>	<b>2.81</b>

\* After Considering Bonus Shares

**26. Contingent liabilities and commitments outstanding:**
**I Contingent Liabilities not provided for in respect of:-**

	Description	As at 31 March 2016 Rs. Lacs	As at 31 March 2015 Rs. Lacs
a)	Letter of credit opened by banks	2228.44	1370.83
b)	Disputed Excise Duty and Other demands	8.95	8.95
c)	Income tax demands where the cases are pending at various stages of appeal with the authorities	6.45	6.45
	Based on legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of decisions in favour of the Company in respect of the items listed above and hence no provision is considered necessary against the same		
II	<b>Commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,971.38	4739.15
III	<b>Other Commitments</b>	-	-

27. There are no present obligations requiring provision in accordance with the guiding principles as enunciated in Accounting Standard AS 29-“Provisions, Contingent Liabilities and Contingent Assets “ as it is not probable that an outflow of resources embodying economic benefits will be required.

28. In the opinion of Board, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they stated and provision for all known liabilities has been made and considered adequate.

29. Expenditure on insurance includes Rs. 6.31 Lacs (Previous Year Rs. 6.31lacs) being the premium paid under Keyman Insurance Schemes to cover risks on life of Key Management personnel. Benefits to the Company under the said scheme depend on various factors including resignation/survival of the said personnel or premature surrender of the policy. Such benefits will be accounted in the year in which they become due.

**30. Employee Benefits in accordance with Accounting Standard (AS-15)**

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

**(i) Defined contribution plans**

- a. Provident fund

**(ii) Defined benefits plans**

- a. Contribution to Gratuity fund
- b. Compensated absences – Earned leave

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

**Economic Assumptions**

The discount rate and salary increases assumed are key financial assumptions and are considered together; it is the difference or ‘gap’ between these rates which is more important than the individual rates in isolation.

**Salary Escalation Rate**

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company’s philosophy towards employee remuneration are also taken into account. Again a long- term view as to the trend in salary increase rates is taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

The following tables set out the unfunded status of the gratuity plan and earned leave and amounts recognized in the Company’s financial statements as at March 31, 2016

	As on 2015-16	As on 2015-16	As on 2014-15	As on 2014-15
	Gratuity (Funded) Rs. lacs	Leave Encashment (Unfunded) Rs. lacs	Gratuity (Funded) Rs. lacs	Leave Encashment (Unfunded) Rs. lacs
<b>a) Change in present value of the defined obligation</b>				
- Present value of obligations as at 01.04.2015	404.18	225.64	282.30	157.26
- Interest cost	31.32	17.49	24.00	13.37
- Past service cost	-	-	-	-
- Current service cost	62.46	44.59	53.75	41.39
- Benefits paid	(10.86)	(46.25)	(3.45)	(22.37)
- Actuarial loss on obligations	36.01	40.18	47.58	35.99
Present value of obligations as at 31.03.16	523.11	281.65	404.18	225.64
<b>b) Changes in fair value of plan assets</b>				
- Fair value of plan assets at the beginning of the year	325.91	-	259.87	-
- Acquisition adjustment	-	-	-	-
- Expected return on plan assets	29.33	-	23.39	-
- Contributions	33.13	-	42.35	-
- Benefits paid	(10.86)	-	(3.45)	-
- Actuarial gain/(loss) on plan assets	(0.83)	-	3.75	-
Fair value of plan assets at the end of the year	<b>376.68</b>	-	<b>325.91</b>	-
<b>c) Liability recognized in balance sheet</b>				
- Present value of obligations at the end of the year	523.12	281.65	404.18	225.64
- Fair value of plan assets as at the end of the year	376.69	(281.65)	325.91	-
- Funded Status / Difference	(146.43)	-	(78.28)	(225.64)
- Excess of actual over estimated	(0.83)	-	3.75	-
- Unrecognized Actuarial (Gain). Loss	-	-	-	-
- Net Assets/ (Liabilities) recognized in Balance Sheet	<b>(146.43)</b>	<b>(281.65)</b>	<b>(78.28)</b>	<b>(225.64)</b>
<b>d) Expenses recognized in statement of profit and loss</b>				
- Current service cost	62.46	44.59	53.75	41.39
- Past service cost	-	-	-	-
- Interest cost	31.32	17.49	24.00	13.37
- Expected return on Plan assets	(29.33)	-	(23.39)	-
- Net actuarial (gain)/ loss recognized during the year	36.84	40.18	43.83	35.99
Total expenses	<b>101.29</b>	<b>102.26</b>	<b>98.19</b>	<b>90.75</b>

