



Annual Report
of
Kumar Autocast Limited
FY 2018 - 19

BOARD OF DIRECTORS

- | | |
|---------------------------------|--------------------------------|
| (1) Mr. Arun Kumar Sood | - Chairman & Managing Director |
| (2) Mr. Ashish Kumar Sood | - Executive Director |
| (3) Mr. Ajay Kumar Sood | - Executive Director |
| (4) Mr. Kamalinder Kumar Singla | - Independent Director |
| (5) Mr. Ramesh Kumar Sharma | - Independent Director |
| (6) Mr. Jatinder Kumar Malik | - Independent Director |
| (7) Ms. Neha Sood | - Women Director |

COMPANY SECRETARY

CS. Pranav Khanna

CHIEF FINANCIAL OFFICER

Mr. Lalit Kumar Jha

STATUTORY AUDITORS

M/s Ashwani & Associates,
Chartered Accountants

SECRETARIAL AUDITOR

M/s Kiranpreet & Associates,
Practicing Company Secretaries.

**REGISTRAR AND TRANSFER
AGENT**

Skyline Financial Services Pvt Ltd
D-153A, 1st Floor,
Okhla Industrial Area Phase – 1
New Delhi - 110020

REGISTERED OFFICE

C-179, Focal Point, Phase VI,
Ludhiana-141010, Punjab.
E-mail Id: - asood@kumarautoacast.com
CIN: - L27101PB1985PLC006100
PAN: - AAACK6718L

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Email Id: asood@kumarautoCast.com Telephone No: 0161-2671428

CIN: - L27101PB1985PLC006100

www.kumarautoCast.com

NOTICE

NOTICE is hereby given that the **34th** Annual General Meeting of the Members of **Kumar Autocast Limited** will be held on **Monday** the **30th** day of **September, 2019** at registered office of the Company situated at **03:00 P.M.** at **C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab** to transact the following business:

ORDINARY BUSINESS:

ITEM NO.1: TO RECEIVE & ADOPT AUDITED ANNUAL FINANCIAL STATEMENTS AND OTHER REPORTS

To receive, consider and adopt the Audited Balance Sheet as at **31st March, 2019**, Statement of Profit and Loss for the year ended on that date, together with Report of the Auditor's and Director's thereon.

ITEM NO.2: RE-APPOINTMENT OF SH. ASHISH KUMAR SOOD

To appoint Director **Sh. Ashish Kumar Sood (Holding DIN: 00672179)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment in place of Sh. Ashish Kumar Sood.

ITEM NO.3: RE-APPOINTMENT OF SH. AJAY KUMAR SOOD

To appoint Director **Sh. Ajay Kumar Sood (Holding DIN: 00685585)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment in place of Sh. Ashish Kumar Sood.

ITEM NO. 4: RATIFICATION FOR THE APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY

To consider and ratify the appointment of Statutory Auditors of the company for the Financial Year 2019-20 and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the appointment of the **M/s Ashwani & Associates, Chartered Accountants, Ludhiana** as the Statutory Auditors of the Company for a term of consecutive five years starting from Conclusion of **32nd** Annual General Meeting till the conclusion of 37th Annual General Meeting of the company be and is hereby ratified at the **34th** Annual General Meeting of the Company at such remuneration as may be finalized by the Director in consultation with auditor plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

ITEM NO.5: BLANKET APPROVAL FOR RELATED PARTY TRANSACTIONS:

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

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby for entering into the following proposed Related Party Transactions at Arm Length Price with respect to sale and purchase of goods and raw material by and from Kumar Autocast Limited for the financial year 2019-20 upto the maximum per annum amounts as appended in table below:

Sr. No	Name of the Related Party	Relationship	Maximum Value of Transaction per Annum
1	Kumar Exports	Directors having Significant Interest	40 Crore
2	Forgewell	Directors having Significant Interest	5 Crore

ITEM NO.6: TO INCREASE REMUNERATION OF MR. AJAY KUMAR SOOD, WHOLE TIME DIRECTOR FROM RS. 3,00,000 PER MONTH TO RS. 3,50,000 W.E.F 01ST OF OCTOBER 2019.

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

RESOLVED THAT Pursuant to provisions of **Section 196, 197 and 203** and all other applicable provisions if any ,of the **companies Act , 2013**, (“the Act”) read with schedule V to the said act and the companies (Appointment and Remuneration of Managerial personnel) Rules,2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and as per the Articles of Association of the Company and subject to such other approval(s) or sanction(s) as may be prescribed, consent of the company be and is hereby accorded to increase in the remuneration of **Mr. Ajay Kumar Sood** as **Whole Time Director** of the company **from Rs. 3,00,000 (Rupees Three Lakhs Only) per month to Rs. 3,50,000 (Rupees Three Lakhs Fifty Thousand Only) including House Rent Allowance Rs. 50,000/- (Rs. Fifty Thousand Only)** plus all perquisites or such other limit as may be ascertained under the provision of Schedule V of the Act, payable as per rules and policies of the company.

RESOLVED FURTHER THAT Sh. Ajay Kumar Sood shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

Sr. No	Remuneration	Details
I	Basic Salary	Rs. 3,00,000/- Per Month
II	House Rent Allowance	Rs. 50,000/- Per Month
III	Perquisites	Perquisites will be allowed in addition to salary, as mentioned below:
a)	Medical Reimbursement	Reimbursement of actual Medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and will also pay health insurance premium for himself and his family subject to the Income Tax Act, 1961.
b)	Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and his family in accordance with the rules of the Company.
c)	Club Fees	Reimbursement of membership fee of any club in India and/or abroad including admission and life membership fee subject a maximum of two (2) clubs.

d)	Personal Accident	Premium not to exceed Rs. 15,000/- Per Annum.
e)	Car & Telephone	Free Use of Company's car for official work as well as for personal purposes and telephone at company's cost.
f)	Gratuity	Company will pay gratuity at the rate of half month's salary for each completed year of service.
g)	Contribution to Provident Fund	Company will contribute to provident fund, superannuation fund and Annuity fund as per company's policy but subject to Income Tax Act, 1961.
h)	Insurance Policy	Life Insurance policy having the employer & employee relationship benefit, provides life cover up to Rs. 1.50 Crores and premium shall not to exceed Rs. 25.00/- Lacs Per Annum.

**Perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.*

RESOLVED FURTHER THAT The Board and Directors of the company be and hereby is authorized to approve the terms and conditions of re-appointment and make changes in the terms of re-appointment including remuneration and do all such acts, deeds and things which are necessary and incidental to give effect to this resolution.

ITEM NO.7: TO INCREASE REMUNERATION OF MR. ASHISH KUMAR SOOD, WHOLE TIME DIRECTOR FROM RS. 3,00,000 PER MONTH TO RS. 3,50,000 W.E.F 01ST OF OCTOBER 2019.

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

RESOLVED THAT Pursuant to provisions of **Section 196, 197 and 203** and all other applicable provisions if any ,of the **companies Act , 2013**, ("the Act") read with schedule V to the said act and the companies (Appointment and Remuneration of Managerial personnel) Rules,2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and as per the Articles of Association of the Company and subject to such other approval(s) or sanction(s) as may be prescribed, consent of the company be and is hereby accorded to increase in the remuneration of **Mr. Ashish Kumar Sood** as **Whole Time Director** of the company **from Rs. 3,00,000 (Rupees Three Lakhs Only) per month to Rs. 3,50,000 (Rupees Three Lakhs Fifty Thousand Only) including House Rent Allowance Rs. 50,000/-**

(Rs. Fifty Thousand Only) plus all perquisites or such other limit as may be ascertained under the provision of Schedule V of the Act, payable as per rules and policies of the company.

RESOLVED FURTHER THAT Sh. Ashish Kumar Sood shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

Sr. No	Remuneration	Details
I	Basic Salary	Rs. 3,00,000/- Per Month
II	House Rent Allowance	Rs. 50,000/- Per Month
III	Perquisites	Perquisites will be allowed in addition to salary, as mentioned below:
a)	Medical Reimbursement	Reimbursement of actual Medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and will also pay health insurance premium for himself and his family subject to the Income Tax Act, 1961.
b)	Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and his family in accordance with the rules of the Company.
c)	Club Fees	Reimbursement of membership fee of any club in India and/or abroad including admission and life membership fee subject a maximum of two (2) clubs.
d)	Personal Accident	Premium not to exceed Rs. 15,000/- Per Annum.
e)	Car & Telephone	Free Use of Company's car for official work as well as for personal purposes and telephone at company's cost.
f)	Gratuity	Company will pay gratuity at the rate of half month's salary for each completed year of service.
g)	Contribution to Provident Fund	Company will contribute to provident fund, superannuation fund and Annuity fund as per company's policy but subject to Income Tax Act, 1961.
h)	Insurance Policy	Life Insurance policy having the employer & employee relationship benefit, provides life cover up to Rs. 1.50 Crores and premium shall not to exceed Rs. 25.00/- Lacs Per Annum.

**Perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.*

RESOLVED FURTHER THAT The Board and Directors of the company be and hereby is authorized to approve the terms and conditions of re-appointment and make changes in the terms of re-appointment including remuneration and do all such acts, deeds and things which are necessary and incidental to give effect to this resolution.

ITEM NO.8: TO INCREASE REMUNERATION OF MR. ARUN KUMAR SOOD, MANAGING DIRECTOR FROM RS. 3,00,000 PER MONTH TO RS. 3,50,000 W.E.F 01ST OF OCTOBER 2019.

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

RESOLVED THAT Pursuant to provisions of **Section 196, 197 and 203** and all other applicable provisions if any ,of the **companies Act , 2013**, (“the Act”) read with schedule V to the said act and the companies (Appointment and Remuneration of Managerial personnel) Rules,2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and as per the Articles of Association of the Company and subject to such other approval(s) or sanction(s) as may be prescribed, consent of the company be and is hereby accorded to increase in the remuneration of **Mr. Arun Kumar Sood as Manging Director** of the company **from Rs. 3,00,000 (Rupees Three Lakhs Only) per month to Rs. 3,50,000 (Rupees Three Lakhs Fifty Thousand Only) including House Rent Allowance Rs. 50,000/- (Rs. Fifty Thousand Only)** plus all perquisites or such other limit as may be ascertained under the provision of Schedule V of the Act, payable as per rules and policies of the company.

RESOLVED FURTHER THAT Sh. Arun Kumar Sood shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

Sr. No	Remuneration	Details
I	Basic Salary	Rs. 3,00,000/- Per Month
II	House Rent Allowance	Rs. 50,000/- Per Month
III	Perquisites	Perquisites will be allowed in addition to salary, as mentioned below:
a)	Medical Reimbursement	Reimbursement of actual Medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and will also pay health insurance premium for himself and his family subject to the Income Tax Act, 1961.
b)	Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on

		leave once in a year in respect of himself and his family in accordance with the rules of the Company.
c)	Club Fees	Reimbursement of membership fee of any club in India and/or abroad including admission and life membership fee subject a maximum of two (2) clubs.
d)	Personal Accident	Premium not to exceed Rs. 15,000/- Per Annum.
e)	Car & Telephone	Free Use of Company's car for official work as well as for personal purposes and telephone at company's cost.
f)	Gratuity	Company will pay gratuity at the rate of half month's salary for each completed year of service.
g)	Contribution to Provident Fund	Company will contribute to provident fund, superannuation fund and Annuity fund as per company's policy but subject to Income Tax Act, 1961.
h)	Insurance Policy	Life Insurance policy having the employer & employee relationship benefit, provides life cover up to Rs. 1.50 Crores and premium shall not to exceed Rs. 25.00/- Lacs Per Annum.

**Perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.*

RESOLVED FURTHER THAT The Board and Directors of the company be and hereby is authorized to approve the terms and conditions of re-appointment and make changes in the terms of re-appointment including remuneration and do all such acts, deeds and things which are necessary and incidental to give effect to this resolution.

By Order of the Board
For **Kumar Autocast Limited**

Place: Ludhiana

Date: 05.09.2019

Sd/-

(Ajay Kumar Sood)

Whole Time Director

(DIN: - 00685585)

**House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana, Pb**

Notes:

- 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. The proxy, in order to be effective must be received by the Company not less than 48 hours before the Meeting. The Blank Proxy form is enclosed.*
- 2. In Compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, and Regulation 44 of the SEBI (Listed Obligations And Disclosures Requirements) Regulations 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.*
- 3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.*
- 4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
- 5. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 2, 3, 6, 7, 8 of the accompanying Notice is annexed herewith in explanatory statement.*
- 6. Members are requested to intimate their queries, if any, related to accounts at least seven days in advance of meeting so that information can be made available and furnished at meeting.*
- 7. All documents referred to in the notice, unless otherwise specifically stated will be available for members for inspection at the registered office of the Company between 02.00 pm to 04.00 pm from the date hereof upto the date of Annual General Meeting.*

8. The register of members and share transfer books shall remain closed from Friday the 20th September, 2019 to Monday 30th September, 2019 (Both Days inclusive).

9. Miss Kiranpreet Kaur proprietor of M/s Kiranpreet & Associates has been appointed as scrutinizer for providing the report on results of poll/vote for the resolution passed during the AGM.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in physical form are, therefore, requested to submit their PAN to the Company Skyline Financial Services Private Limited.