<b>e) Amounts for the current and previous five periods in respect of gratuity are as follows:</b>					
<b>Gratuity</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Defined benefit obligation	523.12	404.18	282.30	230.08	156.81
Plan Assets	376.69	325.91	259.87	204.96	142.58
Surplus/ (deficit)	(146.43)	(78.28)	(22.44)	(25.12)	(14.23)
Experience adjustment on plan assets	(55.78)	(4.40)	(1.01)	4.68	(0.89)
Experience adjustment on plan liabilities	(55.78)	(4.45)	(5.35)	(36.60)	1.60
<b>Leave encashment</b>					
Defined benefit obligation	281.65	225.64	157.26	123.10	90.21
Plan Assets	-	-	-	-	-
Surplus/ (deficit)	(281.65)	(225.64)	(157.26)	(123.10)	(90.21)
Experience adjustment on plan assets	-	-	-	-	-
Experience adjustment on plan liabilities	(49.39)	(14.65)	(21.16)	(14.04)	(21.88)

<b>The principal assumptions used in determining gratuity for the Company's plans are shown below:</b>		
	<b>2015-16</b>	<b>2014-15</b>
Discount rate	8.00%	7.75%
Expected rate of return on assets	8.35%	9.00%
Expected rate of future salary increase	6.00%	6.00%
Retirement age	58 years	58 years

## **B. Provident Fund and Employees State Insurance**

The Company makes contribution to statutory provident fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 and Employee State Insurance Act, 1948 respectively. This is post-employment benefit and is in the nature of defined contribution plan. Contribution made by the Company during the year is Rs. 225.77 lacs. (Previous year Rs. 209.32 lacs)

31. As the Company's business activity falls within a single primary business segment viz. Motorcycles Parts, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" notified by Companies (Accounting Standards) Rules, 2013, (as amended) are not applicable.

## **32. Related Party Disclosures (\*\*):-**

### **a) Key Managerial Personnel**

Mr. Neeraj Munjal, Managing Director  
 Dr. Anil Kumar Gupta, Technical Director  
 Mrs. Charu Munjal, Whole Time Director  
 Mr. Davendra Ujlayan, VP- Finance  
 Ms. Shivani Kakkar, Company Secretary

### **b) Holding Company**

Dayanand Munjal Investments Private Limited

### **c) Enterprises over which key management personnel and their relatives are able to exercise significant influence**

Munjal Showa Limited  
 Pushti Metal Industries LLP  
 Earthly Possessions

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

Nature of Transaction	Key Management Personnel		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Total	
	For the year ended		For the year ended		For the year ended	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
<b>Sale of goods and services</b>						
Munjal Showa Limited	-	-	1334.10	1346.08	1334.20	1346.08
Pushti Metal Industries LLP	-	-	6.18	-	6.18	-
<b>Purchase of goods and services</b>						
Munjal Showa Limited	-	-	0.14	0.12	0.14	0.12
Pushti Metal Industries LLP	-	-	825.38	697.57	825.38	697.57
Earthly Possessions	-	-	959.62	1043.01	959.62	1043.01
<b>Salary &amp; perquisites</b>						
Neeraj Munjal	119.42	198.82	-	-	136.42	198.82
Anil Kumar Gupta	56.30	49.15	-	-	56.30	49.15
Charu Munjal	52.52	126.15	-	-	52.52	126.15
Davendra Ujayan	47.62	45.69	-	-	47.62	45.69
Shivani Kakkar	7.56	7.24	-	-	7.56	7.24
<b>Outstanding balance as at the year end Amount (receivable)</b>						
Munjal Showa Limited	-	-	193.45	200.87	193.45	200.87
<b>Amount (payable)</b>						
Munjal Showa Limited	-	-	0.14	0.54	0.14	0.54
Pushti Metal Industries LLP	-	-	118.81	142.13	118.81	142.13
Earthly Possessions	-	-	301.20	194.50	301.20	194.50

\*\* Identified and certified by the management.

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

Particulars	2015-16	2014-15
<b>Carried forward as part of Capital Work in Progress (A)</b>	326.66	-
<b>Income Incurred During the Year</b>		
Sale Components	106.75	-
Other Income	13.52	-
Total Income Incurred During The Year	120.27	-
<b>Expenditure incurred during the year</b>		
Raw material consumption	125.94	-
Changes in inventories	(23.71)	-
Packing material consumption	10.87	-

Particulars	2015-16	2014-15
Consumption of stores	1,320.84	-
Salary and Wages	143.53	1.79
Finance Cost	977.77	231.13
Power & Fuel	144.86	2.1
Travelling Expenses	169.89	76.42
Security Expenses	22.19	4.61
Wages to Contractors	75.44	
Repair & Maintenance	80.16	2.04
Depreciation	3.22	0.1
Miscellaneous Expenditure	104.22	8.47
<b>Total Expenditure incurred during the year (B)</b>	<b>3,155.22</b>	<b>326.66</b>
<b>Net Expenditure Incurred During The Year</b>	<b>(3,034.95)</b>	<b>326.66</b>
Less : Capitalised as Fixed Assets	-	-
<b>Carried forward as part of Capital Work in Progress</b>	<b>3,361.61</b>	326.66

34. Future commitments in respect of minimum lease payments payable for non-cancellable operating leases (other than land) entered into by the Company:

	(Rs. Lacs) As at	
Particulars	2015-16	2014-15
Not later than one year	148.36	143.13
Later than one year and not later than five years	473.78	494.68
Later than five years	117.49	194.67
	<b>739.63</b>	<b>832.48</b>

35. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of information available with the company:

Particulars	2015-16 Rs. lacs	2014-15 Rs. lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

**36. Foreign currency exposures**

- a) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency	2015-16		2014-15	
		Amount in FC	Amount in INR	Amount in FC	Amount in INR
Receivables	EURO	1,06,483.80	76.64	85,142.40	67.22
	USD	-	-	1500.00	1.17

- b) Hedge foreign currency exposures : Nil

**37. Particulars in respect of opening and closing stock of finished goods produced:**

	As at 31 March 2016	As at 31 March 2015
	Amount Rs. Lacs	Amount Rs. Lacs
<b>Opening Stock</b>		
<b>Class of Goods</b>		
Gear Components	210.92	385.09
<b>Closing Stock</b>		
<b>Class of Goods</b>		
Gear Components	139.85	210.92

**38. Raw material, processing materials and components consumption:**

	As at 31 March 2016	As at 31 March 2015
	Amount Rs. Lacs	Amount Rs. Lacs
<b>Class of Goods</b>		
Alloy Steel	14,127.53	14134.88
Bought out parts	490.99	593.19
	<b>14,618.52</b>	<b>14,728.07</b>

**39. Value of Imported and Indigenous raw materials and stores consumed and percentage thereof**

Class of Goods	As at 31 March 2016		As at 31 March 2015	
	Value	Amount % holding	Value	Amount % holding
<b>Raw Material and Components</b>				
Imported	-	0%	-	0%
Indigenous:	14,618.52	100%	14,728.07	100%
	<b>14,618.52</b>		<b>14,728.07</b>	
<b>Stores, spares, Tools &amp; Dies consumed</b>				
Imported	487.92	10.28%	530.34	11%
Indigenous	4,256.48	89.72%	4200.60	89%
	<b>4,744.40</b>		<b>4,730.94</b>	

**40. Expenditure in foreign currency (on cash basis):**

	As at 31 March 2016	As at 31 March 2015
	Amount Rs. Lacs	Amount Rs. Lacs
Foreign travelling	141.10	69.77
Consultancy charges	22.19	14.26
	<b>163.29</b>	<b>84.03</b>