11. The Result of the resolutions passed at the AGM of the Company will be declared within 48 working hours of Conclusion of AGM. The results declared along with the Scrutinizer Report shall be placed on Company's website and on the website of CDSL and will be communicated to the stock exchanges.

12. M/s Kiranpreet & Associates, Company Secretaries, have been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall within a period of three working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the company.

13. In support of the Green Initiative, your Company proposes to send the documents like Notice calling the General Meetings and Annual Report containing Financial Statements, Director's Report etc and other communications in electronic form. We request you to update your email address with your Depository Participant/Company/RTA to ensure that the Annual Report and other communications reach you on your preferred email.

14. The Annual Report 2018-19 is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a physical copy of the report. The members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by permitted mode.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th Sep, 2019 (9:00 am) and ends on 29th Sep, 2019 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.*
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.*
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.*
- (iv) Click on "Shareholders" tab.*
- (v) Now Enter your User ID*
 - a. For CDSL: 16 digits beneficiary ID,*
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,*
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.*
- (vi) Next enter the Image Verification as displayed and Click on Login.*
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.*
- (viii) If you are a first time user follow the steps given below:*

<i>For Members holding shares in Demat Form and Physical Form</i>	
PAN	<i>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</i> • <i>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.</i> • <i>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 3 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</i>
Dividend Bank Details OR Date of Birth (DOB)	<i>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.</i> • <i>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).</i>

(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 190903092 <KUMAR AUTOCAST LIMITED> for the relevant 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 a print of the vote cast by clicking on “Click here to print” option on the Voting page.*

(xviii) *If a demat account holder has forgotten the login 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. Apple and windows phone user can download the app from the App store and windows Phone store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobiles app while voting on your mobile.*

(xx) *Note for Non – Individual Shareholders and Custodians*

- *Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian• are required to log on to www.evotingindia.com and register themselves as Corporates.*
- *A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.*

- *After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.*
- *The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their votes.*
- *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.*
- *Any, person who acquires shares of the company and become member of the company after dispatch of notice and holding shares as on the cut-off date i.e. 20th September, 2019 may follow the same instructions as mentioned above for e-voting.*

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

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Email Id: asood@kumarautoacast.com Telephone No: 0161-2671428

CIN: - L27101PB1985PLC006100

www.kumarautoacast.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 2 OF THE ORDINARY BUSINESS

INFORMATION AND DETAILS REGARDING DIRECTOR SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

Name of the Director	ASHISH KUMAR SOOD	AJAY KUMAR SOOD
Director Identification Number (DIN)	00672179	00685585
Date of Birth	28/01/1959	26/08/1954
Nationality	Indian	Indian
Date of Appointment on Board	01/10/2002	01/10/2007
Qualification	B.tech	LLB
No. of Shares Held	820050	676200
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL
Relationship with other Directors	Related to Mr. Ajay Kumar Sood and Mr. Arun Kumar Sood	Related to Mr. Arun Kumar Sood and Mr. Ashish Kumar Sood

None of the other Directors/ Key Managerial Personnel (KMP) of the company/their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 2 and 3.

ITEM NO. 6, 7 & 8 OF THE SPECIAL BUSINESS

The members may note that based on the recommendations of the board of directors of the company at their meeting held on 05.09.2019, approve the Revision/Increase of remuneration of Mr. Ajay Kumar Sood, Whole Time Director, Mr. Arun Kumar Sood, Managing Director & Ashish Kumar Sood, Whole Time Director of the company under the provisions of Companies Act, 2013, from Rs. 3,00,000 (Three Lakhs Only) per month to Rs. 3,50,000 (Rupees Three Lakhs Fifty Thousand Only) per month each w.e.f 01st October, 2019 including House Rent Allowance (HRA) Rs. 50,000 (Rupees Fifty Thousand Only) plus all perquisites for the remaining period of their office valid till 30.09.2021.

Therefore the Board of Directors and Nomination & Remuneration Committee, subject to such approval of shareholders is proposing to increase the remuneration of Mr. Ajay Kumar Sood, Mr. Arun Kumar Sood & Mr. Ashish Kumar Sood for the remaining period of their office valid till 30.09.2021 on a maximum remuneration of Rs. 3,50,000 (Rupees Three Lakhs Fifty Thousand Only) p.m. or such other limit as may be ascertained under the provisions of Schedule V of the Act ,payable as per rules and policies of the company”

Since the company does not having adequate profits to make the managerial remuneration as per Section 198 of the companies act, 2013, the above proposal requires approval of shareholders of the company to pay managerial remuneration as per Schedule V of Companies Act, 2013. Hence, the proposal is before shareholders for approval through special resolution.

Statement Required pursuant to provisions of Schedule V of the Companies Act, 2013 is given below,

I. GENERAL INFORMATION:

1. Nature of Industry:

The company carries the business of casting Automotive & Locomotive (Railways) Parts and provides casting of several OEM products to leading global automotives players in India as well as in abroad.

2. Date and Expected date of commencement of Commercial Production:

The Commercial Production of the company's product is started in the year of 1985.

3. In Case of New Companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus:

Not Applicable.

4. Financial Performance Based on the given indicators:

Company earned the total revenue before tax during the financial year 2018-19 of Rs 214.73 Lakhs as compared to Rs. 146.50 Lakhs during the financial year 2017-18. Although company has made the expenses of Human Capital and fixed assets, the company's gross profit margin is increased in financial year 2018-19 as compared to profit of 2017-18.

5. Foreign Investment and Collaboration:

Not Applicable

II. INFORMATION ABOUT THE APPOINTEE (Mr. Ajay Kumar Sood):

1. Background Details:

Mr. Ajay Kumar Sood; is the Whole Time Director of the company. During this Period he has served the company with best of his capabilities. He is the person of immense enthusiasm and dynamism possessing sharp ability for business decision making. He carries with himself a vast business experience. Mr. Ajay Kumar Sood completed his Higher Education from Punjab University and is holding degree in LLB from Kurukshetra University. His association with the Company supported by strong determination, vast knowledge and 33 years of experience in the field of law and practice is expected to be highly beneficial for identifying potential growth plans and projects for business expansion. Currently, he is the (Director Commercial) Marketing and Finance in the Company.

2. Past Remuneration:

Past Remuneration is Rs. 3,00,000/- Per Month Including House Rent allowance plus other Incentive and Perquisites as per the company policies.

3. Recognition or Awards:

Not applicable

4. Job Profile and Suitability of the Appointee:

Mr. Ajay Kumar Sood has been in managerial position since last couple of years and has been contributing in his role towards achievement of the common objectives of the organization. Hence, on the basis of the recommendation of the Board along with Nomination & Remuneration Committee, Mr. Ajay Kumar Sood is a suitable candidate for his re-appointment as Whole Time Director of the Company.

5. Remuneration Proposed:

The appointee will be paid remuneration not exceeding Rs 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) p.m., such other limit as may be ascertained under the provisions of Schedule V of the Act, Plus other Perquisites & Incentives as per company policies, payable as per rules and policies of the company, for the remaining period of their office valid till 30.09.2021.

6. Comparative Remuneration profile with respect to the Industry, size of the company, profile of the position of the company.

Taking into account the size of the company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Mr. Ajay Kumar Sood in the company and the proposed Remuneration is reasonable and in line with the Remuneration levels in the industry, across the industry and befits his position.

7. Pecuniary relationship directly with the company or relationship with the managerial personnel if, any:

Except for the proposed Remuneration Mr. Ajay Kumar Sood does not have any pecuniary relationship with the company, although Mr. Ajay Kumar Sood is relative of the Mr. Arun Kumar Sood, Managing Director & Ashish Kumar Sood, Whole Time Director.

III. INFORMATION ABOUT THE APPOINTEE (Mr. Arun Kumar Sood):

1. Background Details:

Mr. Arun Kumar Sood; is the Managing Director of the company. During this Period he has served the company with best of his capabilities. Mr. Arun Kumar Sood completed his Graduation from Punjab University and holds a Post Graduation degree in MA Economics from Punjab University. The wide exposure has made him wise and result oriented person adding to his dedication and determination to take the Company to great heights involving widespread growth and prosperity. Currently he holds the position of Production Director (Technical) having expertise in castings.

2. Past Remuneration:

Past Remuneration is Rs. 3,00,000/- Per Month Including House Rent allowance plus other Incentive and Perquisites as per the company policies.

3. Recognition or Awards:

Not applicable

4. Job Profile and Suitability of the Appointee:

Mr. Arun Kumar Sood has been in managerial position since last couple of years and has been contributing in his role towards achievement of the common objectives of the organization. Hence, on the basis of the recommendation of the Board, Mr. Arun Kumar Sood is a suitable candidate for his re-appointment as Managing Director of the Company.

5. Remuneration Proposed:

The appointee will be paid remuneration not exceeding Rs 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) p.m., such other limit as may be ascertained under the provisions of Schedule V of the Act , Plus other Perquisites & Incentives as per company policies, payable as per rules and policies of the company, for the remaining period of their office valid till 30.09.2021.

6. Comparative Remuneration profile with respect to the Industry, size of the company, profile of the position of the company.

Taking into account the size of the company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Mr. Arun Kumar Sood in the company and the proposed Remuneration is reasonable and in line with the Remuneration levels in the industry, across the industry and befits his position.

7. Pecuniary relationship directly with the company or relationship with the managerial personnel if ,any:

Except for the proposed Remuneration Mr. Arun Kumar Sood does not have any pecuniary relationship with the company, although Mr. Arun Kumar Sood is relative of the Mr. Ajay Kumar Sood, Whole Time Director & Ashish Kumar Sood, Whole Time Director.

IV. INFORMATION ABOUT THE APPOINTEE (Mr. Ashish Kumar Sood):

1. Background Details:

Mr. Ashish Kumar Sood; is the Whole Time Director of the company. During this Period he has served the company with best of his capabilities. . He is a Graduate in BA (Arts) from Punjab University. He has been a crucial part of the Company since its incorporation and his active participation in the affairs of the Company in the past 28 years is expected to be more beneficial as the Company grows and expands its business plans. Currently, he is the Director Purchase {Relationship Manager} in the Company.

2. Past Remuneration:

Past Remuneration is Rs. 3,00,000/- Per Month Including House Rent allowance plus other Incentive and Perquisites as per the company policies.

3. Recognition or Awards:

Not applicable

4. Job Profile and Suitability of the Appointee:

Mr. Ashish Kumar Sood has been in managerial position since last couple of years and has been contributing in his role towards achievement of the common objectives of the organization. Hence, on the basis of the recommendation of the Board, Mr. Ashish Kumar Sood is a suitable candidate for his re-appointment as Whole Time Director of the Company.

5. Remuneration Proposed:

The appointee will be paid remuneration not exceeding Rs 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) p.m., such other limit as may be ascertained under the provisions of Schedule V of the Act , Plus other Perquisites & Incentives as per company policies, payable as per rules and policies of the company, for the remaining period of their office valid till 30.09.2021.

6. Comparative Remuneration profile with respect to the Industry, size of the company, profile of the position of the company.

Taking into account the size of the company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Mr. Ashish Kumar Sood in the company and the proposed Remuneration is reasonable and in line with the Remuneration levels in the industry, across the industry and befits his position.

7. Pecuniary relationship directly with the company or relationship with the managerial personnel if ,any:

Except for the proposed Remuneration Mr. Ashish Kumar Sood does not have any pecuniary relationship with the company, although Mr. Ashish Kumar Sood is relative of the Mr. Arun Kumar Sood, Managing Director & Ajay Kumar Sood, Whole Time Director.

1V Other Information

1. Reason of Loss Or Inadequate Profits:

There is lot of new competition in the market, though the size of market is increasing but due to severe competition and the global economic slowdown leads the current financial results into inadequate profits.

2. Steps taken or proposed to be taken for improvement: The company has taken stringent cost actions and continues to curtail both employee and non employee costs. Also, the management continues to explore avenues to increase the revenue.

3. Expected increase in Productivity and Profits :

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve in near future.

The Directors recommend the resolutions set in item no 6-8 for approval of shareholders by way of special resolution.

Memorandum of Interest

None of the Directors, key Managerial Personnel and their relatives are interested in the above proposals except proposed appointee's to the extent of their re-appointment.

By Order of the Board
For **Kumar Autocast Limited**

Place: Ludhiana

Date: 05.09.2019

Sd/-
(Ajay Kumar Sood)
Whole Time Director
(DIN: - 00685585)
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana, Pb

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Email Id: asood@kumarautoacast.com Telephone No: 0161-2671428

CIN: - L27101PB1985PLC006100

www.kumarautoacast.com

DIRECTORS' REPORT

To,

The Members,

The Directors of your Company have pleasure in presenting their **34th Annual Report** on the affairs of the Company together with the Audited Accounts of the Company for the year ended **March 31, 2019**.

1. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2019 is summarized below:

(Amt. in Lacs)

<u>PARTICULARS</u>	<u>2018-19</u>	<u>2017-18</u>
Revenue from operations(Gross)	4380.09	3765.55
Profit before Depreciation, Interest & Tax (PBDIT)	318.84	229.83
Less: Interest & Financial Expenses	52.94	37.59
Profit Before Depreciation & Tax (PBDT)	265.90	192.24
Less: Depreciation	51.17	45.72
Profit Before Tax (PBT)	214.73	146.52
Less: Provision For Taxation	53.70	35.72
Deferred Tax Charge	4.30	6.17
Add: Deferred Tax Assets	-	-

Profit For The Period and After Tax (PAT)	156.73	104.63
Earnings Per Share (Rs.)		
-Basic	3.02	2.02
-Diluted	3.02	2.02
Balance Available for Appropriation	156.73	104.63
Less: Proposed Dividend on Equity Shares	-	-
Tax on Proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus Carried to Balance Sheet	156.73	104.63

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods upto and including the year ending 31 March 2019, the company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of The Companies (Accounts) Rules, 2014) and the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. FINANCIAL ANALYSIS AND STATE OF COMPANY AFFAIRS:

PRODUCTION & SALES REVIEW:

During the year, the Revenue from operations was **Rs. 4373.57 Lacs** as against **Rs. 3759.71 Lacs** in the previous year. The Company earned other income of **Rs. 7.33 Lacs** during the year as against **Rs. 5.84 Lacs** during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of **Rs. 318.84 Lacs** as against **Rs. 229.83 Lacs** in the previous year. After providing for depreciation of **Rs. 51.17 Lacs** (Previous Year **Rs. 45.72 Lacs**), the profit after tax was **Rs. 156.73 Lacs** as against **Rs. 104.63 Lacs** last year.

B. RESOURCE UTILISATION:

FIXED ASSETS:

The net fixed assets as at 31st March, 2019 were **Rs. 494.04 Lacs** as against previous year's fixed assets of **Rs. 416.05 Lacs**. During the year, there were additions of fixed assets amounting to **Rs. 77.99 Lacs** Previous Year **Rs. 100.85 Lacs**.

CURRENT ASSETS:

The net current assets as on 31st March, 2019 were **Rs. 1747.24 Lakhs** as against **Rs. 1578.89 Lakhs** in the previous year.

C. FINANCIAL CONDITIONS AND LIQUIDITY:

Management believes that the Company's liquidity and capital resources are sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below: -

CASH AND CASH EQUIVALENTS:

<i>(Amt in Lakhs.)</i>		
Particulars	2018-19	2017-18
Beginning of the Year	(126.03)	(115.81)
End of the Year	(415.68)	(126.03)
Net Cash provided/(used) by:		
- Operating Activities	(155.21)	189.33
- Investing Activities	(123.11)	(93.34)
- Financing Activities	(11.34)	(66.21)

3. DIVIDEND

To keep and conserve the profits and reserves for future expansion of the company the Board of Directors of the company has not recommended any dividend for the year **2018-2019**.

4. EXTRACT OF ANNUAL RETURN

As required pursuant to **Section 92(3)** of the Companies Act, 2013 and **Rule 12(1)** of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report as **ANNEXURE I**.

5. NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Registered Office, Ludhiana to discuss the complex business strategies. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **Eleven** times in financial year 2018–19 viz., on 28.04.2018, 05.05.2018, 29.05.2018, 29.06.2018, 03.08.2018, 13.08.2018, 18.08.2018, 05.09.2018, 14.11.2018, 26.01.2019, 14.02.2019. The maximum interval between any two meetings did not exceed 120 days.

5. DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a). that in the preparation of the annual financial statements for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b). that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c). that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d). that Directors' have prepared the annual accounts on a going concern basis;
- e). the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f). the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. COMMENTS ON AUDITORS REPORT

There are no qualifications, reservation or adverse remark or disclaimer made:

- (i) By the auditor in his report; and
- (ii) By the company secretary in practice in his secretarial audit report.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material contracts/ arrangements/ transactions at arm's length basis for the year ended 31st March, 2019 is annexed hereto in **Form AOC-2** and forms part of this report as **ANNEXURE II**.

9. TRANSFER TO RESERVES

NIL amounts is transferred to the General Reserve. However an amount of **Rs. 156.73 Lakhs** are proposed to be retained in the surplus.

10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of Section 125(2) of the Companies Act, 2013 company has not having any unpaid dividend or excess share application amount in the book of accounts. As company has not declared any dividend in the previous year, hence no amount is transferred to Investor Education and Protection Fund.

11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as **Annexure III** and is attached to this report.

13. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions as per section 135 of Companies Act, 2013 are not applicable.

14. BOARD EVALUATION

Pursuant to the provisions of the **Section 134** of the Companies Act, 2013 read with **Rule 8(4)** of the **Companies (Accounts) Rules, 2014**, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The performance evaluations of all the independent Directors have been done by the entire board excluding the director being evaluated. On the basis of the performance evaluation done by the board it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

16. FINANCIAL HIGHLIGHTS*(Amt. in Lacs)*

PARTICULARS	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue from operations(Gross)	4380.90	3765.55	3685.53	2987.61	2972.51
TOTAL INCOME	4380.90	3765.55	3685.53	2994.18	2979.44
Earnings before Depreciation, Finance Cost & Tax expenses (EBDIT)	318.84	229.83	200.57	174.92	189.96
Less: Depreciation & Amortization	51.17	45.72	38.59	31.54	37.84
Finance Cost	52.14	37.59	36.41	43.28	46.35
PROFIT FOR THE YEAR	156.86	106.10	80.98	100.10	105.76
Equity Dividend%	-	-	-	-	-
Dividend payout	-	-	-	-	-
Equity Share Capital	518.70	518.70	24.70	24.70	24.70
Equity Share Suspense Account	-	-	-	-	-
Equity Share warrants	-	-	-	-	-
Reserves & Surplus	586.71	429.86	833.35	751.90	650.71
Net Worth	1105.41	948.56	858.05	776.60	675.41
Borrowings (Long term & Short term)	680.60	564.61	328.87	456.29	332.32
Gross Fixed Assets	642.42	501.05	696.60	594.39	627.41
Less: Depreciation					

Net Fixed Assets	416.05	362.82	362.60	285.05	248.00
Investments	-	-	-	-	-
Face Value Per Share	10	10	10	10	10
EPS(Basic & Diluted)	3.02	2.02	33.44	22.12	28.95

17. DEPOSITS

The Company has not accepted and does not intend to accept any deposits from the public. As at 31st March, 2019 there are no outstanding/unclaimed deposits from the public.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

19. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women working with the Company. The Policy framed by the Company in this regard provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

20. PARTICULARS NO. OF COMPLAINTS TO PREVENTION OF SEXUAL HARASSEMENT COMMITTEE

Number of Complaints pending as on beginning of the financial year NIL

Number of Complaints filed during the financial year NIL

Number of Complaints pending as on the end of the financial year NIL

21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and all significant issues are brought to the attention of the Audit Committee of the Board.

22. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

23. A). DIRECTORS

i). APPOINTMENTS

INDEPENDENT/WOMEN DIRECTOR

No Independent Directors have been appointed during the year.

DECLARATION UNDER SECTION 149(6):

All the Independent Directors have submitted their disclosures to the board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors.

ii). RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 **Sh. Ashish Kumar Sood (Holding DIN. 00672179), Sh. Ajay Kumar Sood (Holding DIN 00685585)** Whole-time Director of the Company retires by rotation and being eligible offers himself for re-appointment.

B). KEY MANAGERIAL PERSONNEL

There are no changes in the composition of Key Managerial Personnel during the year, and company has complied with the provisions of section 203 of Companies Act, 2013.

24. AUDITORS AND AUDITORS REPORT

A). STATUTORY AUDITORS

According to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors), Rules, 2014 **M/s Ashwani & Associates, Chartered Accountants, Ludhiana**, be and are hereby appointed as Statutory Auditors of the company for a period of Five years from the conclusion of this Annual General Meeting till the conclusion of 37th AGM at a remuneration as approved by Chairman of the company

B). SECRETARIAL AUDITOR

M/s Kiranpreet & Associates, Company Secretary in Practice, were appointed as Secretarial Auditor of the Company by the Board of Directors for the financial year 2018-19

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204, of the Companies Act, 2013 for the financial year ended 31st March, 2019. The Report forms part of this report as **Annexure IV**.

C). INTERNAL AUDITOR:

M/s J.S Bahl & Co, Chartered Accountants, were appointed as Internal Auditor of the Company pursuant to provisions of **Section 138** of the Companies Act, 2013 by the Board of Directors to conduct internal audit of the functions and activities of the Company and maintain internal control systems of the Company.

25. BOARD COMMITTEES

A. AUDIT & RISK MANAGEMENT COMMITTEE.

The Audit and Risk Management committee of the Board of Directors was re-constituted on **18.06.2014** in conformity of provisions of the Companies Act, 2013. The committee comprises of two Independent directors i.e. **Sh. Ramesh Kumar Sharma, Sh. Jatinder Kumar Malik** and one executive director **Sh. Ajay Kumar Sood**. Sh. Ramesh Kumar Sharma is the Chairperson of the said committee. The Committee met Four (4) times during the year.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee was re-constituted by the Board on **18.06.2014**, consisting of two Non Executive Independent directors i.e. **Sh. Ramesh Kumar Sharma, Sh. Kamalinder Kumar Singla** and one executive director **Sh. Ajay Kumar Sood**. Sh. Kamalinder Kumar Singla is the Chairperson of said Committee. The Committee met three times during the year under review.

26. POLICIES

A).VIGIL MECGHANISM AND WHISTLE BLOWER POLICY

Pursuant to provisions of **Section 177 (9)** of the Companies Act, 2013, the Company has established a “Vigil Mechanism” incorporating Whistle Blower Policy in terms of the Listing Agreement for employees and directors of the Company, for expressing the genuine concerns of unethical behavior, frauds or violation of the codes of conduct by way of direct access to the Chairman/Chairman of the Audit Committee in exceptional cases. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns

B). REMUNERATION POLICY

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration policy on Director’s appointment and remuneration includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under **Section 178(3)** of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed thereto and form part of this Report as **ANNEXURE V**.

C). RISK MANAGEMENT POLICY

The Audit & Risk Management Committee has formulated Risk Management Policy of the Company which has been subsequently approved by the Board of Directors of the Company. The aim of risk management policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

D). RELATED PARTY TRANSACTION POLICY

Related Party Transaction Policy, as formulated by the Company defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions that may have potential conflict with the interest of the Company at large. Transactions entered with related parties as defined under the Companies Act, 2013 during the Financial Year 2018-19 were mainly in the Ordinary Course of business and on an arm's length basis. Prior approval of the Audit and Risk Management Committee is obtained by the Company before entering into any Related Party Transaction as per the applicable provisions of the Companies Act 2013

27. SHARES

A). BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

B). SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

C). BONUS SHARES

No Bonus Shares were issued during the year under review.

D).EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme.

28. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the company. During the year the Company employed around 263 employees.

Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

29. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The disclosures in respect of managerial remuneration as required under section 197(12) read with **Rule 5(1)** of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and form part of this report as **Annexure VI**.

None of the employee of the Company receives salary of **Rs. 60 Lacs** per annum or **Rs. 5 Lacs** per month or more during the Financial Year 2018-2019 as per **Rule 5(2)** and **5(3)** Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

In terms of section **197(14)** of the Companies Act, 2013, the Company does not have any Holding or Subsidiary Company.

30. LISTING WITH STOCK EXCHANGE

Your company is listed on Metropolitan Stock Exchange of India (formerly known as MCX Stock Exchange Ltd.) thereby having its Shares Listed on Recognized Stock Exchange with nation wide terminals.

31. CORPORATE GOVERNANCE REPORT

Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements), 2015 which outlines the corporate governance report is not applicable to our company, as our company's paid up capital is less than 10 crores and net worth is less than 25 crores for F.Y 2018 – 19.

32. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified under the provisions of section 164 of the Companies Act 2013. The Directors have made the requisite disclosures, as required under the Companies Act 2013.

33. ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Government Authorities, Auditors, financial institutions, banks, suppliers, other business associates and last but not the least the Shareholders.