**41. CIF Value of Imports:**

	As at 31 March 2016	As at 31 March 2015
	Amount Rs. Lacs	Amount Rs. Lacs
Stores and spares	487.92	530.34
Capital goods	3603.69	913.62
	<b>4091.61</b>	<b>1,443.96</b>

**42. Earning in foreign exchange:**

	As at 31 March 2016	As at 31 March 2015
	Amount Rs. Lacs	Amount Rs. Lacs
FOB value of exports	213.55	280.87
	<b>213.55</b>	<b>280.87</b>

43. In the opinion of the management there is no reduction in the value of any asset, hence no provision is required in terms of Accounting Standard 28 "Impairment of Asset".
44. During the year, the company has incurred an amount of Rs. 11.59 lacs (previous year 13.83 lacs) toward Corporate Social Responsibility expenditure.
45. Previous year figures have been regrouped/rearranged, wherever considered necessary to confirm to this year's classification.

As per report of even date

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

For S.S. KOTHARI MEHTA & CO.  
Chartered Accountants

Sd/-  
Sunil Wahal  
Partner  
Membership No. : 087294

Sd/-  
Neeraj Munjal  
Managing Director  
DIN : 00037792

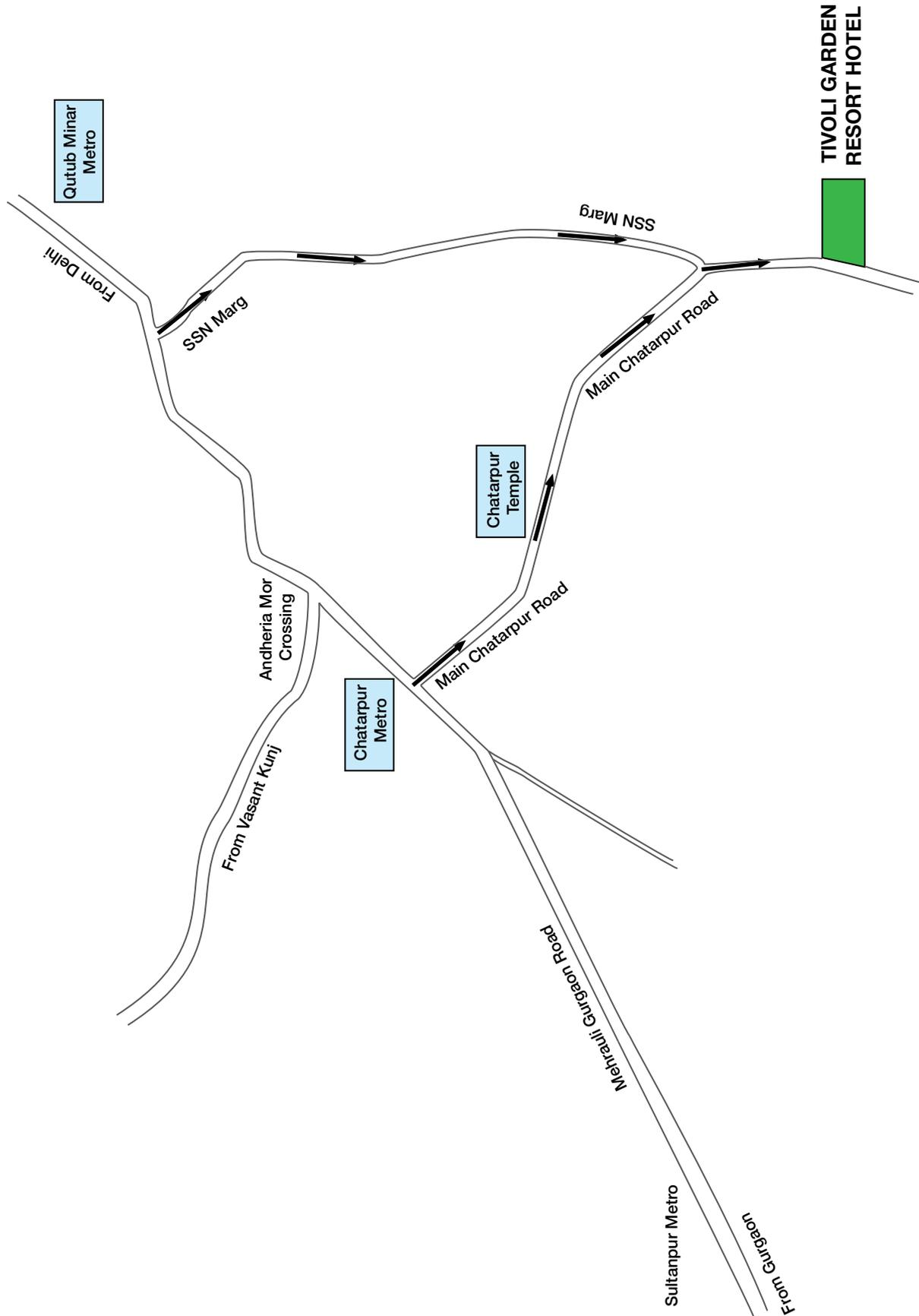
Sd/-  
Anil Kumar Gupta  
Director  
DIN : 02643623