By and on behalf of the Board
Kumar Autocast Limited

Dated: 29.05.2019

Place: Ludhiana

Sd/-
Ajay Kumar Sood
DIN: 00685585
2086, Phase-1, Urban,
Estate, Dugri, Ludhiana

Sd/-
Arun Kumar Sood
DIN: 00685937
2086, Phase-1, Urban
Estate, Dugri, Ludhiana

ANNEXURE 1 - EXTRACT OF ANNUAL RETURN

(Referred to Paragraph 17 under "Annual Return" section of our Report of even date)

FORM NO. MGT 9

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L27101PB1985PLC006100
2	Registration Date	09/01/1985
3	Name of the Company	KUMAR AUTOCAST LIMITED
4	Category/Sub-category of the Company	Company Limited By Shares Non-govt company
5	Address of the Registered office & contact details	C-179, Focal Point, Phase VI, Ludhiana, Punjab. Telephone No: 0161-267142
6	Whether listed company	Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services (P) Ltd D – 153A, 1 st Floor, Okhla Industrial Area, Phase 1 , New Delhi – 110020

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Casting	243-Casting of metals	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

[illegible]

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	883050	883050	17.02%	-	883050	883050	17.02%	-
ii) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	334950	334950	6.45%	-	334950	334950	6.45%	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	212100	212100	4.09%	-	212100	212100	4.09%	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1430100	1430100	27.57%	-	1430100	1430100	27.57%	-
Total Public (B)	-	1430100	1430100	27.57%	-	1430100	1430100	27.57%	-

C. Shares held by Custodian for GDRs & ADRs

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Total (A+B+C)	3756900	1430100	5187000	100.00%	3756900	1430100	5187000	100.00%	-

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Arun Kumar Sood	1762950	33.99%	0.00	1762950	33.99%	0.00	-
2	Ajay Kumar Sood	67620	13.04%	0.00	67620	13.04%	0.00	-
3	Ashish Kumar Sood	820050	15.81%	0.00	820050	15.81%	0.00	-
4	Shama Sood	284550	5.49%	0.00	284550	5.49%	0.00	-
5	Alka Sood	1050	0.02%	0.00	1050	0.02%	0.00	-
6	Seema Sood	212100	4.09%	0.00	212100	4.09%	0.00	-

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			3756900	72.43%	3756900	72.43%

	Changes during the year			-	-	-	-
	At the end of the year			3756900	72.43%	3756900	72.43%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Raghubir Singh Panchal						
	At the beginning of the year			212100	4.09%	212100	4.09%
	Changes during the year			-	-	-	-
	At the end of the year			212100	4.09%	212100	4.09%
2	Sh. Parajit Singh						
	At the beginning of the year			105000	2.03%	105000	2.03%
	Changes during the year			-	-	-	-
	At the end of the year			105000	2.03%	105000	2.03%
3	Smt. Rajinder Kaur						
	At the beginning of the year			86100	1.66%	86100	1.66%
	Changes during the			-	-	-	-

	year						
	At the end of the year			86100	1.66%	86100	1.66%
4	Sh. Preet Mohinder Singh						
	At the beginning of the year			84000	1.62%	84000	1.62%
	Changes during the year			-	-	-	-
	At the end of the year			84000	1.62%	84000	1.62%
5	Sh. Vinod Sagar						
	At the beginning of the year			73500	1.42%	73500	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			73500	1.42%	73500	1.42%
6	Smt. Renu Sharma						
	At the beginning of the year			73500	1.42%	73500	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			73500	1.42%	73500	1.42%
7	Sh. Rakesh Dhanda						
	At the beginning of the year			54600	1.05%	54600	1.05%
	Changes during the year			-	-	-	-
	At the end of the year			54600	1.05%	54600	1.05%

8	Sh. Bikram Singh						
	At the beginning of the year			43050	0.83%	43050	0.83%
	Changes during the year			-	-	-	-
	At the end of the year			43050	0.83%	43050	0.83%
9	Sh. Surinder Abrol						
	At the beginning of the year			43050	0.83%	43050	0.83%
	Changes during the year			-	-	-	-
	At the end of the year			43050	0.83%	43050	0.83%
10	Sh. Ramesh Kumar Sharma						
	At the beginning of the year			42000	0.81%	42000	0.81%
	Changes during the year			-	-	-	-
	At the end of the year			42000	0.81%	42000	0.81%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Arun Kumar Sood						
	At the beginning of the			1,762,950	33.99%	1,762,950	33.99%

	year						
	Changes during the year			-	-	-	-
	At the end of the year			1,762,950	33.99%	1,762,950	33.99%
2	Ajay Kumar Sood						
	At the beginning of the year			676,200	13.04%	676,200	13.04%
	Changes during the year			-	-	-	-
	At the end of the year			676,200	13.04%	676,200	13.04%
3	Ashish Kumar Sood						
	At the beginning of the year			820,050	15.81%	820,050	15.81%
	Changes during the year			-	-	-	-
	At the end of the year			820,050	15.81%	820,050	15.81%
4	Pranav Khanna						
	At the beginning of the year			21,000	0.40%	21,000	0.40%
	Changes during the year			-	-	-	-
	At the end of the year			21,000	0.40%	21,000	0.40%

**Other directors and KMP's do not have any shareholding in the company as on 31.03.2019*

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits (in lacs.)	Unsecured Loans	Deposits	Total Indebtedness (in lacs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	565.09	-	-	565.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-

Total (i+ii+iii)	565.09	-	-	565.09
Change in Indebtedness during the financial year				
Addition				
Loan Taken	115.51	-	-	115.51
Interest On Loan	-	-	-	
Reduction				
Loan Repaid	-	-	-	-
Net Change	115.51	-	-	115.51
Indebtedness at the end of the financial year				
i) Principal Amount	680.60	-	-	680.60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	680.60	-	-	680.60

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager) (in lacs)			Total Amount (in lacs)
1.	Gross salary	Arun Kumar	Ajay Kumar	Ashish Kumar	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.59	35.59	35.59	106.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock Option	-			-
3.	Sweat Equity	-			-

4.	Commission - as % of profit - others, specify...	-			-
5.	Others, please specify (Medical Reimbursement)	1.05	2.08	2.25	5.38
6.	Total (A)	36.64	37.67	37.84	112.15
	Ceiling as per the Act (As per Schedule V for Companies having Inadequate Profits)	4,200,000	4,200,000	4,200,000	12,600,000 in accordance to effective capital

* Remuneration of Managing Director and Whole Time Director has been approved by share holders in Annual General Meeting by Special Resolution.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (1)					
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N/A	2,16,000	220,000	4,36,000

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	N/A	N/A	N/A	-
3.	Sweat Equity	N/A	N/A	N/A	-
4.	Commission - as % of profit - others, specify...	N/A	N/A	N/A	-
5.	Others, please specify				
6.	Total	-	2,16,000	220,000	4,36,000

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
B. Directors					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
C. Other Officers In Default					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				

By and on behalf of the Board
Kumar Autocast Limited

Dated: 29.05.2019

Place: Ludhiana

Sd/-
Ajay Kumar Sood
DIN: 00685585
2086, Phase-1, Urban,
Estate, Dugri, Ludhiana

Sd/-
Arun Kumar Sood
DIN: 00685937
2086, Phase-1, Urban
Estate, Dugri, Ludhiana

ANNEXURE 'II'

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
1.	Name (s) of the related party	1. NIL
	Nature of Relationship	None
2.	Nature of contracts/arrangements/transaction	None
3.	Duration of the contracts/ arrangements/ transaction	NIL
4.	Amount (In Lakhs)	N.A.
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
6.	Date of approval by the Board	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party	1. Kumar Exports (UNIT-1)
	Nature of Relationship	Associate Firm
2.	Nature of contracts/arrangements/transaction	Purchases/Labour Job
3.	Duration of the contracts/ arrangements/ transaction	Ongoing
4.	Amount (In Rs.)	Rs. 534.42/- Lakhs
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	i) Purchase of Casting and Forging Materials ii) Labour Job of metal forging parts.
6.	Date of approval by the Board	24.04.2018

SL. No.	Particulars	Details
1.	Name (s) of the related party	1. Kumar Exports
	Nature of Relationship	Associate Firm
2.	Nature of contracts/arrangements/transaction	Sales
3.	Duration of the contracts/ arrangements/ transaction	Ongoing
4.	Amount (In Rs.)	Rs. 2815.28 Lakhs
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales of Casting and Forging Materials
6.	Date of approval by the Board	24.04.2018

By and on behalf of the Board
Kumar Autocast Limited

Dated: 29.05.2019

Place: Ludhiana

Sd/-
Ajay Kumar Sood
DIN: 00685585
2086, Phase-1, Urban,
Estate, Dugri, Ludhiana

Sd/-
Arun Kumar Sood
DIN: 00685937
2086, Phase-1, Urban
Estate, Dugri, Ludhiana

ANNEXURE 'III'

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy;

Kumar Autocast Limited continued to emphasize on the conservation and optimal utilization of energy in manufacturing unit of the Company. The energy conservation measures Implemented during FY 2019 are listed below:

- Maintenance of the machines as per schedule.
- Lights in the Factory area are switched off whenever not required.
- Energy audit is conducted and recommendations are implemented.

2. Additional Investments & Proposals, if any, being implemented for Reduction of Consumption of Energy:

The company continued its efforts towards effective utilization of energy for reduction in power consumption. The Company is constantly exploring the use of alternate sources of energy that are commensurate with the scale of present operations and the type of products being manufactured.

3. The capital investment on energy conservation equipments;

During the year under review, there was no capital investment on Energy Conservation Equipments.

Disclosure of particulars with respect to conservation of energy:

Particulars	2018-19	2017-18
POWER CONSUMPTION		
Units Purchased (KWH)	77,53,807	73,92,773
Amount (Rs.)	53,973,714.00	54,706,527.85
Average Rate Per Unit (Rs.)	6.96	7.40

B. TECHNOLOGY ABSORPTION

(1) Efforts, in brief, made towards technology absorption, adaptation and innovation:

- Imparting training to personnel in various manufacturing techniques by experts.

(2) Benefits derived like Product Improvement, Cost Reduction, Product Development or

Import Substitution as a result of above efforts:

- Increase productivity.
- Power saving.
- Manpower cost reduced.
- Raw materials cost reduction.
- Production wastage reduced.

(3) Information regarding technology imported during the last 3 years

- | | |
|--|------------------|
| • The Details of Technology Imported | - NIL |
| • The Year of Import | - Not Applicable |
| • Whether Technology Has been Fully Absorbed | - Not Applicable |
| • If Not Fully Absorbed, Areas Where Absorption has not taken place and the reasons thereof. | - Not Applicable |

(4) Expenditure on Research and Development

During the year under review the company did not incurred any expenses on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review the company has earn the foreign exchange, the details of the same is described in the financial statements.

By and on behalf of the Board
Kumar Autocast Limited

Dated: 29.05.2019

Place: Ludhiana

Sd/-
Ajay Kumar Sood
DIN: 00685585
2086, Phase-1, Urban,
Estate, Dugri, Ludhiana

Sd/-
Arun Kumar Sood
DIN: 00685937
2086, Phase-1, Urban
Estate, Dugri, Ludhiana

ANNEXURE 'IV'

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019.

[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,
Kumar Autocast Limited
C-179, Focal Point
Phase VI,
LUDHIANA,
Punjab (India).

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices made by **Kumar Autocast 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 books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31.03.2019** 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 book, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2019** 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 - not applicable during the audit period
- (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;

(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 during the audit period.

(b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 1992;

(c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2009;

(d) The Securities and Exchange Board of India (**Employee Stock Option Scheme and Employee Stock Purchase Scheme**) Guidelines, 1999; – Not applicable during the audit period.

(e) The Securities and Exchange Board of India (**Issue and Listing of Debt Securities**) Regulations, 2008;

(f) The Securities and Exchange Board of India (**Registrar 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; – Not applicable during the audit period.

(h) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998; – Not applicable during the audit period. And

(i) The Securities and Exchange Board of India (**Listing Obligation & Disclosure Requirements**) Regulations, 2015; –

(vi) **Other Applicable laws.**

We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labour Laws.

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

(i) The Listing Agreements entered into by the Company with Stock Exchange(s).

(ii) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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 Companies Act, 2013.

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.

Adequate notice is given to all directors/members/shareholders to schedule the **General Meetings, Agenda** and detailed **notes** on agenda were sent at least Twenty One 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.

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.

Place: Ludhiana

Date: 29.05.2019

:

Sd/-

Signature

Kiranpreet Kaur

Kiranpreet & Associates

ACS No. 44647

CP No. 16428

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

❖ **LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD**

❖ **List of Labour Laws**

- Factories Act, 1948
- Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee's State Insurance Act, 1948
- The Payment of Bonus Act, 1972
- The Apprentices Act, 1961
- Employee's Provident Fund and Miscellaneous Provisions Act, 1952

❖ **List of Environmental Laws**

- Environment (Protection) Act, 1986
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981

Annexure: -A

29.05.2019

The Members,
Kumar Autocast Limited
C-179, Phase VI, Focal Point
LUDHIANA
Punjab (India).

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc and we have relied on such representation for giving our report.
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 the management has conducted the affairs of the Company.

Place: Ludhiana
Date: 29.05.2019

Signature: Sd/-
(Kiranpreet Kaur)
FCS No. - 44647
CP No. - 16428

ANNEXURE 'V'

NOMINATION & REMUNERATION POLICY OF THE COMPANY:

1. PREFACE:

Pursuant to the **Section 178** of the Companies Act, 2013 read with the **Rule 6** of the Companies (Meeting of the Board and its powers) Rules, 2014, the Nomination and Remuneration committee of the Board of the Company has formulated a policy to decide the criteria for the appointment and for the remuneration to the Directors, key managerial personnel and other employees. The Policy also aims to attract, motivate and retain manpower in a competitive and global markets scenario which is formulated by the Committee and approved by the Board of Directors in their meeting held on **24.12.2014**.

Produced here below is the “**Nomination & Remuneration Policy**” of the Company in compliance with **Section 178** of the Companies Act, 2013 for the object as mentioned herein.

2. ROLE OF THE COMMITTEE:

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to Board their appointment and removal.
- b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c) To recommend to the Board remuneration policy related to remuneration of Directors (Whole Time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-
 - That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
 - That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - That remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the company and its goals.
 - To formulate criteria for evaluation of Directors and the Board.
 - To devise a policy on Board diversity.

3. MEMBERSHIP:

- a). The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

4. CHAIRMAN:

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

5. FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

6. COMMITTEE MEMBERS' INTERESTS:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING:

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

10. EFFECTIVE DATE & AMENDMENTS:

This policy will be effective from **24.12.2014** and may be amended subject to the approval of Board of Directors.

By and on behalf of the Board
Kumar Autocast Limited

Sd/-
Ajay Kumar Sood
(W.T Director)
DIN: 00685585
2086, Phase-1, Urban Estate,
Dugri, Ludhiana, 141003

Sd/-
Arun Kumar Sood
(Managing Director)
DIN: 00685937
2087, Phase-1, Urban
Estate, Dugri, Ludhiana, 141003

ANNEXURE ‘VI’

Particulars of Employees and Related Disclosures

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for the Financial Year 2018-19 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Arun Kumar Sood, Executive Director	36.64	25.67%	18.5:1	Profit before interest, depreciation and tax increased by 38.72% and profit after tax increased by 49.79% in financial year 2018-19.
2.	Ashish Kumar Sood, Executive Director	37.34	30.47%	18.8:1	
3.	Ajay Kumar Sood, Executive Director	37.67	30.18%	19.02:1	
4.	Kamalinder Kumar Singla, Non-Executive Independent Director	-	-	-	-
5.	Ramesh Kumar Sharma, Non-Executive Independent	-	-	-	-

	Director				
6.	Jatinder Kumar Malik, Non-Executive Independent Director	-	-	-	-
7.	Lalit Kumar Jha (CFO)	2.20	-	1.1:1	Profit before interest, depreciation and tax increased by 38.72% and profit after tax increased by 49.79% in financial year 2018-19.
8.	Pranav Khanna Company Secretary	2.16	-	1.09:1	

* Details not given as **Mr. Kamalinder Kumar Singla, Mr. Ramesh Kumar Sharma** and **Mr. Jatinder Kumar Malik** were appointed as Independent Directors and no such sitting fee is paid to attend the meetings.

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF KUMAR AUTOCAST LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **KUMAR AUTOCAST LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

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

1.	KEY AUDIT MATTERS
	Accuracy of recognition , measurement, presentation and disclosures of revenues and other related balances in view of adoption of IND AS 115 “ revenue from contracts with customers” The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer to Note No. 26 on the Standalone Financial Statements
	AUDITOR'S RESPONSE
	Principal Audit Procedures We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.



We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
--

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and



completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under Section 143(3)(i) of the Act we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i) The Company has disclosed its impact of pending litigations in the financial statements. Refer to Note no. 26 of Notes to Financial statements.
- ii) The Company has no long-term contracts including derivative contracts
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

FOR ASHWANI & ASSOCIATES
Chartered Accountants
Firm Registration No-000497N

PLACE: LUDHIANA
DATED: 29.05.2019


ADITYA KUMAR
Partner
M.NO. 506955



Annexure-A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

1.
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.
 - c) In our opinion and according to information and explanation given to us, all the title deeds of immovable properties are held in the name of the company.
2. As per the information furnished, the inventories have been physically verified by the management at reasonable intervals during the period. In our opinion having regard to the nature of stocks, the frequency of the physical verification is reasonable and no material discrepancies were noticed.
3. As per the information furnished, company has not granted any secured or unsecured loans other than Trade Advances, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore no comments is called for.
4. In our opinion and according to the information and explanations given to us, the Company has not made any investments and not given loans, guarantees under the provisions of Section 185 and 186 of the Act, therefore no comment is called for.



5. According to information and explanation given to us, the company has not accepted any deposits in contravention of sections 73 to 76 of Companies Act 2013 and the rules framed there under.
6. According to information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) According to the information and explanations given to us and records examined by us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities in respect of Provident Fund, Income tax, Sale Tax, Value Added Tax, Duty of Customs, Service Tax, Cess, Excise Duty, Goods & Service Tax & other Material statutory dues.

According to the information and explanations given to us, no undisputed arrear of statutory dues were outstanding as at 31st March, 2019 from the date they became payable.

- b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
8. According to information and explanation given to us and records examined by us, the company has not defaulted in repayment of dues to Financial Institutions or Bank or Government as to the Balance Sheet date.
9. Based on our examination of our records and information and explanation given to us, the company has applied the term loan for the purpose for which they are obtained. The company did not raise any money by way of initial public offer or further public offer.
10. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.



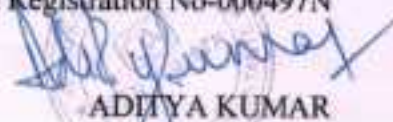
11. According to the information and explanations given to us and the books of account verified by us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

DATED: 29.05.2019
PLACE: LUDHIANA

FOR ASHWANI & ASSOCIATES

Chartered Accountants

Firm Registration No-000497N


ADITYA KUMAR
Partner
M.NO.506955

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of KUMAR AUTOCAST LIMITED, ("the Company") as of 31 March 2019 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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 31 March 2019, 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 ASHWANI & ASSOCIATES

Chartered Accountants

Firm Registration No-000497N

DATED: 29.05.2019
PLACE: LUDHIANA


ADITYA KUMAR
Partner
M.NO.506955



KUMAR AUTOCAST LIMITED
C - 179, Phase-VI, Focal Point, LUDHIANA
BALANCE SHEET AS AT 31st MARCH, 2019

('RS in Lacs)

	NOTE	AS AT 31.03.2019	AS AT 31.03.2018
I ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	3	494.03	416.05
(b) Capital Work in Progress		0.00	0.00
(c) Intangible Assets		0.00	0.00
(d) Financial Assets			
(i) Investments		0.00	0.00
(ii) Loans		0.00	0.00
(iii) Other Financial Assets	4	71.74	71.74
(e) Deferred Tax Assets (Net)		0.00	0.00
(f) Other Non Current Assets		0.00	0.00
		565.77	487.79
(2) Current Assets			
(a) Inventories	5	62.50	100.02
(b) Financial Assets			
(i) Investments		0.00	0.00
(ii) Trade Receivable	6	1,504.23	1,073.60
(iii) Cash and Cash equivalents	7	174.14	389.30
(iv) Other Bank Balances		0.00	0.00
(v) Other Financial Assets		0.00	0.00
(c) Current Tax Assets (Net)	8	0.00	2.73
(d) Non Current Assets Held For Sale		0.00	0.00
(e) Other Current Assets	9	6.37	13.15
		1,747.25	1,576.89
TOTAL		2,313.02	2,064.68
II EQUITY & LIABILITIES			
(1) Equity			
(a) Equity Share Capital	10	518.70	518.70
(b) Other Equity	11	586.71	429.56
		1,105.41	948.26
(2) Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	80.80	49.19
(ii) Trade Payables		0.00	0.00
(b) Provisions	13	15.58	15.43
(c) Deferred Tax Liabilities (Net)	14	37.33	32.98
(d) Other Non Current Liabilities		0.00	0.00
		143.80	97.60
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	569.80	515.42
(ii) Trade Payables	16		
(a) Total outstanding due to micro and small enterprises		0.00	0.00
(b) Total outstanding dues of creditors other than micro and small enterprises		245.20	251.74
(iii) Other Financial Liabilities	17	129.58	173.18
(b) Current Tax Liabilities	17A	9.87	0.00
(c) Provisions		0.00	0.00
(d) Other Current Liabilities	18	89.48	89.19
		1,003.81	1,019.50
TOTAL		2,313.02	2,068.87
Significant Accounting Policies	2		
Notes forming part of Accounts	26		

As per our report of even date attached

FOR ASHWANI & ASSOCIATES
Chartered Accountants
(Firm Registration No.: 000191N)

Aditya Kumar
Partner
MEM NO. 508955

PLACE: LUDHIANA
DATE: 29.05.2019

ARUN KUMAR SOOD
DIRECTOR
DIN NO. 00889937

LALIT KUMAR JHA
CHIEF FINANCIAL OFFICER

ASHISH SOOD
DIRECTOR
DIN NO. 00872178

PRANAV KHANNA
COMPANY SECRETARY

KUMAR AUTOCAST LIMITED

C - 179, Phase-VI, Focal Point, LUDHIANA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(RS in Lacs)

	NOTE	Year Ended 31.03.2019	Year Ended 31.03.2018
I INCOME			
REVENUE FROM OPERATIONS	19	4373.57	3759.71
OTHER INCOME	20	7.34	5.84
TOTAL REVENUE (I + II)		4380.90	3765.54
II EXPENSES			
Cost of Materials Consumed	21	2734.19	2173.04
Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade	22	-1.48	35.53
Excise Duty on sale of goods		0.00	79.53
Employee Benefits Expenses	23	496.83	420.58
Finance Costs	24	52.94	37.59
Depreciation and Amortization Expense	3	51.17	45.72
Other Expenses	25	832.72	827.05
TOTAL EXPENSES (IV)		4166.18	3619.03
III Profit/(loss) before exceptional items and tax from continuing operations (II-IV)		214.73	146.52
Exceptional Items		0.00	0.00
IV Profit/ (loss) before tax from continuing operations (V-VI)		214.73	146.52
V TAX EXPENSE :			
Current Tax		52.53	35.72
Earlier Year		1.17	0.00
		53.70	35.72
Deferred Tax		4.30	5.17
VI Profit/ (Loss) for the Year from continuing operations (VII-VIII)		156.73	104.63
VII Other Comprehensive Income			
(A) Items that will be reclassified to profit or loss			
Other (specify nature)			
Income tax effect			
(B) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-0.18	-2.13
Income tax effect		0.05	0.66
Other Comprehensive Income for the year net of Tax		-0.13	-1.47
Total Comprehensive Income for the Year (IX+X)		156.85	106.11
VIII Income for the Year			
IX Earnings per equity share of ₹10 each			
(1) Basic		3.02	2.02
(2) Diluted		3.02	2.02
Significant Accounting Policies	2		
Notes forming part of Accounts	28		

As per our report of even date attached

FOR ASHWANI & ASSOCIATES

Chartered Accountants

(Firm Registration No. 000497N)

Aditya Kumar
Partner
MEM NO. 506955

PLACE: LUDHIANA

DATE : 29.05.2019

ARUN KUMAR SOOD
DIRECTOR
DIN NO. 00685937

LALIT KUMAR JHA
CHIEF FINANCIAL OFFICER

ASHISH SOOD
DIRECTOR
DIN NO. 00672179

PRANAV KHANNA
COMPANY SECRETARY

KUMAR AUTOCAST LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lacs)

EQUITY		(Rs in Lacs)	
(A) Equity Share Capital			
Particular		No.	Amount
Balance As At 01.04.2017		2.47	24.70
Equity share capital issued during the year		49.40	494.00
Balance As At 31.03.2018		51.87	518.70
Equity share capital/sponsor shares issued during the year		0.00	0.00
Balance As At 31.03.2019		51.87	518.70

(B) Other Equity

	Reserves and surplus			Total
	Capital reserves	General reserve	Retained Earning	
As At 01.04.2017	14.80	113.53	889.53	817.77
Profit/(Loss) for the Year	-	-	104.53	104.53
Other comprehensive for the year net of income tax	-	-	1.47	1.47
Deletion during the year	-	-	494.00	494.00
As At 31.03.2018	14.80	113.53	301.74	429.86
Profit/(Loss) for the period	-	-	156.73	156.73
Other comprehensive for the year net of income tax	-	-	0.13	0.13
As At 31.03.2019	14.80	113.53	458.60	586.71

Significant Accounting Policies 2
Notes forming part of Accounts 26

The accompanying notes are integral part of the financial statements.

FOR ASHWANI & ASSOCIATES

Chartered Accountants
(Firm Registration No. 000407N)

ADITYA KUMAR
Partner
MEM NO. 526905

PLACE: Ludhiana
DATE : 29.05.2019

For and on behalf of Board of Directors

ASHISH SOOD
DIRECTOR
DIN - 00685937

ASHISH SOOD
DIRECTOR
DIN- 00672178

LALIT KUMAR JHA
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY



KUMAR AUTOCAST LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(All amounts in Rupees, unless otherwise stated)

(Rs in Lacs)

	Year Ended 31.03.2019	Year Ended 31.03.2018
(A) Cash flows from operating activities		
Profit for the year	214.73	146.50
Adjustments for:		
Depreciation	51.17	45.73
(Profit)/Loss on sale of Fixed Asset	(1.80)	(2.34)
Interest and finance charges	52.94	37.59
Loss on PPE sold / discarded		
Non cash interest and finance charges		
Sundry creditors written off		
Unrealised foreign exchange loss / (gain) net		
Profit on sale of fixed assets		
Income Tax adjustment	-	-
Interest income	(4.25)	(3.47)
Other income - reduction in financial assets		
Fair value of financial liability at amortised cost		
Remeasurement of actuarial gain/loss	(5.18)	2.13
Prepaid expenses		
Other income		
Non cash Lease Rental Expenses		
Operating profit before working capital changes	312.62	226.14
Adjustments for:		
(Increase) / decrease in inventories	37.52	20.35
(Increase) / decrease in trade receivables	(430.63)	-131.03
(Increase) / decrease in other financial assets (excluding advance tax)	-	-18.29
(Increase) / decrease in other current assets	9.78	48.85
Increase / (decrease) in trade payables	(16.45)	66.09
Increase / (decrease) in other current liabilities	20.30	-2.77
Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	(44.36)	14.01
Change in non current assets		
Cash generated from operations	(114.23)	224.16
Income tax refund / (paid)	(49.58)	(34.83)
Net Cash flow generated from operating activities	(163.81)	189.33
(B) Cash flow from investing activities		
Additions to PPE and intangible assets (including movement in CWIP)	(136.47)	(100.65)
Proceeds from sale/disposal of property, plant and equipment	3.12	4.04
Interest received	4.25	3.47
Net cash flows (used in) investing activities	(129.10)	(93.14)
(C) Cash flow from financing activities		
(Repayment)/Proceeds from long term borrowings	41.60	-28.62
Interest and finance charges paid	(52.94)	(37.59)
Net cash flows (used in) generated from financing activities	(11.34)	(66.21)
Net change in cash and cash equivalents (A+B+C)	(209.65)	29.79
Cash and cash equivalents- opening balance	(126.03)	-155.81
Cash and cash equivalents- closing balance	(415.68)	(126.03)
Notes to cash flow statement:		
Cash and cash equivalents include:		
Cash on hand	1.83	2.48
Cash credit	(589.80)	(515.42)
Balances with banks:	172.30	388.91
Cash and cash equivalents at the end of the year	(415.68)	(126.03)