Sd/-  
Davendra Ujjayan  
VP- Finance

Sd/-  
Shivani Kakkar  
Company Secretary  
M No 25097

Place : New delhi  
Dated : 28<sup>th</sup> May 2016

## Location Map for AGM on 29<sup>th</sup> September, 2016



**SHIVAM AUTOTECH LIMITED**  
 CIN: L34300DL2005PLC139163

**Registered office: 303, 3rd Floor, Square One, District Centre,  
 Saket, New Delhi – 110017**

**Form No. MGT - 11**

**Proxy form**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the  
 Companies (Management and Administration) Rules, 2014]*

**11<sup>th</sup> Annual General Meeting – September 29, 2016**

Name of the member(s):
Registered Address:
Email Id:
Folio No. / Client Id:
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	, or failing him

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	, or failing him

3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11<sup>th</sup> Annual General Meeting of the company, to be held on Thursday, the 29<sup>th</sup> day of September, 2016 at 11:30 a.m. at Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi-110030 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
1.	Adoption of the Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors for the financial year ended March 31, 2016.		
2.	Declaration of Dividend on paid-up Equity Share Capital for the financial year ended on March 31, 2016.		
3.	To appoint a director in place of Dr. Anil Kumar Gupta (DIN 02643623), who retires by rotation and being eligible has offered himself for re-appointment.		
4.	To appoint a director in place of Mrs. Charu Munjal (DIN 03094545), who retires by rotation and being eligible has offered herself for re-appointment.		
5.	To appoint M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi, the retiring auditors to hold office as Statutory Auditors for Financial Year 2016-17 from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Audit Committee to fix their remuneration.		
6.	Reappointment of Mr. Neeraj Munjal (DIN 00037792), Managing Director of the Company.		
7.	Revision in the remuneration of Mrs. Charu Munjal (DIN 03094545), Whole-time Director of the Company.		
8.	Revision in the remuneration of Dr. Anil Kumar Gupta (DIN 02643623), Whole-time Director of the Company.		
9.	Payment of minimum remuneration to Executive Directors		

Signed this..... day of..... 2016

Affix Revenue Stamp
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Signature of shareholder

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**SHIVAM AUTOTECH LIMITED**

CIN: L34300DL2005PLC139163

Registered office: 303, 3rd Floor, Square One, District Centre,  
Saket, New Delhi – 110017**11<sup>th</sup> ANNUAL GENERAL MEETING  
ATTENDANCE SLIP**

Name and address of the Member:
Folio No./Client Id no.:
No. of Shares(s) Held:
DP ID:

I certify that I am a member / proxy / Representative for the member of the Company.

I/We hereby record my/our presence at the 11<sup>th</sup> Annual General Meeting of the Company being held at **The Tivoli Garden Resort, Near Chattarpur Mandir, Chattarpur Road, New Delhi – 110017** on Thursday, the 29<sup>th</sup> day of September, 2016 at 11.30 A.M.

_____ Name of the Member(s) /Proxy / Representative	_____ Signature of the Member(s) /Proxy / Representative
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## Notes:

1. A member / proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance of meeting hall.
2. A member intending to appoint a proxy, should complete the Proxy Form attached herewith and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.