As per our report of even date attached

FOR ASHWANI & ASSOCIATES

Chartered Accountants

(Firm Registration No. 000497N)

ADITYA KUMAR

Partner

MEM NO. 506955

For and on behalf of Board of Directors

ARUN KUMAR SODD

DIRECTOR

DIN - 00185937

LALIT KUMAR JHA

CHIEF FINANCIAL OFFICER

ASHISH SODD

DIRECTOR

DIN- 00672170

PRANAV KHANNA

COMPANY SECRETARY

PLACE:- Ludhiana

DATE : 29.05.2019

KUMAR AUTOCAST LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. CORPORATE INFORMATION

Kumar Autocast Limited ('the Company') is a public limited Company domiciled in India and incorporated on January 9, 1985 under the provisions of the Companies Act, 1956 having its registered office C-179, Focal Point, Phase VI, Ludhiana Pb 141003. The Company is listed on Metropolitan Stock Exchange (MSE). The Company is engaged in the manufacturing of General Casting of Steel for Auto Parts. The Company's manufacturing facilities are located at Focal Point, Ludhiana, Punjab. The Financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 29TH May 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. Financial statements for the year ended 31 March 2019 have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standard) Rules, 2015. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Defined benefit plans-plan assets measured at fair value

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lacs (INR 00,000), except when otherwise indicated.

2.2 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle



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

All other liabilities are classified as non-current.

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

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

2.3 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013.

2.4 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding



capitalised development cost, are not capitalised and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss in the expense category consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are disposed of.

Intangible assets with finite useful life are amortised on a straight line basis over their estimated useful life.

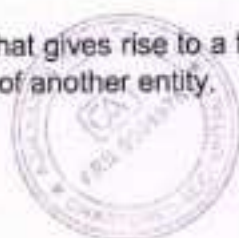
2.5 IMPAIRMENT OF NON- FINANCIAL ASSETS

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortised cost

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortised cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) Business Model Test : The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in finance



income in profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

a) Business Model Test: The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortised cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e, removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or



- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

(a) the Company has transferred the rights to receive cash flows from the financial assets or

(b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost;

- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

- All lease receivables resulting from the transactions within the scope of IND AS 17

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.



(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money, liabilities towards services, sales incentives and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt



instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortization.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets:

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

2.8 INVENTORIES

a) Basis of valuation:

i) Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

ii) Inventory of scrap materials have been valued at net realizable value.

b) Method of Valuation:

i) **Cost of raw materials** has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.



ii) **Cost of finished goods and work-in-progress** includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

iii) **Cost of traded goods** has been determined by using First In First Out (FIFO) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

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

2.9 TAXES

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

a) Current Tax

i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

ii) Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity

b) Deferred Tax

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

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

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

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income



or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

Deferred Tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.10 REVENUE RECOGNITION

A Sale of Goods

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

b) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



2.11 EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

a) Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Company. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. the Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

1. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

2. Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

b) Provident fund

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

c) Compensated Absences

Accumulated leaves which is expected to be utilised within next 12 months is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharge by the year end.



2.12 GOVERNMENT GRANTS

Government Grants, if any are recognised at their fair value when there is reasonable assurance that the grant will be received, and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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

2.13 SEGMENT ACCOUNTING:

The company has only single segment of business. Hence segment accounting is not required.

2.14 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.15 BORROWING COSTS

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

2.16 EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.17 CASH AND CASH EQUIVALENTS



Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.18 PROVISIONS AND CONTINGENT LIABILITIES

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

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

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

2.19 FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

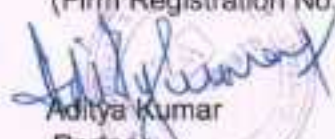
Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

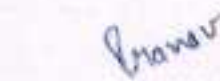
FOR ASHWANI & ASSOCIATES
Chartered Accountants
(Firm Registration No.:000497N)


Aditya Kumar
Partner


ARUN KUMAR SOOD
DIRECTOR
DIN NO. 00685937


ASHISH SOOD
DIRECTOR
DIN NO. 00672179


LALIT KUMAR JHA
CHIEF FINANCIAL OFFICER


PRANAV KHANNA
COMPANY SECRETARY

PLACE: NEW DELHI
DATE : 29.05.2019



KUMAR AUTOCAST LIMITED
G - 176, Phase-VI, Focal Point, LICHHANA

NOTE - 3 Property, Plant and Equipment										(Rs in lakhs)	
DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As At 01.04.2018	Additions During the Period	Adjustment during the year	Sum of Discarded During the Period	As At 31.03.2019	As At 01.04.2018	For the Period	Adjustment during the Period	Within Back during the Period	As At 31.03.2019	As At 31.03.2018
Tangible Assets											
LAND	4.26	-	-	-	4.26	-	-	-	-	4.26	4.26
BUILDING	2.61	-	-	-	2.61	-	-	-	-	2.61	2.61
PLANT & MACHINERY	302.10	125.63	-	3.01	306.93	0.82	0.20	-	1.03	306.93	304.31
FURNITURE & FIX	1.20	0.00	-	-	1.20	0.41	0.22	-	0.79	0.69	0.69
FIRE EXTINGUISHER	0.00	0.00	-	-	0.00	0.00	0.00	-	-	0.00	0.00
COMPUTER	0.37	-	-	-	0.37	0.05	0.05	-	-	0.29	0.32
VEHICLES (ONE)	0.00	-	-	0.00	0.00	0.00	0.00	-	-	0.00	0.00
CARS	103.28	-	-	-	103.28	23.27	13.34	-	0.00	90.48	80.01
CYCLES	0.00	-	-	-	0.00	0.01	0.01	-	-	0.01	0.00
SCOOTER & MOTOR CYCLE	1.10	-	-	0.04	0.00	0.00	0.00	-	0.00	0.00	0.00
TRUCK	0.10	-	-	-	0.10	0.00	0.00	-	0.00	0.10	0.10
TRUCK WITH TROLLEY	0.00	-	-	-	0.00	0.00	0.00	-	-	0.00	0.00
Sub-total (A)	399.69	130.47	-	3.11	427.42	24.00	31.17	-	2.08	404.23	418.04
Intangible Assets											
Sub-total (B)	-	-	-	-	-	-	-	-	-	-	-
Total (A+B)	399.69	130.47	-	3.11	427.42	24.00	31.17	-	2.08	404.23	418.04
Total (Previous Year)	401.31	100.85	-	2.01	500.16	31.39	45.72	-	0.31	416.15	382.82
Note:-											
1. Surrogate cost capitalised during the year (Rs Nil, i.e. "Nil")											



KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTES TO ACCOUNTS

(Rs in Lacs)

	AS AT 31.03.2019	AS AT 31.03.2018
NOTE - 4 OTHER FINANCIAL ASSETS		
Security Deposits	71.74	71.74
	71.74	71.74
NOTE - 5 INVENTORIES		
Raw Material	19.95	55.32
Finished Goods	30.34	22.00
Stores & Spares	3.22	3.56
Others Material	8.99	18.54
	62.50	100.02
NOTE - 6 TRADE RECEIVABLE		
Unsecured		
Trade receivable from Related parties - Considered Good	951.08	801.55
Trade receivable - Considered Good	553.17	272.05
Trade receivable - Considered doubtful	0.00	0.00
	1504.23	1073.60
Less: Provision for doubtful debts	0.00	0.00
	1504.23	1073.60
NOTE - 7 CASH & BANK BALANCE		
Cash and Cash Equivalents		
Cash on Hand	1.83	2.48
Balances with Scheduled Banks		
In Current Account	171.14	386.80
Cheques deposited but not cleared	0.00	0.00
Margin Money Deposit against bank guarantee	1.16	0.11
Total	174.14	389.39
NOTE - 8 CURRENT TAX ASSETS (NET)		
Advance Payment of Tax	0.00	2.73
	0.00	2.73
NOTE - 9 OTHER CURRENT ASSETS		
Other Advances		
Advances for Material & Services	3.60	9.74
Others		
Prepaid expenses	2.57	3.31
Balances with Statutory/Government Authorities		
Service Tax, GST and VAT	0.21	0.10
	6.37	13.15
	6.37	13.15



KUMAR AUTOCAST LIMITED

NOTES TO ACCOUNTS

(Rising Laos)

	AS AT 31.03.2019	AS AT 31.03.2018
NOTE - 10 SHARE CAPITAL		
Authorised		
55,00,000 (Previous Year - 2018: 55,00,000)		
Equity Shares of ₹ 10/- each	550	550
	550.00	550.00
Issued, Subscribed & Paid Up		
51,87,000* (Previous Year - 2018: 51,87,000)		
Equity Shares of ₹ 10/- each Fully Paid up	518.7	518.7
*Includes 49,40,000 Bonus Shares	518.70	518.70
	% Holding	% Holding
	In the class	In the class
Note - 10.1 Details of Shareholders holding more than 5% shares in the Company	No. of shares	No. of shares
(Equity Shares of ₹ 10 each fully paid)		
1. Sh. Anil Kumar Sood	17,8255	17,8255
2. Sh. Ajay Kumar Sood	6,762	6,762
3. Sh. Ashish Kumar Sood	8,2005	8,2005
4. Smt. Shama Sood	2,8455	2,8455
	33.99%	33.99%
	13.04%	13.04%
	15.81%	15.81%
	5.49%	5.49%
Note - 10.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	No. of shares	Amount
Equity shares at the beginning of the year	51.87	518.70
Add: Equity share issued/cancelled during the year	0.00	0.00
Less: Equity share issued/cancelled during the year	0.00	0.00
	51.87	518.70
Note - 10.3 Terms/Rights attached to Equity Shares		
The Company has only Equity Share Capital as such no Preference Shares are subscribed and Paid up. There is no partly paid up Equity Share Issued Capital has equal right of all shareholders including distribution of dividend and repayment of capital. No part of the share of the company has held by any holding company or its ultimate holding company including subsidiaries or associates thereof.		
Note - 10.4 Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet		
	No. of Shares	
	As at 31.03.2019	As at 31.03.2018
1. Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	0.00	0.00
2. Equity shares allotted as fully paid up bonus shares by capitalisation of securities premium account, surplus reserve and general reserve	0.00	49.4
3. Equity shares issued under the Employee Stock Option Plan/ Employee Stock Purchase Plan as part consideration for services rendered by employees	0.00	0.00
Total	0.00	49.40
NOTE - 11 OTHER EQUITY		
(i) Reserve & Surplus		
(c) Capital Reserve	14.6	14.6
(d) General Reserve		
As Per Last Balance Sheet	113.53	113.53
(e) Retained Earning		
As Per Last Balance Sheet	301.74	680.63
(Add)/ Less: Loss for the current year	156.73	104.63
Less: Bonus Share Allotted during the year	-	494
Less: Tax on Proposed Preference dividend	-	
	458.45	300.26
Other Comprehensive Income		
(a) Remeasurement of Defined benefit plan		
Opening Balance	0.00	0.00
Re-measurement (gains)/ losses on defined benefit plans	0.13	1.47
Income tax effect	-	-
Closing Balance	0.13	1.47
	588.71	429.29

KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTES TO ACCOUNTS		(Rs in Lacs)			
		AS AT 31.03.2019		AS AT 31.03.2018	
NOTE - 12 LONG TERM BORROWINGS SECURED LOANS	Term Loans From Banks				
	Rupes Loans				
	a) Vehicle Loan				
	- From ICICI Bank Limited	1.80		1.80	
	(Statement of Rs. 10,000/- Sanction of loan agreement is 10.05.2017, secured against car purchased)				
	b) Vehicle Loan				
	- From Toyota Financial Services Ltd	8.88		3.58	
	(Statement of Rs. 10,100/- Sanction of loan agreement is 04.08.2016, secured against car purchased)				
	c) Vehicle Loan				
	- From Kotak Mahindra Finance Ltd	4.31		13.24	
	(Statement of Rs. 14,000/- Sanction of loan agreement is 04.02.2015, secured against car purchased)				
NOTE - 13 LONG TERM PROVISIONS	d) Plant & Machinery				
	- From SBI	86.19		32.35	
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 30/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
	(Loan on 03/08/2016 - Principal amount of Rs. 1,00,00, Sanctioned by 19/08/2016)				
NOTE - 14 DEFERRED TAX LIABILITIES (NET)	Income Tax expense in statement of profit and loss comprises:				
	Current Income Tax Charge	52.53		26.72	
	Adjustment of Tax relating to earlier years	1.17		5.60	
	Deferred Tax	4.35		6.17	
	Relating to Origination and reversal of Temporary differences				
	Income Tax expense reported in the statement of Profit or Loss	58.05		61.80	
	Other Comprehensive Income				
	Re-measurement (gains)/losses on defined benefit plans	8.28		0.80	
	Income Tax related items recognised in OCI during the year	8.05		0.80	
	Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate				
NOTE - 15 SHORT TERM BORROWINGS SECURED LOANS (WORKING CAPITAL)	Accounting Profit Before Tax	214.73		140.52	
	Applicable Tax rate	3.26		0.28	
		69.74		40.37	
	Difference in Tax rate	-1.79		1.33	
		68.00		41.70	
	Deferred Tax Liability Comprises of:				
	Accelerated Depreciation for Tax purposes	41.63	37.91	3.71	6.49
	Expenses allowed on Payment basis	(4.26)	-0.88	9.73	6.43
	Others	9.87	8.18	-8.88	-8.11
		37.33	32.99	4.35	6.62
NOTE - 16 SHORT TERM BORROWINGS SECURED LOANS (WORKING CAPITAL)	Reconciliation of Deferred Tax Liability (Net)				
	Opening Balance	32.99		28.19	
	Deferred Tax Charge Created during the year	4.35		6.52	
	Deferred Tax credit during the year			2.00	
	Closing Balance	37.33	37.33	32.68	32.68
			37.33		32.68
NOTE - 17 SHORT TERM BORROWINGS SECURED LOANS (WORKING CAPITAL)	From Banks				
	- Cash Credit - ICICI Bank Ltd	686.60		618.42	
		686.60		618.42	

Note:

Security:

1) The Cash Credit limit availed from ICICI Bank Ltd is fully secured by hypothecation of the company's entire stock of Raw Materials, semi-finished and finished.
 2) The working capital is further secured by first mortgage, in a form and manner satisfactory to bank, on the industrial property owned by company at C-179, Pootampur, Phase VI, Ludhiana.

Guarantee:

1) Cash Credit limit is secured by personal guarantee of Mr. Ajay Kumar (Director), Mr. Anil Kumar (Director) & Mr. Anand Singh (Director)

KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lacs)

NOTES TO ACCOUNTS

	AS AT 31.03.2019	AS AT 31.03.2018
NOTE - 16 TRADE PAYABLE		
Outstanding dues to Micro & Small Enterprises	0.00	0.00
Outstanding dues to other than Micro & Small Enterprises	245.29	261.74
	245.29	261.74

Additional Information:

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2019 are as under:

(i)	The principal amount remaining unpaid to supplier as at the end of the year	0.00	0.00
(ii)	The interest due thereon remaining unpaid to supplier as at the end of the year	0.00	0.00
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	0.00	0.00
(iv)	The amount of interest accrued during the year and remaining unpaid at the end of the year	0.00	0.00
		0.00	0.00

Note:

- 1) Trade payable include due to related parties NIL (March 31, 2018 Rs 0.22)
- 2) Trade payables are unsecured and are usually paid within 30 to 90 days.
- 3) Trade payables are non-interest bearing.

NOTE - 17 OTHER FINANCIAL LIABILITIES

Current Maturities of Long Term Debt	53.37	51.45
-From ICICI Bank Limited	1.07	2.44
-From Toyota Financial Services Ltd	2.58	5.95
-From Kotak Mahindra Prime Ltd	8.63	7.95
-From SIDBI	40.79	35.11
HDFC Bank Card No.5522-7481-9101-6355	0.02	0.00
Other Payable	76.47	121.71
Sundry Payables		
Audit Fee Payable	0.41	0.41
Statutory Audit Fee Payable	0.22	0.22
Electricity Exp. Payable	32.23	44.90
Expenses Payable	3.72	1.76
Interest accrued but not due	0.00	0.02
Freight Payable	0.00	0.00
Insurance Fund Payable	0.06	0.07
J.S. Bhai & Co.	0.00	0.25
Khanna Ashwani & Associates	0.00	0.00
Prast Consultancy	0.00	18.89
American Express Corporate Card (Due on account of Electricity Bill Paid)	39.58	54.57
Security Deposit Receipt	0.15	0.15
Pawan Tea Stall	0.00	0.29
Telephone Exp. Payable	0.10	0.18
	129.56	173.16

NOTE- 17A CURRENT TAX LIABILITIES

Tax liability net of Advance payment of Tax	0.67	0.00
	0.67	0.00

NOTE - 18 OTHER CURRENT LIABILITIES

ADVANCES FROM CUSTOMERS	0.03	0.00
Statutory Dues Payable	22.89	14.73
Employee Benefits Payable	66.77	54.46
	89.69	69.19



KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTES TO ACCOUNTS		(Rs in Lacs)	
		Year Ended 31.03.2019	Year Ended 31.03.2018
NOTE - 19 REVENUE FROM OPERATIONS			
Sales (Prev year includes excise duty upto 30.06.2017)		4373.57	3759.71
Gross Revenue from Operations		4373.57	3759.71
NOTE - 20 OTHER INCOME			
Profit on Sale/ Discarded of Fixed Assets (Net)		1.80	2.34
Interest Income on security deposit (PSEB)		4.35	3.47
Misc Income		0.14	0.03
Cash Discount		1.15	0.00
		7.34	5.84
NOTE - 21 COST OF RAW MATERIAL CONSUMED			
Raw Material Consumed		2734.19	2173.04
		2734.19	2173.04
NOTE - 22 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE			
Opening Stock			
Finished Goods		22.60	47.20
Others Materials		18.40	39.33
		41.00	76.53
Closing Stock			
Finished Goods		30.34	22.90
Others Materials		12.21	18.48
		42.55	41.08
Net		-1.48	35.53



KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTES TO ACCOUNTS

(Rs. in Lacs)

	Year Ended 31.03.2019	Year Ended 31.03.2018
NOTE - 23 EMPLOYEES BENEFITS EXPENSES :		
Salary, Wages & Bonus	449.84	373.23
Gratuity Expenses	3.85	4.71
Contribution to PF & Other Funds	32.72	32.52
Staff Welfare Expenses	10.22	10.12
	496.63	420.58
NOTE - 24 FINANCE COSTS		
Interest Expenses	46.03	34.35
Other Borrowing Costs	6.91	3.24
	52.94	37.59
NOTE - 25 OTHER EXPENSES		
Auditors Remuneration	0.58	0.58
Commission	43.31	49.76
Director's Remuneration	106.88	70.88
Electricity Expense	541.17	547.07
Freight (Outward)	26.58	13.49
Insurance Exp.	3.17	3.03
Legal & Professional Charges	6.95	8.06
Listing Fee Expenses	0.23	0.00
Machinery Repair	25.38	32.64
Rebate & Discount	11.79	19.14
Rent Rates & Taxes	0.00	0.00
Repair & Maint.	18.36	21.89
Roc Charges	0.00	3.88
Testing Charges	24.93	23.22
Travelling & Conveyance (Others)	0.63	1.41
Vehicle Expenses	11.23	9.55
Misc. Expenses	9.55	13.87
TOTAL	832.72	827.05



KUMAR AUTOCAST LIMITED, LUDHIANA.**NOTES TO FINANCIAL STATEMENTS****Note No. 26****26.1 COMMITMENTS AND CONTINGENCIES:****A) Contingent liabilities (to the extent not provided for)****(Amount Rs in Lacs)**

Particulars	As at 31.03.2019	As at 31.03.2018
Liability towards Bank against Bank Guarantee availed*	11.00	1.00
Others **	2.38	-
Total	13.38	1.00

*Bank Guarantee given by the company to Environmental Engineers Punjab Pollution Control Board, Ludhiana having amount of Rs.1.00 Lacs (Previous year Rs.1.00Lacs) and to Controller of Stores, Internal Coach factory, Chennai having amount of Rs. 10.00 Lacs

**Penalty under the provisions of the SEBI (LODR) regulations, 2015. Total pending fine on 31st March 2019 is Rs. 238206.

B) Commitments: NIL**C) Undrawn Committed borrowing facility:**

The Company has availed working capital limits amounting to Rs 800 lacs (March 31, 2018 Rs 600 Lacs) from ICICI Bank An amount of Rs 210 lacs (March 31,2018 Rs 84.58 Lacs) remain undrawn as at March 31, 2019.

D) Other Litigation: NIL**E) Leases: NIL****F) Contingent Asset: NIL**

26.2 Disclosures pursuant to Ind AS-19 "Employee Benefits"(specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below:

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(Rs in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31,2018
Employer's Contribution towards Provident Fund (PF)	5.87	7.63
Leave encashment	13.42	11.45
Employer's Contribution towards Employee State Insurance (ESI)	16.25	13.08



Defined Benefit Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the Company itself. Under the gratuity plan, every employee who has completed at least five years of service usually gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Year ended March 31, 2019	Year ended March 31, 2018
Present value obligation as at beginning of the year	16.43	17.88
Interest cost	1.09	1.20
Current Service Cost	2.76	3.51
Benefits paid	(4.43)	(4.02)
Remeasurement of (Gain)/Loss		
- Experience Adjustment	(0.18)	(2.04)
- Difference in Present Value of Obligation	0.01	(0.09)
Present value of obligation as at close of the year	15.68	16.43

b) Reconciliation of opening and closing balances of fair value of plan assets

	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Employer contribution	-	-
Remeasurement of (Gain)/loss in other comprehensive income	-	-
Return on plan assets excluding interest income	-	-
Benefits paid	-	-
Fair value of plan assets at year end	-	-

c) Net defined benefit asset/ (liability) recognised in the balance sheet

	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets	-	-
Present value of defined benefit obligation	15.68	16.43
Amount recognised in Balance Sheet- Asset / (Liability)	15.68	16.43



d) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

	Year ended March 31, 2019	Year ended March 31, 2018
Current Service Cost	2.76	3.51
Net Interest Cost	1.09	1.20
Net defined benefit expense debited to statement of profit and loss	3.85	4.71

e) Remeasurement (gain)/ loss recognised in other comprehensive income

	Year ended March 31, 2019	Year ended March 31, 2018
Remeasurement of (Gain)/Loss		
- Experience Adjustment	(0.18)	(2.04)
- Difference in Present Value of Obligation	0.01	(0.09)
Recognised in other comprehensive income	(0.17)	(2.13)

f) Principal assumptions used in determining defined benefit obligation

	Year ended March 31, 2019	Year ended March 31, 2018
Mortality Table	IAL 2012-14 Ultimate	IAL 2006-08 Ultimate
Imputed rate of Interest (D)	7.65% p.a.	7.70% p.a.
Imputed rate of Interest (IC)	7.70% p.a.	7.55% p.a.
Salary Escalation	7.00% p.a.	7.00% p.a.
Attrition Rate	50.00% p.a.	50.00% p.a.

g) Quantitative sensitivity analysis for significant assumptions is as below

	Year ended March 31, 2019	Year ended March 31, 2018
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
Discount Rate		
Increase by 1%	(0.20)	(0.59)
Decrease by 1%	0.21	0.65
Salary Increase		
Increase by 1%	0.21	0.65
Decrease by 1%	(0.21)	(0.60)
Attrition Rate		
Increase by 1%	(0.07)	(0.75)
Decrease by 1%	0.07	(0.60)
i) Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting)	10.10	5.95



period)		
Between 2 and 5 years	13.15	6.15
Between 5 and 10 years	4.46	5.03
Above 10 years	0.28	6.71

1. The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.
2. Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
3. The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

26.3 Segment Reporting

The Company has one Operating segment as identified by the Chief decision maker of the company in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). Therefore no additional disclosure is required to be given.

- 26.4 The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:-

a) Details of Related Parties:

Sr. No	Particulars	Name of Related Parties
1	Enterprises in which directors are interested	i) Kumar Exports
2	Key Management Personnel	1. Sh. Arun Kumar Sood (Director) 2. Sh. Ajay Kumar Sood (Director) 3. Sh. Ashish Kumar Sood (Director) 4. Sh. Pranav Khanna (Company Secretary) 5. Sh. Lalit Kumar Jha (Chief Financial Officer)



b) Transactions with the Related Parties:

(Rs. in Lacs)

Nature of Transactions during the year	Enterprises in which directors are interested		Key Management Personnel	
	2018-19	2017-18	2018-19	2017-18
Purchases/Labour Job from Kumar Exports	534.42	513.45	---	---
Sales to Kumar Exports	2815.28	2,519.99	---	---
Remuneration				
Ashish Kumar Sood	---	---	35.59	26.00
Ajay Kumar Sood	---	---	35.59	26.00
Arun Kumar Sood	---	---	35.59	26.00
Pranav Khanna			2.16	2.16
Lalit Kumar Jha			2.48	2.34
Medical Reimbursement				
Ashish Kumar Sood	---	---	2.25	0.31
Ajay Kumar Sood	---	---	2.08	0.30
Arun Kumar Sood	---	---	1.05	1.27
Amount Receivable				
Kumar Exports	951.06	801.55	---	---
Amount Payable				
Kumar Exports	---	0.22	---	---
Ashish Kumar Sood	---	---	6.06	1.88
Ajay Kumar Sood	---	---	6.07	1.88
Arun Kumar Sood	---	---	6.07	1.88
Pranav Khanna			0.18	0.18
Lalit Kumar Jha			0.22	0.20

26.5 Corporate Social Responsibility

The provisions of section 135 of Companies Act, 2013 are not applicable on company. Therefore, no disclosure is required to be made under this clause.

26.6 Fair Value Measurements

Set out below, is the comparison by class of the carrying amounts and fair value of the Company's Financial Instruments, other than those with carrying amounts that are reasonable approximations of fair values:



Financial Instruments by category	Carrying Value		Fair Value	
	As at March 31,2019	As at March 31,2018	As at March 31,2019	As at March 31,2018
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	71.74	71.74	71.74	71.74
Trade Receivables	1504.23	1,073.60	1504.23	1,073.60
Cash & Cash Equivalents	174.13	389.38	174.13	389.38
Financial Liabilities at amortised cost				
Borrowings	680.60	564.61	680.60	564.61
Trade Payables	245.29	261.74	245.29	261.74
Other Financial Liabilities (current)	129.56	173.16	129.56	173.16

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2018, are as shown below.



Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Quantitative disclosures of fair value measurement hierarchy as on March 31st 2019

	Carrying Value	Fair Value		
	March 31 2019	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	71.74	-	-	71.74
Trade Receivables	1504.23	-	-	1504.23
Cash & Cash Equivalents	174.13	-	-	174.13
Financial Liabilities at amortised cost				
Borrowings	680.60	-	-	680.60
Trade Payables	245.29	-	-	245.29
Other Financial Liabilities (current)	129.56	-	-	129.56

Quantitative disclosures of fair value measurement hierarchy as on March 31, 2018

	Carrying Value	Fair Value		
	March 31, 2018	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	71.74	-	-	71.74
Trade Receivables	1,073.60	-	-	1,073.60
Cash & Cash Equivalents	389.39	-	-	389.39
Financial Liabilities at amortised cost				
Borrowings	564.61	-	-	564.61
Trade Payables	261.74	-	-	261.74
Other Financial Liabilities (Current)	173.16	-	-	173.16



26.7 Earnings per share

(Amount Rs in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Basic Earnings per share		
Numerator for earnings per share		
- Profit after taxation	156.73	104.63
Denominator for earnings per share		
- Weighted number of equity shares outstanding (Nos. in lacs) during the year	51.87	51.87
Earnings per share-Basic (one equity share of Rs 10/- each) (Amount in Rs)	3.02	2.02
Diluted Earnings per share		
Numerator for earnings per share		
- Profit after taxation	156.73	104.63
Denominator for earnings per share		
- Weighted number of equity shares outstanding (Nos. in lacs) during the year	51.87	51.87
Earnings per share-Diluted (one equity share of Rs 10/- each) (Amount in Rs)	3.02	2.02

26.8 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 15% to 35%.

Particulars	March 31, 2019	March 31, 2018
Loans and borrowings (Net of Cash and Cash Equivalents)	559.54	226.67
Net Debt	559.54	226.67
Equity	1105.47	948.56
Total Capital	1105.47	948.56
Capital and Net Debt	1665.01	1,175.23
Gearing ratio (Net Debt/Capital and Net Debt)	33.61%	19.28%



26.9 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31 2019. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2019.

(b) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligation at floating interest rates. The Company's Term loan outstanding as at March 31, 2019 comprise of fixed rate loans and accordingly, are not expose to risk of fluctuation in market interest rate.



(c) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade Receivables

Customer credit risk is managed by the company based on its established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally reviewed regularly by the management of the company.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the policy.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 is the carrying amounts. The Company's maximum exposure relating to financial instruments is noted in liquidity table below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Particulars	As at March 31 2019	As at March 31 2018
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Cash & Cash Equivalents	174.13	389.39
Other Non-Current financial assets	71.74	71.74
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivable	1504.23	1,073.60



Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks. The ageing analysis of trade receivables has been considered from the date the invoice falls due

Particulars	As at March 31 2019	As at March 31 2018
0 to 180 Days due past due date	1.64	2.12
More than 180 days past due date	1502.59	1,071.48
Total	1504.23	1,073.60

(d) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31,2019	Less than 1 Year	More than 1 Year	Total
Borrowings	589.80	90.80	680.60
Other Current Financial Liabilities	129.56	-	129.56
Trade Payables	245.29	-	245.29
As at March 31,2018	Less than 1 Year	More than 1 Year	Total
Borrowings	515.42	49.19	564.61
Other Current Financial Liabilities	173.16	-	173.16
Trade Payables	261.74	-	261.74

A. Exemptions and exceptions availed

A. 1 Deemed cost

The Company has elected to consider fair value of its property, plant and equipment as its deemed cost on the date of transition to Ind AS.



A. 2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

A.2.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

26.10 The balances of Trade Receivables, Loans & Advances, Deposits and Trade Payables are subject to confirmation/ reconciliation and subsequent adjustments if any.

26.11 In opinion of the Board, all the current assets, loans & advances have the value on realization in the ordinary course of business at least equal to amount at which they are stated.

26.12 Previous year amounts have been reclassified wherever necessary to confirm with current year presentation.

Amendments to Ind AS 109, Financial Instruments:

The amendments notified to Ind AS 109 pertain to classification of financial instruments with prepayment feature with negative compensation. Negative compensation arises where the terms of the contract of the financial instrument permit the holder to make repayment or permit the lender or issuer to put the instrument to the borrower for repayment before the maturity at an amount less than the unpaid amounts of principal and interest. Earlier, there was no guidance on classification of such instruments.

According to the amendments, these types of instruments can be classified as measured at amortised cost, or measured at fair value through profit or loss, or measured at fair value through other comprehensive income by the lender or issuer if the respective conditions specified under Ind AS 109 are satisfied.

Amendments to Ind AS 12, Income Taxes:

The first amendment requires an entity to create a corresponding liability for Dividend Distribution Tax (DDT) when it recognizes a liability to pay a dividend. The liability for DDT shall be recorded in statement of profit & loss, other comprehensive income or equity, as the case may be.



The second amendment relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item an entity should predict the resolution of the uncertainty. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice-versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related items by using either the most likely outcome or the expected outcome of the uncertainty.

Amendment to Ind AS 19, Employee Benefits:

The amendments to Ind AS 19, Employee Benefits relate to effects of plan amendment, curtailment and settlement. When an entity determines the past service cost at the time of plan amendment or curtailment, it shall re measure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

- 26.13** Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The application of Ind AS 115 did not have any significant impact on the Statement of Profit and Loss for the Company.

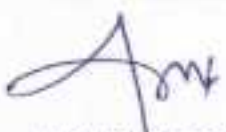
Further the company enjoys revenue from sale of single product and segment of cost resulting. There is no desegregation of revenue and hence no disclosures are being made separately

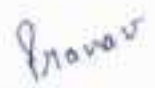
- 26.14** Previous year amounts have been reclassified wherever necessary to confirm with current year presentation.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS


ARUN KUMAR SOOD
DIRECTOR
DIN- 00685937


ASHISH SOOD
DIRECTOR
DIN- 00672179


LALIT KUMAR
CHIEF FINANCIAL OFFICER


PRANAV KHANNA
COMPANY SECRETARY

PLACE: LUDHIANA
DATED: 29th May 2019



KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Email Id: asood@kumarautoacast.com Telephone No: 0161-2671428

CIN: - L27101PB1985PLC006100

www.kumarautoacast.com

Folio No./DP ID/ Client ID No.	
No. of Shares Held	

ATTENDANCE SLIP

I/We record my/our presence at the Annual General Meeting of the Company at Registered Office of the company at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab on Monday, 30th September 2019 at 03.00 p.m.

NAME OF THE SHAREHOLDER(S) (in Block Letters)	
SIGNATURE OF THE SHAREHOLDER(S)	
NAME OF THE PROXY(in Block Letters)	
SIGNATURE OF THE PROXY	

NOTE: You are requested to sign and handover this slip at the entrance of the meeting venue.

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Email Id: asood@kumarautoCast.com Telephone No: 0161-2671428

CIN: - L27101PB1985PLC006100

www.kumarautoCast.com

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]

CIN: L27101PB1985PLC006100

Name of the company: Kumar Autocast Limited

Registered office: C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

Name of the member (s):

Registered address:

E-mail 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: -----

2. Name:

Address:

E-mail Id:

Signature: -----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **34th** Annual general meeting of the company, to be held on the 30th day of September, 2019, at **03:00 P.M.** at **C-179, Focal Point, Phase VI, Ludhiana** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2019		
2.	To Re-appoint a Director in place of Sh. Ashish Kumar Sood (DIN: 00672179) , who retires by rotation and being eligible offers himself for re-appointment.		
3.	To Re-appoint a Director in place of Sh. Ajay Kumar Sood (DIN: 00685937) , who retires by rotation and being eligible offers himself for re-appointment.		
4.	To ratify the appointment of M/s Ashwani & Associates (Chartered Accountants) , Statutory Auditors for Financial Year 2019-20.		
5.	Blanket approval for related party transactions under the provisions of section 188 of Companies Act, 2013.		
6.	To Increase Remuneration of Mr. Ajay Kumar Sood , Whole Time Director from Rs. 3,00,000 per Month to Rs. 3,50,000 w.e.f 01 st of October 2019.		
7.	To Increase Remuneration of Mr. Ashish Kumar Sood , Whole Time Director from Rs. 3,00,000 per Month to Rs. 3,50,000 w.e.f 01 st of October 2019.		
8.	To Increase Remuneration of Mr. Arun Kumar Sood , Managing Director from Rs. 3,00,000 per Month to Rs. 3,50,000 w.e.f 01 st of October 2019.		

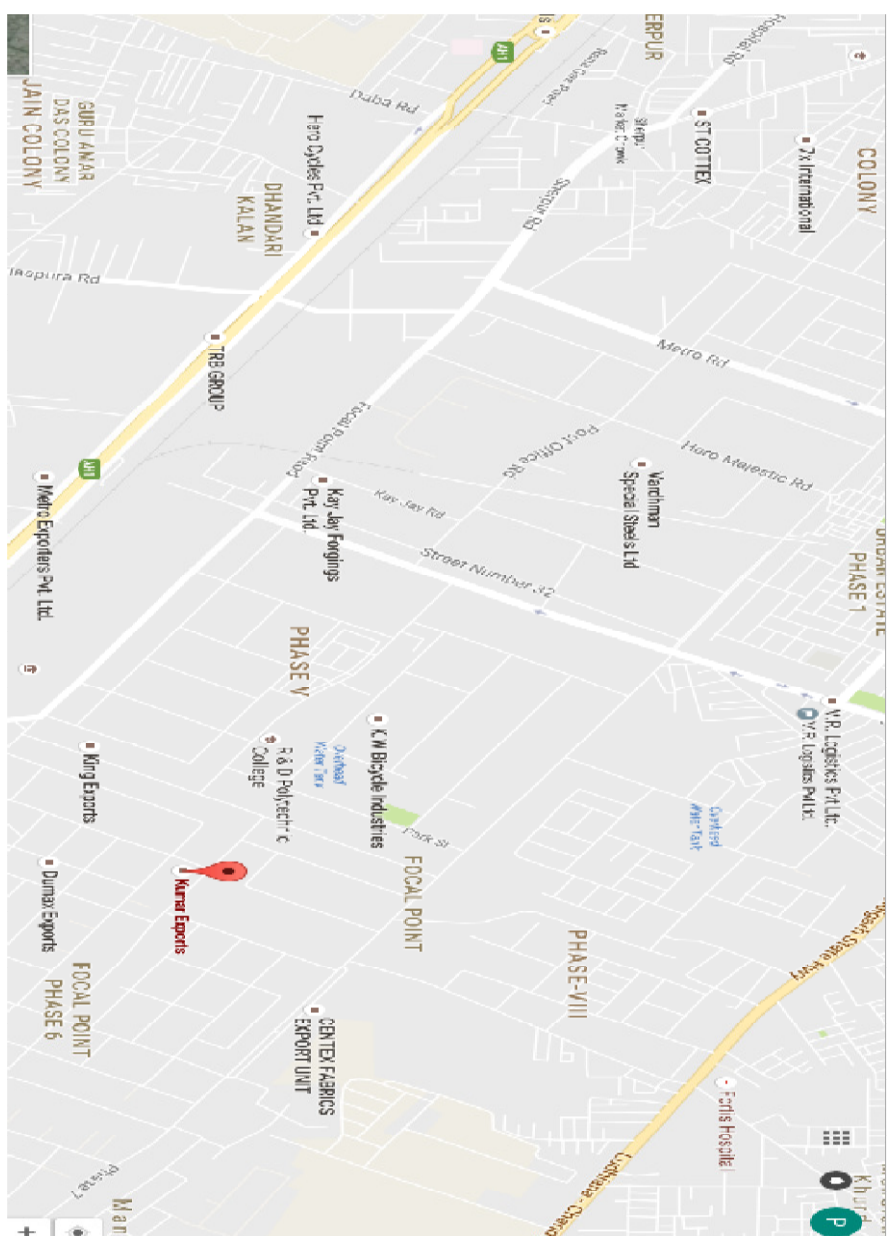
Signed this..... day of..... 2019.

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.

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.



If undelivered, please mail it to

Kumar Autocast Ltd

Registered Office: # 179, Phase VI,
Focal Point, Ludhiana